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These Western brands are winning China's local markets

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These global brands have built outstanding localization strategies in China by rethinking their marketing offers and tailoring content to their regional consumers. Image courtesy of Gucci

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China is a complex and diverse market, where brand-conscious consumers dominate luxury purchases. Yet, personal consumption expenditures are wildly different.

Still, most international brands employ a homogenous marketing strategy in China.

"The Chinese market is very interesting for many companies that want to go global," says [Marketing to China](#). "But while this huge market presents huge commercial opportunities, entry into China poses its own unique set of localization challenges."

Some global brands such as Louis Vuitton, Burberry and Gucci have built outstanding localization strategies by rethinking their marketing offers and tailoring their content to the experiences their regional consumers prefer.

But not all global brands have curated their content according to regional needs yet. Let us look at the Western brands that are already resonating with Chinese consumers.

Gucci

According to [Vogue Business](#), the search volume for Gucci increased ahead of the Lunar New Year, and the brand's New Year's [collaboration with Japanese manga character Doraemon](#) generated a serious buzz.

Opinions on the campaign were divided. Several netizens left rave reviews. However, the more skeptical ones lamented the move as a "lazy" marketing trick, [Jing Daily's](#) Wenzhuo Wu reports.

Despite the mixed reactions, Gucci succeeded at word-of-mouth marketing, confirming that nostalgic branding is still an effective marketing tactic.

During the year, Gucci maintained its relevance through a smart digital strategy and a targeted localization strategy. And its focus on [lower-tier cities](#) has allowed the Kering-owned brand to expand its product offering.

The [Business of Fashion](#) reports that Kering's strategy for China "is to tap on the network it's already created in top-

tier cities such as Shanghai and Beijing while opening new stores in so-called tier 2 cities."

Gucci also launched on the Little Red Book and the [short video app Douyin](#), where it engaged a younger and more diversified demographic.

Moreover, Gucci got quite a buzz with its ["apple of my eye" collection](#), released for the Qixi Festival. And while the Qixi capsule collection could have spelled disaster for the brand, the promotional video that showcased a friendship blossoming into teen love saved the day.

Burberry

The British fashion house uses the art of storytelling to engage Chinese consumers. Its short film ["A New Awakening"](#), which was released for the [Lunar New Year](#) on Weibo and featured award-winning actors Zhou Dongyu and Song Weilong, won rave reviews.

Burberry is also a leader in influencer marketing, having been one of the first luxury brands to select Chinese mega-celebrity Kris Wu as its global brand ambassador.

Since 2016, Burberry has continually expanded its network of celebrity ambassadors, including talents like Yvonne Ching.

And in 2020, the quintessentially British brand upgraded its physical retail store experience, as its [Shenzhen flagship](#) partnered with Tencent to become the perfect modern social retail store.

Burberry also improved its digital capabilities through its Mini Program ecosystem while also betting bigger on livestreams. Its Tmall livestreaming session, in partnership with Yvonne Ching, replicated its in-store shopping experience and garnered over [1.4 million impressions](#). Even more importantly, most of the featured products sold out within an hour.

Louis Vuitton

In China, Louis Vuitton maintains a strong market position, thanks to [KOL partnerships](#), smart product drops on WeChat Mini Programs, livestreaming sessions and [unique capsule collaborations](#).

Moreover, Louis Vuitton has a clear art-based strategy that helps the French brand connect with artsy consumers. The flagship stores are art galleries featuring the works of contemporary artists. And Louis Vuitton regularly organizes [prestigious exhibits](#) and partners with museums.

According to [TD Reply](#), Louis Vuitton generated the biggest buzz during the [Singles' Day shopping holiday](#), taking a 25 percent share of the total buzz volume.

TD Reply highlights that Louis Vuitton's collaboration with the Chinese actor Zhu Yilong is the secret behind its success.

"In China, influencers have an even greater weight in influencing the perception of a brand than in the West," said Lars-Alexander Mayer, a partner at TD Reply. "Across all industries, we see impressive examples of how working with Chinese influencers is helping Western brands to gain more attention in China."

[The 2019 China Luxury Forecast report](#), jointly released by Ruder Finn and Consumer Search Group, also positioned Louis Vuitton as a leader in terms of brand awareness and purchases for the clothing and handbags & leather goods categories.

Domestic brands also gaining traction with locals

While Moutai and Huawei will continue to dominate their respective segments, other regional players, like athletic brands Peak Sport Products Co and [ANTA](#), are challenging their foreign counterparts.

Both Peak Sport Products Co. and ANTA Sports Products Limited have signed partnerships with NBA basketball players and generated engagement through brilliant content creation strategies.

Moreover, new Chinese talents such as menswear designer [Xander Zhou](#) and Caroline Hu have gained traction and generated buzz with their collections.

According to the [Business of Fashion](#), Xander Zhou "has successfully established a cult fan base domestically and internationally and is at the forefront of a new wave of young Chinese designers that are crafting a new menswear aesthetic."

At the same time, *Vogue* states that [Caroline Hu's dresses belong at the Oscars](#)," and fashion aficionados have fallen

in love with her theatrical and avant-garde signature style.

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