

RETAIL

4 ways Western luxury brands can localize China retail

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Post-pandemic, retailers have replaced universal approaches with personalized experiences and customized products. These are the four best ways luxury brands can localize in China. Image courtesy of Nike

By [Adina-Laura Achim](#)

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The age of uniformity and standardization has passed. The customers of today have different perspectives and contrasting views, values and expectations.

Accordingly, retailers have replaced universal approaches with personalized experiences and customized products.

Analytics and innovative technologies are helping brands make more informed business decisions while pushing the limits of experimentation.

For instance, Louis Vuitton now uses augmented-reality technology to create unique experiences. Just recently, the French luxury brand invited shoppers to experience in 3D its [Objets Nomades collection](#) online.

Burberry also improved its customer experience by inaugurating an [AR shopping tool through Google Search technology](#).

Today, most luxury brands understand the importance of personalization and [customization](#) on the mainland.

In a large and geographically diverse market such as Greater China, brands must employ flexible localization strategies. Otherwise, they cannot respond efficiently to consumer wants and needs, which would surely elevate the risk of bankruptcy.

So how can global luxury brands localize their retail experiences in China?

Tailoring content

These days, customizing your marketing approach for Greater China implies far more than just translating your ads into Mandarin and Cantonese.

As mentioned above, China is a complex market, so marketers need to fit engaging content to different regions.

Moreover, marketers must consider China's demographic segments and their characteristics, lifestyle choices,

income ranges, educations or school enrollment statuses, professional statuses, and even family sizes when creating content.

Every target audience has different desires and aspirations, and brands without a clear marketing strategy will drain their corporate resources by chasing the wrong demographics.

Localizing design

In the age of "cultural colonialism" and cultural appropriation, localizing design is trickier than it seems, as brands must walk the fine line between "appropriation and appreciation." But just because it is difficult, that does not mean it is impossible.

A good starting point would first be to recognize local practices, traditions, and social and cultural norms. Yet, this step is more difficult when you have to overcome language barriers, and many global brands got lost in translation in China.

According to *Business Insider*, Nike released a limited-edition sneaker collection in China that had the character "Fa" written into the left shoe, which translates to "Getting rich," while the other shoe bore the character "Fu," meaning "Fortune arrives." But together, "Fa" and "Fu" unfortunately translate as "Getting fat."



Nike prompted online ridicule when its shoes with the characters 'fa' and 'fu' were pictured side by side. Image credit: Weibo

Coca-Cola, on the other hand, is doing an excellent job of localizing design (Coca-Cola cans now bear different logos and messages in different market).

Building a localized marketing strategy

Global luxury brands could learn a lesson or two from U.S. leather goods brand **Coach**. The New York-based marketer is building a forceful presence in China via its well-established localized marketing strategy.

The brand has opened more than 300 bricks-and-mortar stores in China while inaugurating flagship stores on Tmall and JD.

Meanwhile, Coach has built a strong social media presence on Weibo and WeChat, released limited-edition products designed exclusively for the Chinese market such as the Chinese New Year campaign and added unique services such as cash-on-delivery payment.



Coach celebrated Chinese New Year 2021 with an ox-themed collection. Image credit: Coach's Weibo

Employing Big Data analytics to understand local customers on a deeper level

Luxury brands fixate on enhancing the shopping experience through personalized interactions. But for that, they require accurate insights into consumer habits and purchase motivation.

Brands such as Louis Vuitton, Burberry and Nike are ahead of the pack, using social media analytics and **customer data** to understand future trends and shopping behavior.

Nike, for example, uses customer data to store inventory. And Gucci sales reps have iPads stocked with customer data to help them create personalized sales offers.

The value of localization is undisputed, but surprisingly, not all fashion brands have smart localization strategies in place.

Some retailers still believe that instead of rolling out a localization strategy, they can simply promote Western product assortments, marketing campaigns and a homogenized global value proposition a recipe for disaster.

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