

# Florasis



## China market strategy

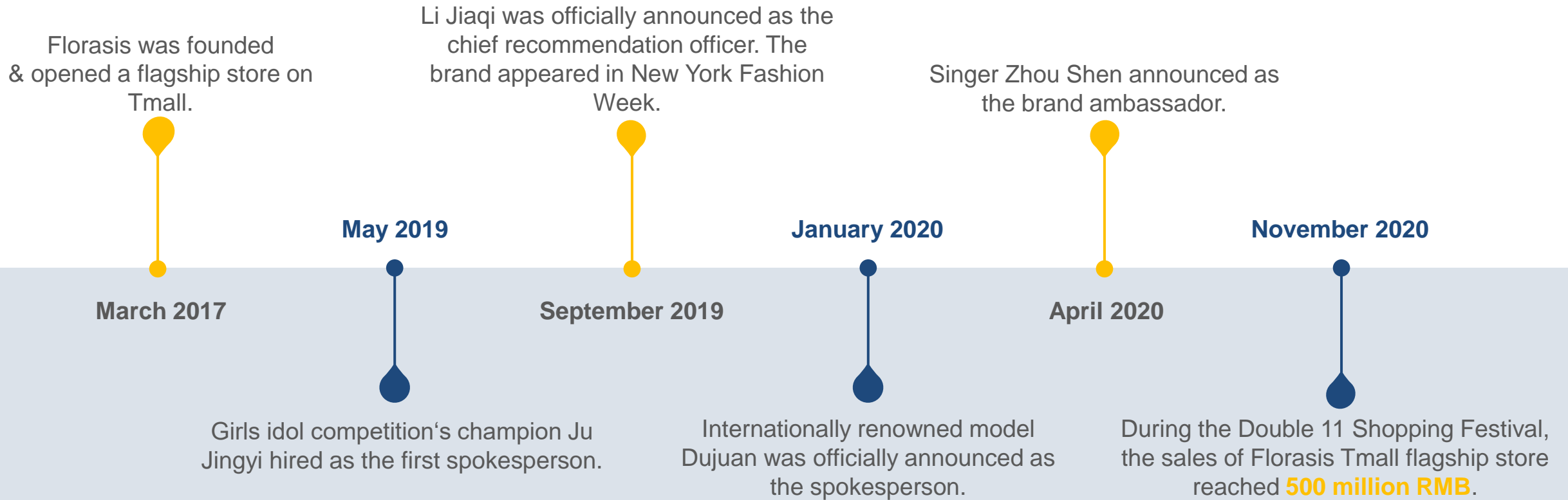
March. 2021

Double V.  
Training & Consultancy

daxueconsulting

# Florasis: leveraging elegant design and KOLs to reach consumers

- Florasis created a flagship store on Tmall in its first year, which helped the brand develop its reputation at breakneck speed. Until Florasis, it was unheard of for non-large-scale brands to sell on Tmall.
- After two years, the brand invited Ju Jingyi as the spokesperson and successfully attracted Li Jiaqi's attention with its oriental culture. Since then, Li Jiaqi participated in the brand's investment and packaging design, helping the brand go international.
- In 2020, Florasis appeared on the screen in Times Square, and now the products can be found in pharmacies in Japan.



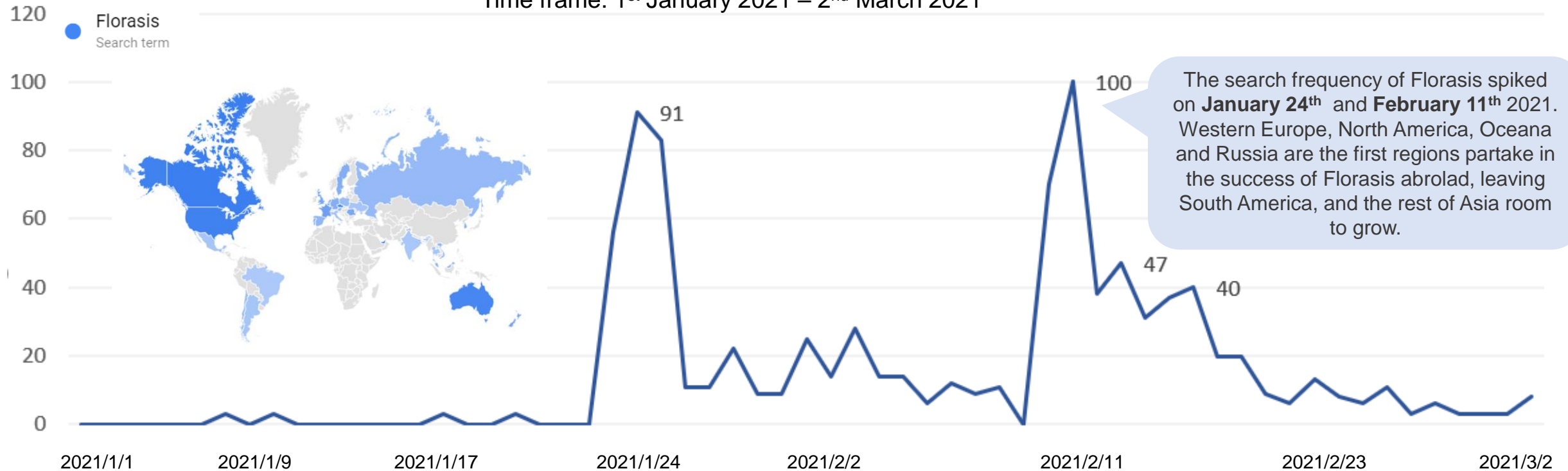
Source: Florasis official website designed by Daxue Consulting

# The sudden success of Florasis abroad

- Florasis actively uses TikTok to promote its cosmetics in foreign markets. The official TikTok account has about 45 thousand followers. In addition to the Chinese KOLs, Florasis also attracts Western influencers to make short videos.
- In addition to TikTok, Florasis actively uses Instagram to promote its products. The brand's Instagram is very authentic and steeped in traditional Chinese culture. In the bio, Florasis uses a call to action, suggesting to tag Florasis Beauty and use the hashtag #FlorasisBeauty to share stories.

## Global search frequency for 'Florasis' on Google trends

Time frame: 1<sup>st</sup> January 2021 – 2<sup>nd</sup> March 2021



The search frequency of Florasis spiked on **January 24<sup>th</sup>** and **February 11<sup>th</sup>** 2021. Western Europe, North America, Oceania and Russia are the first regions partake in the success of Florasis abroad, leaving South America, and the rest of Asia room to grow.

Source: Google trends

# Chinese cultural heritage is the inspiration of Florasis' packages

Florasis' brand image, both visually (packaging, product design) and in their communication actions (KOL, IP collaborations, brand visuals), is based on Chinese culture, heritage and history. This makes Florasis a highly recognizable brand and it is an element that is highly appreciated by consumers.



**November. 2020**

## **Miao minority silver handcraft gift box**

Florasis released a limited Miao minority silver handcraft edition. All of the collection's packages are made with silver by Miao traditional handcraft. It was also praised by national tv channel.

**January. 2020**

## **Birds Adoring the Phoenix gift box**

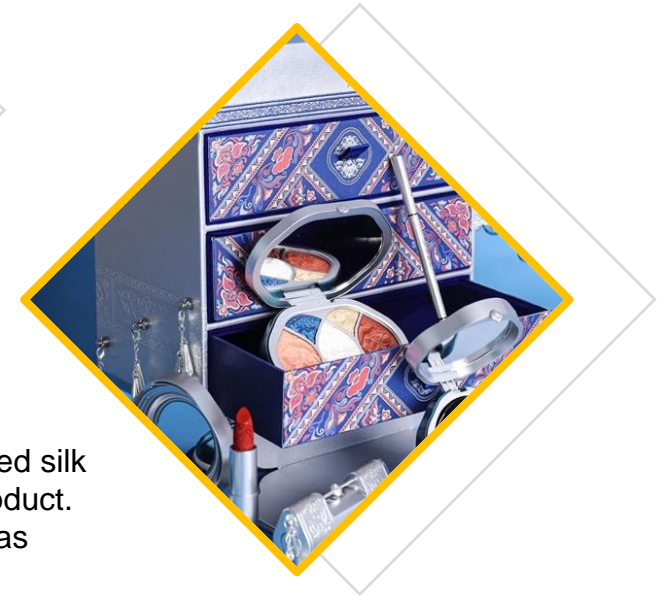
Florasis launched a Chinese New Year celebration box, which includes fans, eyeshadow, and lipstick carved with traditional Chinese phoenix patterns. Among them, the eyeshadow palette is collected by many people as an artwork because of its exquisite carvings.



**August. 2020**

## **Silk road powder**

Florasis designed a 3D carved silk road powder as a limited product. Many customers treasure it as artwork.



*Source: Florasis official website designed by Daxue Consulting*

# Strategy 1: Massive influencer marketing to open the market and convert (1/2)

Florasis influencer strategy is the most massive among all competitors as it is one of the main strategies explaining its success in China. The brand works with top KOLs such as Li Jiaqi to increase the trust in the brand via product testing.



**Li Jiaqi**  
**Chief recommendation officer**  
 Most famous cosmetic KOL  
 15.9 million followers on Xiaohongshu



## #Live-streaming

In 2020, from January to July, Florasis products introduced on Li Jiaqi's live-streaming room, sold **260 thousand** products. The products which were not shown on his live-streaming only sold **1,023**.

At the beginning of 2020, **40%** of the new additions to the Florasis Tmall flagship store came from Li Jiaqi's live-streaming.

- ♥ 371 thousand likes
- 💬 5,327 comments
- 🔗 1,131 shares



## #Product consulting

Li Jiaqi attended Florasis product research and development because he has rich experience in cosmetics and Chinese customer behavior. He has the authority to decide on a product's release or design.



## #Broadcast

In order to make the brand look more international and elegant, Li Jiaqi and well-known photographer Chen Man collaborated to promote Florasis in Bazaar fashion magazine.

Fashion Bazaar  
 Chen Man  
 Florasis x Chief recommendation officer: Li Jiaqi

Source: Xiaohongshu, CBNdata designed by Daxue Consulting

# Strategy 1: Massive influencer marketing to open the market and convert (2/2)

Florasis used brand ambassadors who are matching the brand heritage values such as Jingyi Ju.



**Du Juan**  
**Spokesperson**  
Internationally renowned Chinese model



## #Product spokesperson

Brand delight invited an internationally renowned model as its new spokesperson to enhance brand image. Florasis gift box is named for her to identify the brand's oriental DNA.

Source: Xiaohongshu, Weibo, CBNdata designed by Daxue Consulting



**Ju Jingyi**  
**Spokesperson**  
Idol competition's champion  
19 million followers on Weibo

花西子Florasis 20-12-18 from 微博 ...

让@鞠婧祎 都爱不释手的必备单品——花西子空气蜜粉。

升级版荷叶凝露外观造型，时尚又吸睛；特添加赤灵芝成分，抗氧化的同时防止暗沉。❤️ 长效控油不拔干，实力持妆不浮粉。

... Full Text



鞠婧祎的618种打...

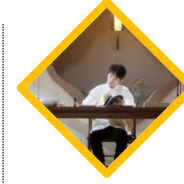
750 601 5.9K

## #Social media sharing

Ju Jingyi has a massive amount of young fans. As the spokesperson, her job is promoting on social platforms such as Weibo and Douyin.

Florasis  
A must-have item that @Ju Jingyi can't put it down –Florasis air powder.

750 shares  
601 comments  
5.9K likes



**Zhou Shen**  
**Brand ambassador**  
Chinese Neo-traditional Singer  
5.9 million followers on Weibo

花西子 周深

评论 1498

周深 254.5万关注

+ 关注

▶ 914 thousand ❤️ 100 thousand likes

## #Brand MV

Florasis released a Chinese Neo-traditional song-Florasis and it ranked on the 6th of top 10 most popular Chinese Neo-traditional songs on QQ music in 2020. Brand ambassador Zhou Shen is the singer, and Du Juan is the leading actress in the MV.

# Strategy 2: Use Tmall as the key platform to increase conversion

- Unlike other brands which diversify their sales channels, Florasis focuses its efforts on Tmall and funnels all social media traffic to Tmall. The brand has a marketing automation strategy using Alibaba's Alimama tools, which allows it to redirect users with more detailed recommendations and also to re-activate them when they are interested in the brand's content on a platform other than Tmall.
- In addition, Florasis caters its IP collaborations based on consumer groups they have not yet reached.



**Customers social community function**  
Visitors can scroll through each product's comments, users' experience, photos taken by buyers from Tmall. They can also ask questions about the product just like asking questions on Quora and Zhihu.



**Tmall shopping festivals boost brand's sales**  
In 2020, Florasis' sales ranked second on Tmall's Double 11 cosmetics list. The total sales during the shopping festival on Tmall flagship store were **500 million yuan**, a **259% increase** from 2019.

**Tmall as overseas customers online shopping place**

In 2020, **over 100 countries'** customers purchased Florasis on Tmall. The sales ranked on the top of domestic cosmetic sells overseas list in the 2020 Double 11. The total sales revenue reached 14 million yuan in 2020, and it grew **286%** compared to 2019.

Live-streaming on Tmall



**Tmall Live-streaming**

Florasis cooperated with tons of KOLs on Tmall. Those KOLs operate multi-social accounts. Thus, their followers would refer to their Tmall live-streaming room through reading the announcements on other social platforms such as Xiaohongshu and Weibo.

# Strategy 3: Using customized content for different circles

- Each social media account has a different focus. For instance, its Weibo focuses on sharing oriental culture content instead of cosmetics recommendation to attract traditional culture lovers.
- The brand also allowed customers to test its products at the early stage of brand creation. It guarantees a good reputation for the brand every time they launch a new product.

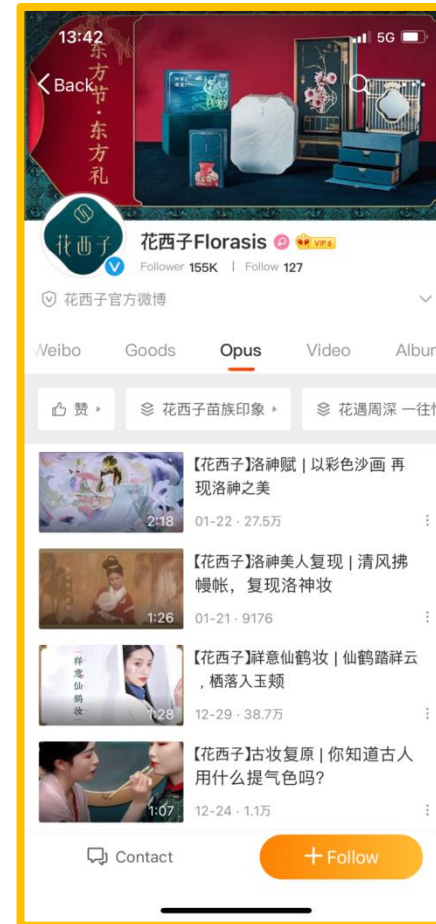


**Xiaohongshu**  
**How to remove makeup and leave a facial mask on removal wet wipes**  
 Most Xiaohongshu users are female. They often share cosmetic using experience on Xiaohongshu.

In order to promote makeup removal wipe, Florasis invited their Xiaohongshu followers to test their cleansing wet wipe

Florasis invited customers participate in a challenge of remove makeup and leave a full "face" on make-up removal wet wipes. Brand will select winner to send Florasis cosmetics.

33 thousand views



**Weibo**  
**Chinese traditional makeup tutorials**  
 Weibo became an information platform. Users' hobbies, ages, jobs are distributed widely.

The brand's Weibo account is in charge of spreading oriental culture. Florasis created an online Chinese traditional makeup tutorial channel on Weibo. It helps the brand gain attention from Chinese traditional culture lovers and share their oriental DNA to the audience.

Florasis showed the makeup of ancient Chinese in different periods by shooting videos through oriental models and sceneries.

9,176 - 11 thousand views

Source: Weibo, Xiaohongshu designed by Daxue Consulting



# Problem: Low quality and over packaging

Users mainly complain about the low product quality compared to the heavily emphasis on product appearance

“  
化妆刷寿命太短了。  
The life cycle of makeup  
brush is so short.

42



“  
国货化妆品喜欢研究怎么使包装更好看，但为什么我需要把化妆品当艺术品一样去收藏？  
它们是用来每天使用的。  
Domestic cosmetics brands like to study how to make more beautiful packages, but why I  
need to collect cosmetics as artwork? They are for daily use!

12

“  
产品华而不实，质量差，没有真正功能性作用。  
The product is flashy, low quality, and has no  
real function.

2,480 ▶ 622 thousand ❤️ 28 thousand



“  
网上铺天盖地的广告，但是产品质量差，请  
花更多时间在产品研发上而不是广告上。  
Tons of advertising on many platforms, but  
the product quality is poor, please focus  
more on product development instead of  
advertising.

71 🗨️ 14

#质量差#Low quality

#寿命短#Short lifetime

#包装过度#Overpacking

#过度重视营销#Excessive emphasis on marketing



# C-beauty industry overview



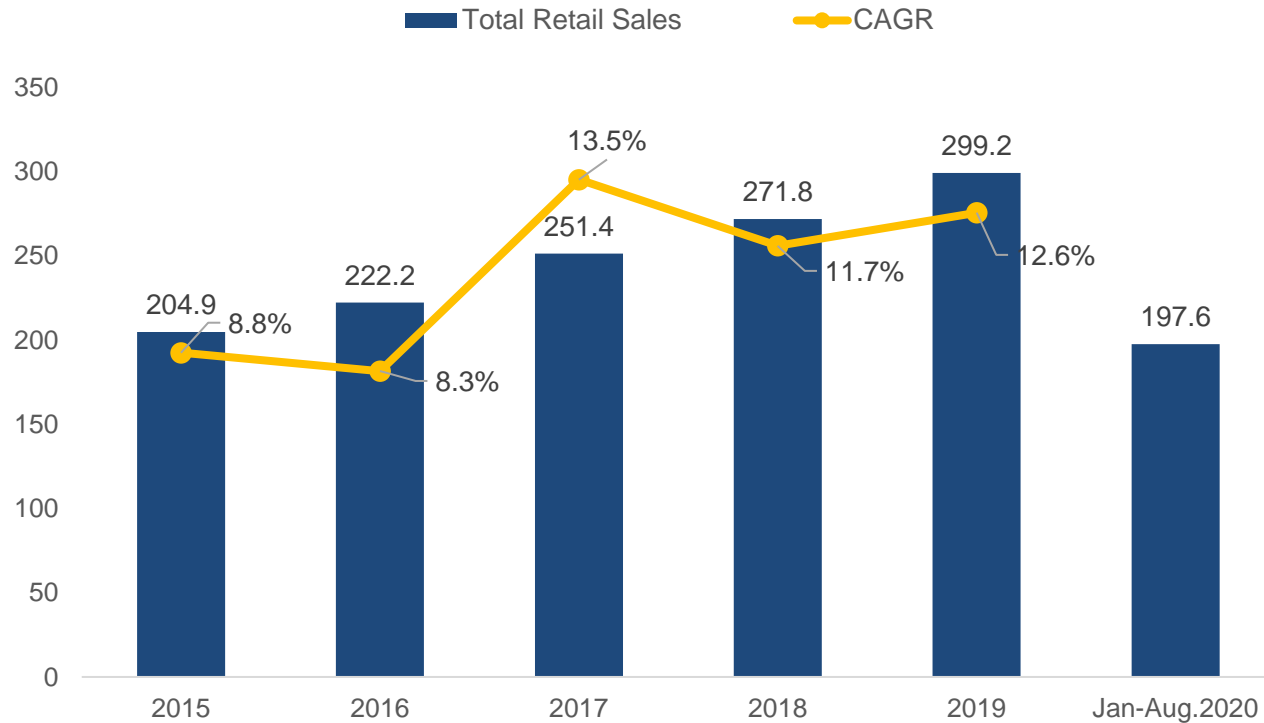
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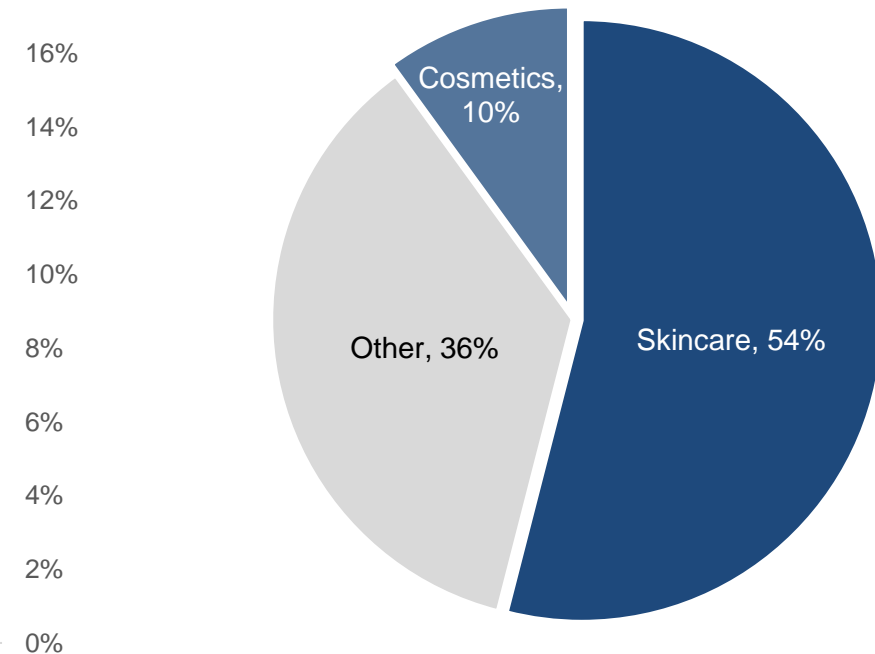
# The beauty sector in China developed steadily in recent years

- China had become **the world's second largest beauty market** in 2019. The sales of skincare products accounted for more than half of the beauty market in China.
- The beauty market was hit hard by COVID-19, but quickly recovered, annual beauty sales only slightly decreased

**Total retail sales of the beauty sector in China**  
(in RMB billions, 2015-2020)



**Market share of major beauty categories in China by sales**  
(2019)



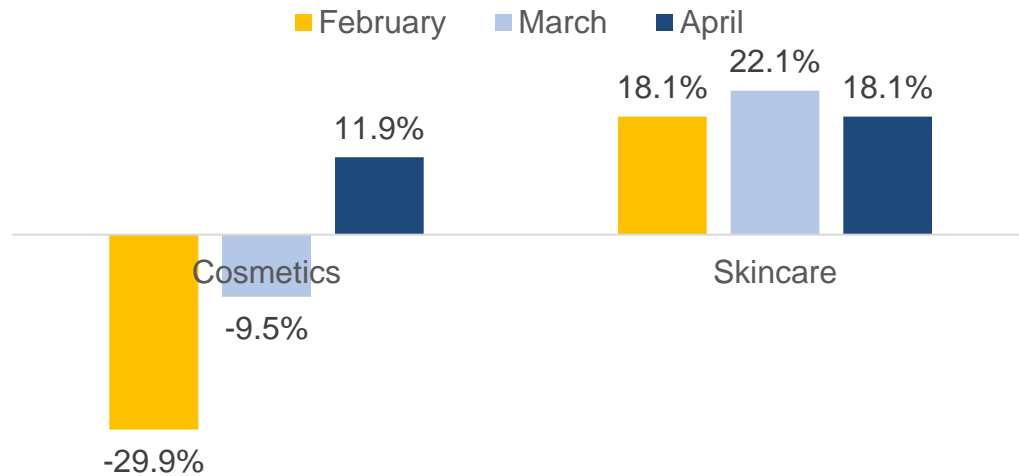
Source: Euromonitor, iiMedia, 360 make-up, designed by Daxue consulting

# COVID-19 had a strong yet short-term impact on the beauty market

- Due to COVID-19, cosmetics' sales volume in China **declined by 29.9%** in February 2020 compared with the same period in 2019. However it had recovered by April. During the outbreak, people consumed and talked more about skincare products than cosmetics.
- Since lips and much of cheeks are covered while wearing a mask, **eye makeup** products received more attention than before. "Mask makeup (口罩妆)" had become a hot topic among Chinese beauty consumers. The new trend helped brands and KOLs find new ways to communicate with consumers.

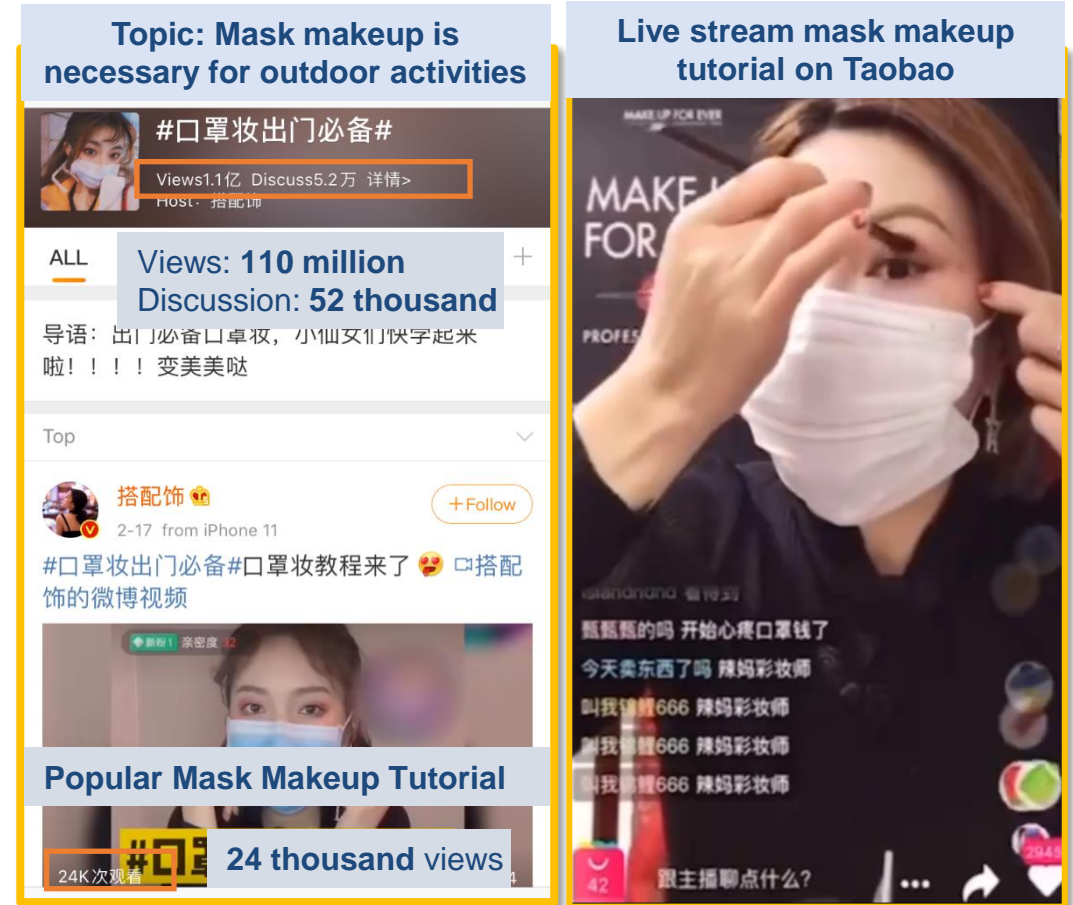
## Growth rate of cosmetics and skincare products sales on Alibaba

(YoY growth rate, Feb – April, 2020)



Topics related to skincare at home are popular on social media like XHS. Especially, products with "skin repair", "basic skincare" and "first-aid care" functions are increasingly needed.

Source: SCMP; Taoshuju, Weibo, designed by daxue consulting



# COVID-19 brought out a beauty e-commerce battlefield

- COVID-19 caused beauty sales to move from offline to online channels as consumers were hesitant to visit offline stores.
- Additionally, foreign brands' sales declined dramatically in their home countries, thus they doubled-down on Chinese e-commerce platforms.

**JD Luxury Gala**  
15<sup>th</sup>-25<sup>th</sup> December 2020



**JD Black Friday Shopping Season**  
20<sup>th</sup>-29<sup>th</sup> November 2020

**1,600 brands**

In 2020, 1,600 brands participated in the JD Luxury shopping festival.

**50%**

In 2020, the sales of self-care products on JD Black Friday (27<sup>th</sup> Nov) increased 50% YoY.

**20X**

The average turnover for the quarter increased by **20 times** from last year.

**+180%**

Compared to 2019, the total sales of the 10-days shopping season grew 180%.

**+180%**

The number of first-time buyers increased by **180%** YoY.



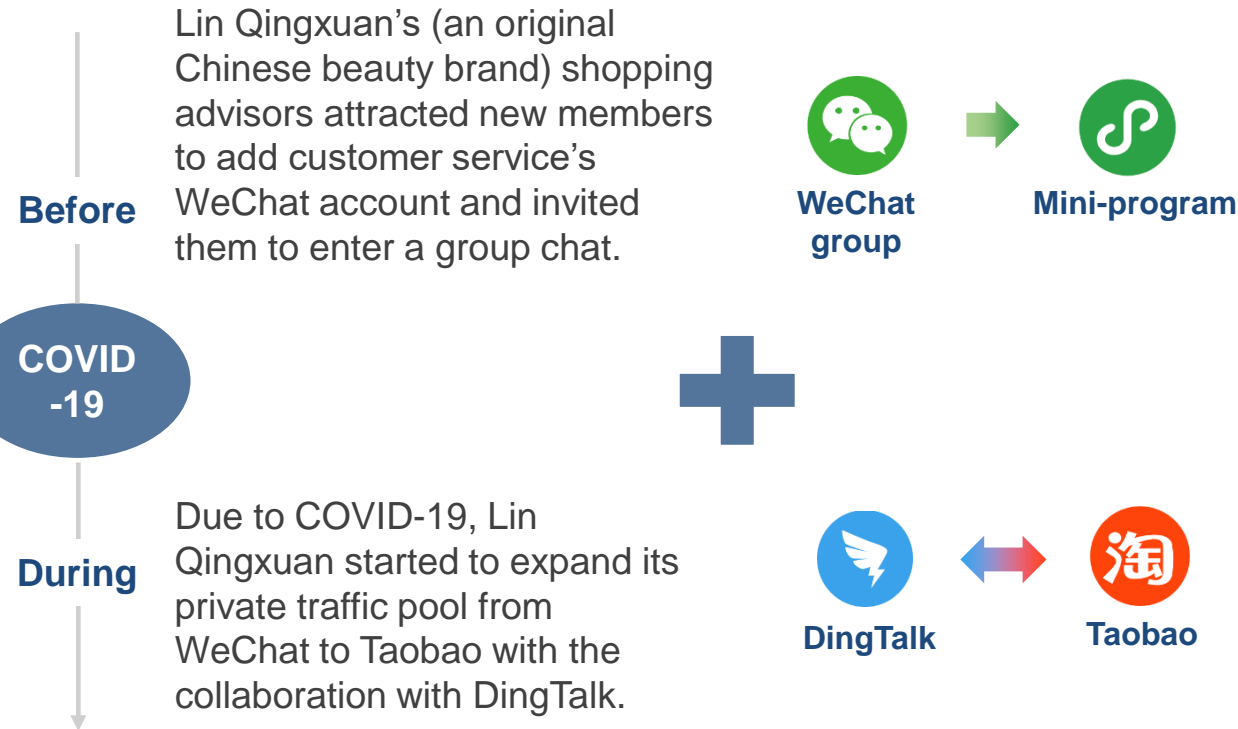
The three most popular brands in the self-care category were foreign brands Kao, Shiseido and Ryo.

Source: JD.com, designed by daxue consulting

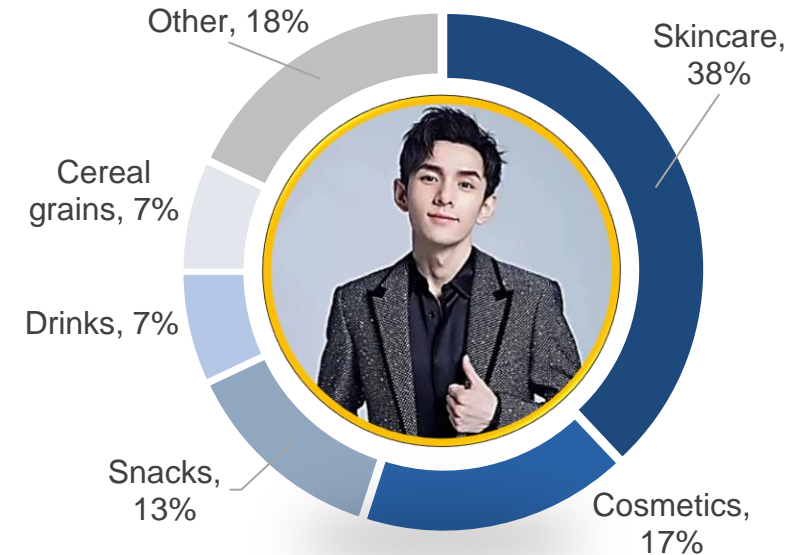
# Live streaming and private traffic: Two key beauty market strategies

- **Live streaming** is increasingly popular due to the interactive experience, China's live streaming revenue has more than doubled from 2019 to 2020 (from 438 billion RMB to 961 billion RMB).
- Chinese beauty brands have a talent in leveraging private traffic. Some brands transformed their business model quickly in the heat of the pandemic, and embraced **private traffic marketing**.

## Lin Qingxuan's private traffic marketing during COVID-19



## "lipstick king" Li Jiaqi's live streaming on Taobao (March 2020)



 Average No. of viewers  
**3.92 million**

 Average sales volume  
**854 thousand**

Source: iimedia, Ccsight; Caixin global, designed by Daxue consulting

# ABOUT

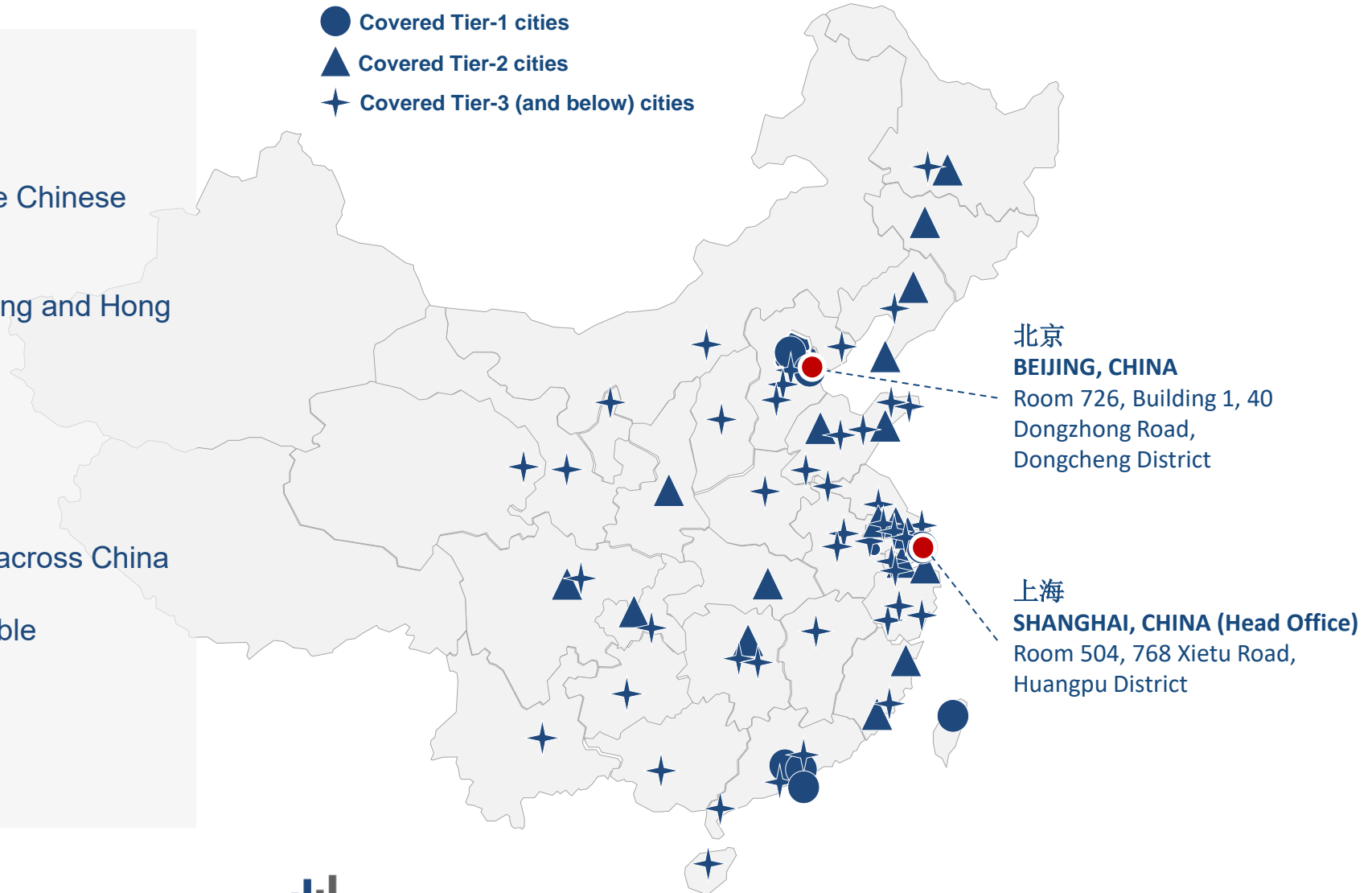


# Who we are

Your Market Research Company in China

## We are **daxue consulting**:

- A market research firm specializing on the Chinese market since 2010
- With 3 offices in China: in Shanghai, Beijing and Hong Kong
- Employing 40+ full-time consultants
- Full, complete, national coverage
- Efficient and reliable fieldwork execution across China
- Using our expertise to draw precise, reliable recommendations
- With key accounts from around the world





# Our past and current clients

350+ clients with 600+ projects for the past 7 years



# A recognized expertise on the Chinese market

Regularly featured and quoted in global publications

Daxue latest quotations in recent publications

The New York Times

TECHINASIA

france  
bleu

LE TEMPS

SBS NEWS

ASIA WEEKLY

FT FINANCIAL  
TIMES

英文中国新闻  
The China Post

REUTERS

GLOBAL  
TIMES

SBS NEWS

theguardian

y  
net  
news.com

Le Monde

THE WALL STREET JOURNAL.

LesEchos.fr

THOUGHTFUL  
CHINA

CHINA  
ECONOMIC REVIEW

SWI

LE TEMPS

TechNode

CONDÉ NAST

TECHINASIA

FRENCHWEB.FR  
Le magazine de l'innovation

LE FIGARO

CHINADAILY  
中国日报

THE WALL STREET JOURNAL.

ESSEC  
BUSINESS SCHOOL

The New York Times

Guanghua School of Management  
Peking University

Forbes

jns  
org | news service

TECH.CO

Voci Globali

JDN  
JOURNAL DU NET

L'OBS

Wine News  
THE POCKET WINE AND SPIRITS SITE IN ITALY

france  
bleu

gbtimes  
Global reach, Local touch

South China  
Morning Post

TECH  
INSIDER

IT NEWS AFRICA  
AFRICA'S TECHNOLOGY NEWS LEADER

THE JORDAN TIMES

Jing Daily

World  
Trademark  
Review.

FINANCIAL REVIEW

ASIA WEEKLY

Contrepoints  
le nivellement par le haut

The Street

Chef  
d'Entreprise

CCI FRANCE CHINE  
中国法国工商会

ISRAEL HAYOM  
This is where we stand

CHANNEL NEWSASIA

algemeiner | a

華美銀行  
EASTWEST BANK

EASTWEST BANK

The Business Fashion  
BOF

Los Angeles Times

StartupBRICS  
L'Actu Tech & Startup des Emergents

EL PAÍS

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**ABOUT**

# Who we are

**Double V Consulting** - Your Insider into China market

## Insightful

We keep you up with the fast changing market



China Market Insider

## Professional

We customize your market entry, e-commerce, & branding strategy



100+ Brands Served

## Specialized

Niche platforms such as Xiaohongshu & Bilibili



Millennials & Gen Z

## Localized

We have offices operating in both Hong Kong and Shenzhen



Since 2017

# How we can help you?

**Double V Consulting** - Your Insider into China market

## TRAINING

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We offer online courses and workshops through **CHINable Academy**, an affiliate of Double V.

## CONSULTING

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We provide brand & competitors analysis, and positioning & market entry strategy.

## E-COMMERCE

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We help DTC brands set up online flagship stores on Chinese major marketplaces, and enhance social commerce.

## BRANDING

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We cover all major Chinese social media. We help design your communication strategy and provide customized content.

# Brands we have worked with

Double V Consulting - Your Insider into China market

GUCCI



KIKO  
MILANO

GUERLAIN

Les Néréides  
PARIS



PARFUMS GRÈS  
PARIS

epionce  
We Define the Beauty of Healthy Skin™



MONNIER  
Frères

VitaRealm®

FORZIERI

Caotina



Louis  
Widmer  
SWISS DERMATOLOGICA

GERMAINE DE CAPUCCINI  
COSMETICA ESCLUSIVA DE LOS PREMIOS GÓRA®

plantronics.

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PROFESSIONAL  
HAIR  
COSMETIC

Colli-G®

JAKO-O  
best for kids



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