

# MAKE YOUR BRAND INDEPENDENT AGAIN IN CHINA

March. 2020

HONG KONG | BEIJING | SHANGHAI  
[www.daxueconsulting.com](http://www.daxueconsulting.com)

# OUR CHINA NETWORK AT YOUR SERVICE

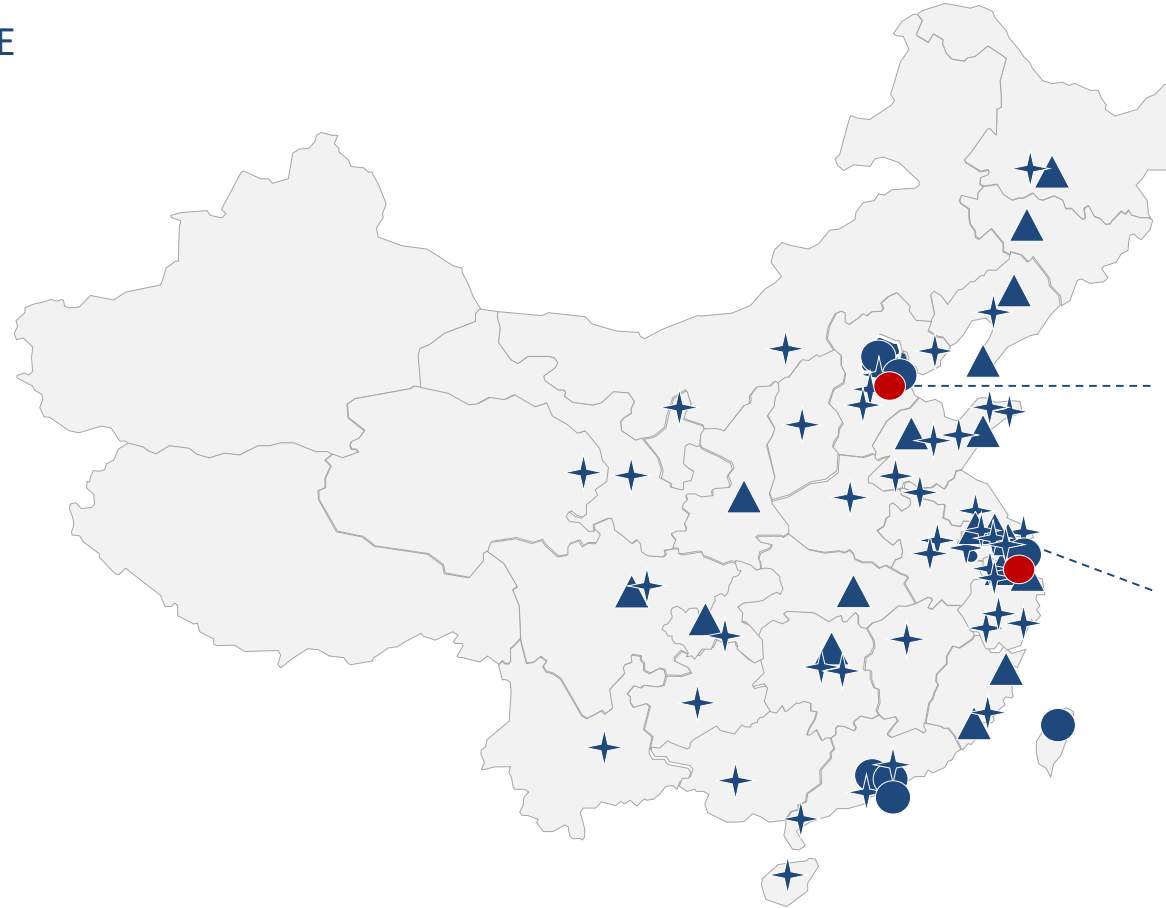
## NATIONAL COVERAGE OF LOCAL EXPERTISE

### OFFICES & RESEARCH TEAM

● Offices

### OPERATION & COVERAGE

- Covered Tier-1 cities
- ▲ Covered Tier-2 cities
- ✦ Covered Tier-3 (and below) cities



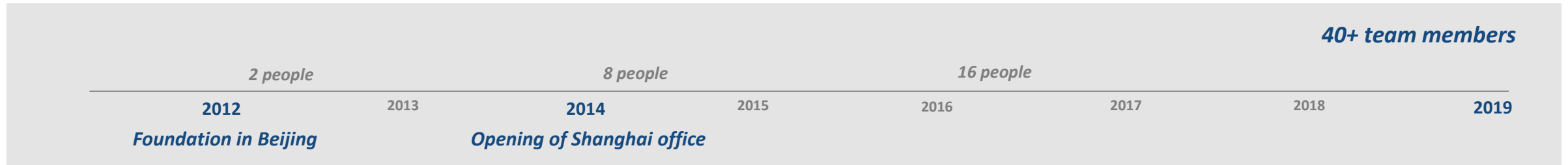
**BEIJING 北京**

Room 726, Building 1, 40 Dong Zhong Road, Dongcheng District

**SHANGHAI 上海 (HEAD OFFICE)**

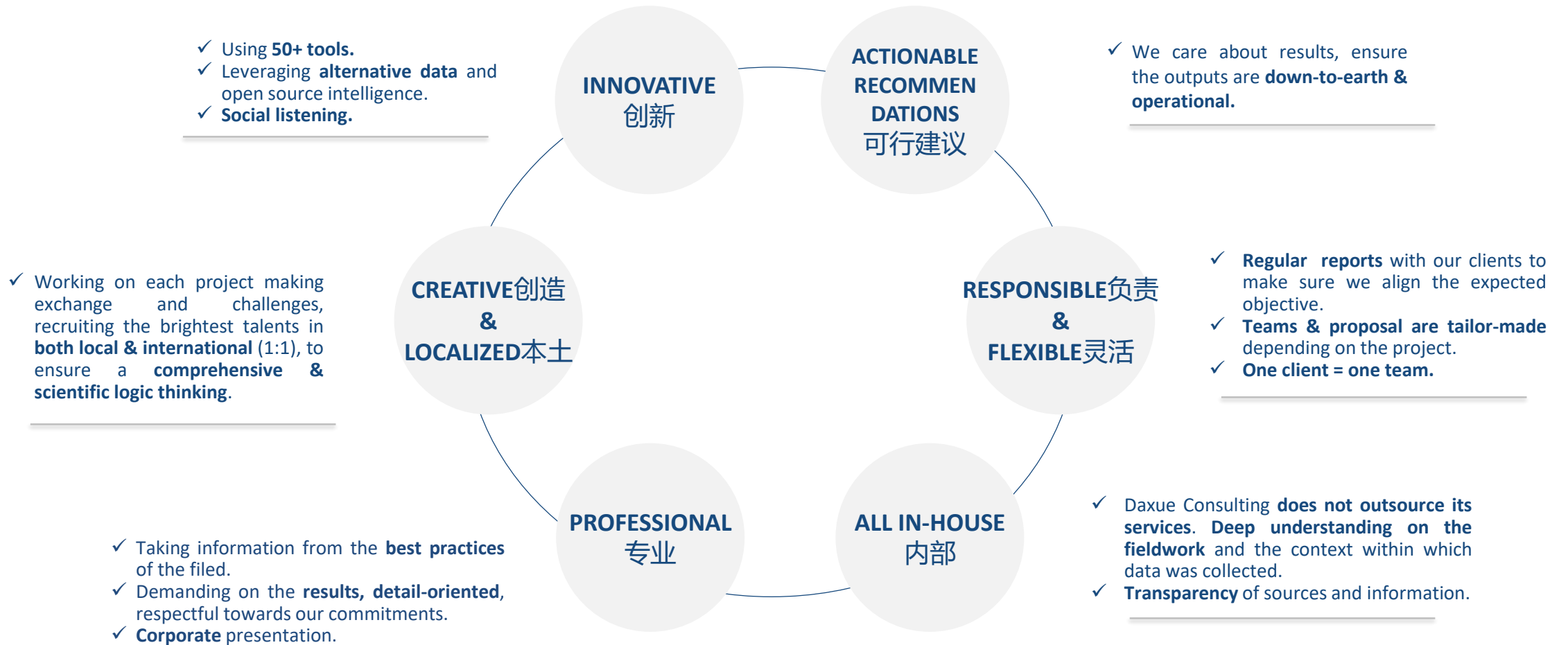
Room 504, 768 Xietu Road, Huangpu District

### COMPANY EXPANSION



# VALUES, PRINCIPLES, AND VISION OF DAXUE CONSULTING

## 6 KEY VALUES EMPHASIZED THROUGHOUT ALL PROJECTS



# OUR SERVICES

EXPERIENCED IN ANSWERING TO A WIDE VARIETY OF STRATEGIC BUSINESS QUESTIONS

## ASSESSMENT 评估



PERFORMANCE  
EVALUATION  
绩效评估



SENTIMENT ANALYSIS  
情绪分析



BRAND  
BENCHMARKING  
品牌基准

## INSIGHTS 洞见



DECISION-MAKING  
PROCESS  
决策路径



TARGET AUDIENCE  
PROFILING  
目标人群画像



BRAND (RE)POSITIONING  
品牌 (重新) 定位

## STRATEGY 策略



BUSINESS INTELLIGENCE  
商务智能



VALUE  
PROPOSITION  
价值主张



ACTION  
PLAN  
执行方案

## INNOVATION 创新



OMNI-CHANNEL  
STRATEGY  
全渠道策略



PRODUCT INNOVATION  
产品创新



MARKET ENTRY  
市场准入



# 350+ CLIENTS FOR THE PAST 7 YEARS

EXAMPLES OF REFERENCES – OVER 30% CLIENTS FROM THE B2B INDUSTRY



# AN EXPERIENCED ORGANIZATION WITH THE CHINESE MARKET

REGULARLY FEATURED AND QUOTED IN PUBLICATIONS ALL OVER THE WORLD

Daxue's latest quotes in recent publications

The New York Times

TECHINASIA

france  
bleu



LE TEMPS

SBS NEWS

ASIA WEEKLY

CHANNEL NEWSASIA

FT FINANCIAL TIMES

英文中國新聞  
The China Post

REUTERS

GLOBAL TIMES

SBS NEWS

the guardian

y net  
news.com

Le Monde

THE WALL STREET JOURNAL

Les Echos.fr

THOUGHTFUL  
CHINA

CHINA  
ECONOMIC REVIEW

SWI

LE TEMPS

TechNode

CONDÉ NAST

TECHINASIA

FRENCHWEB.FR  
Le magazine de l'innovation

LE FIGARO

CHINADAILY  
中國日報

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

LOBS

Wine News  
THE WINE MARKET'S MOST INFLUENTIAL NEWS SOURCE

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

Montrepoints  
le nivellement par le haut

The Street

Chef  
d'Entreprise

CCI FRANCE CHINE  
中國法國工商會

ISRAEL HAYOM  
THIS IS WHAT WE SEESD

CHANNEL NEWSASIA

algemeiner | a

華美銀行  
EAST WEST BANK

EAST WEST BANK

BOF  
The Business of Finance

Los Angeles Times

StartupBRICS  
L'Actualité Tech & Startup des Emergents

EL PAÍS

# WHAT IS BRAND INDEPENDENCE



Brand independence is when a brand does not rely on third parties like online marketplaces to sell products, and instead drives traffic to their own website. In turn, brands manage their own identity, brand assets, and digital assets in order to drive traffic, convert consumers, encourage repeat purchases and create their own community.



## Different distribution channels for brands in China

*Brands can reach consumers directly and independently, with full control on all processes*



Brand.com



WeChat



Brand APP



Mini-program

*Brands have some control by leveraging social media marketing*



Pingduoduo



Douyin



Xiaohongshu

*Competitive and brands highly rely on platform*



Kaola



JD



Tmall



Taobao



Ctrip



Eleme

Most independent

Less independent

Non-independent



# CONTENT OUTLINE

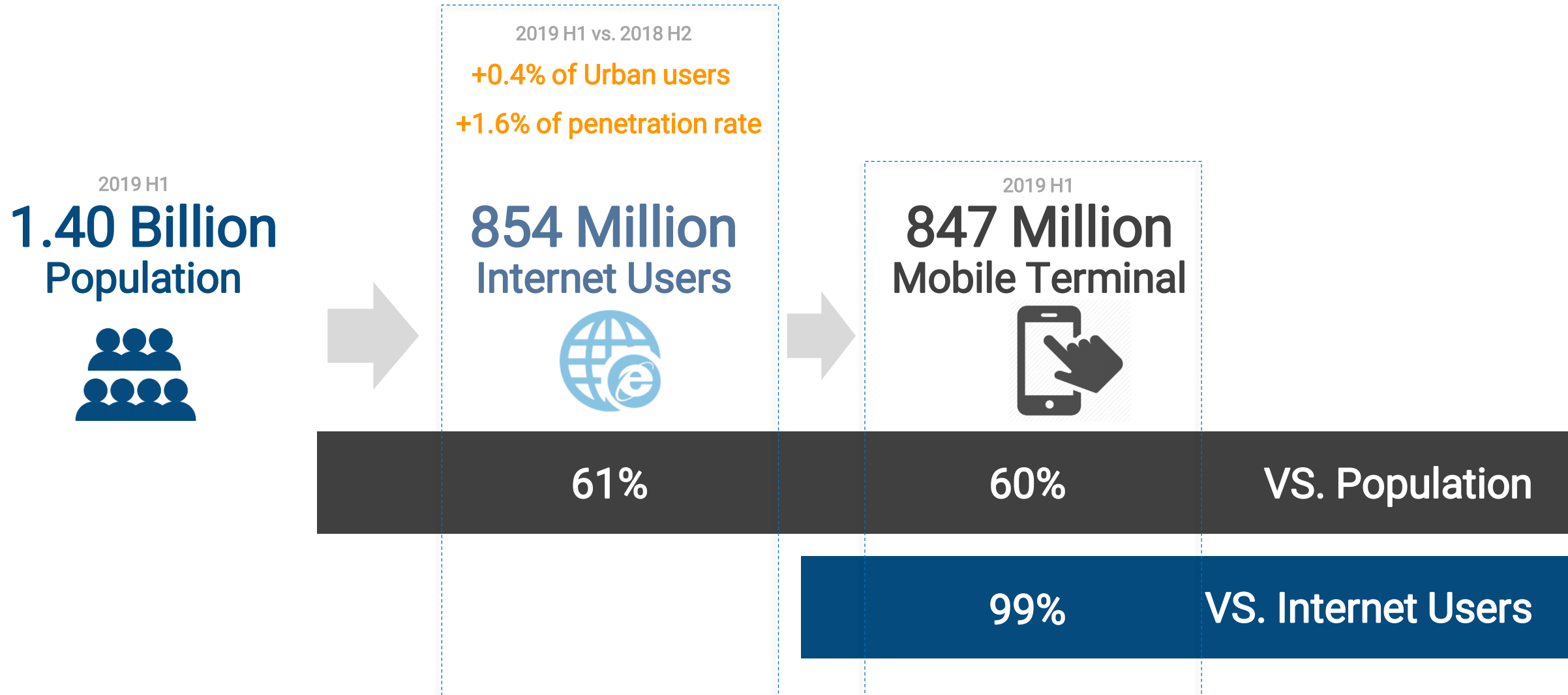
- 1. DIGITAL OVERVIEW OF CHINA**
- 2. IT IS TIME TO CONSIDER BRAND INDEPENDENCE**
- 3. WHAT IS PRIVATE TRAFFIC**
- 4. CASE STUDIES**



# DIGITAL OVERVIEW OF CHINA

# DIGITAL OVERVIEW OF CHINA

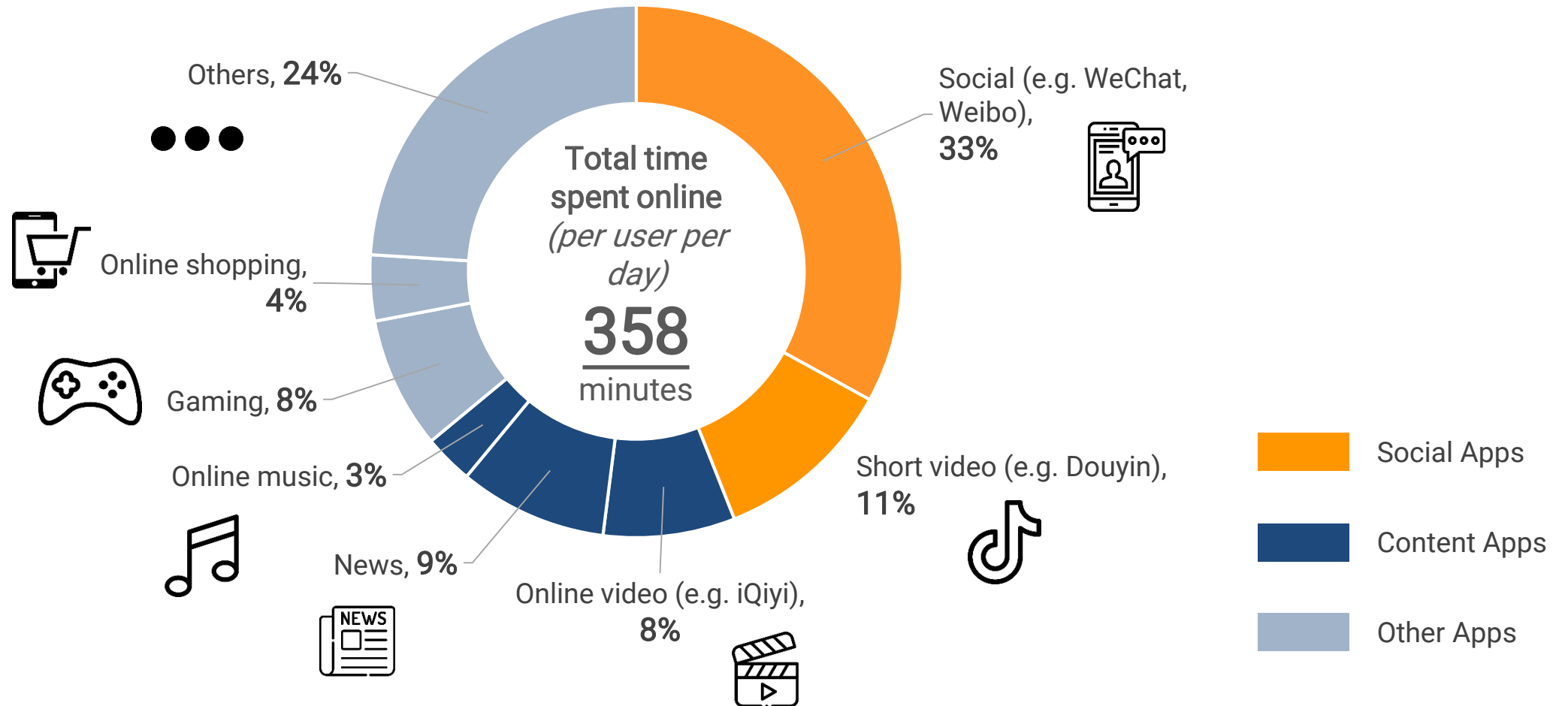
A BOOMING AND PROMISING MARKET WITH EVER-INCREASING ONLINE SHOPPERS VIA M-COMMERCE



# DIGITAL CONSUMERS' ONLINE BEHAVIOR IN CHINA

CHINESE DIGITAL CONSUMERS SPEND THE MOST TIME ON SOCIAL APPLICATIONS

Time spent by digital consumers on different channels  
(2019)



Source: McKinsey, China digital consumer trends in 2019

# TOP CHANNELS FOR REACHING THE TARGET AUDIENCE

MOBILE USERS SPEND ON AVG. 4.2 HOURS A DAY ON APPS, 55% OF THIS TIME IS ON SOCIAL MEDIA

## Top Platforms ★★ In million

## Others In million

### SOCIAL MEDIA



1083 M

MAU 2018



446 M

MAU 2018

### E-COMMERCE



600 M

MAU 2018



74 M

MAU 2018



30 M

MAU 2018

### VIDEO TYPE



503 M

MAU 2018



493 M

MAU 2018



231 M

MAU 2018



20.2 M

MAU 2018



500 M

MAU 2019



70 M

MAU 2018

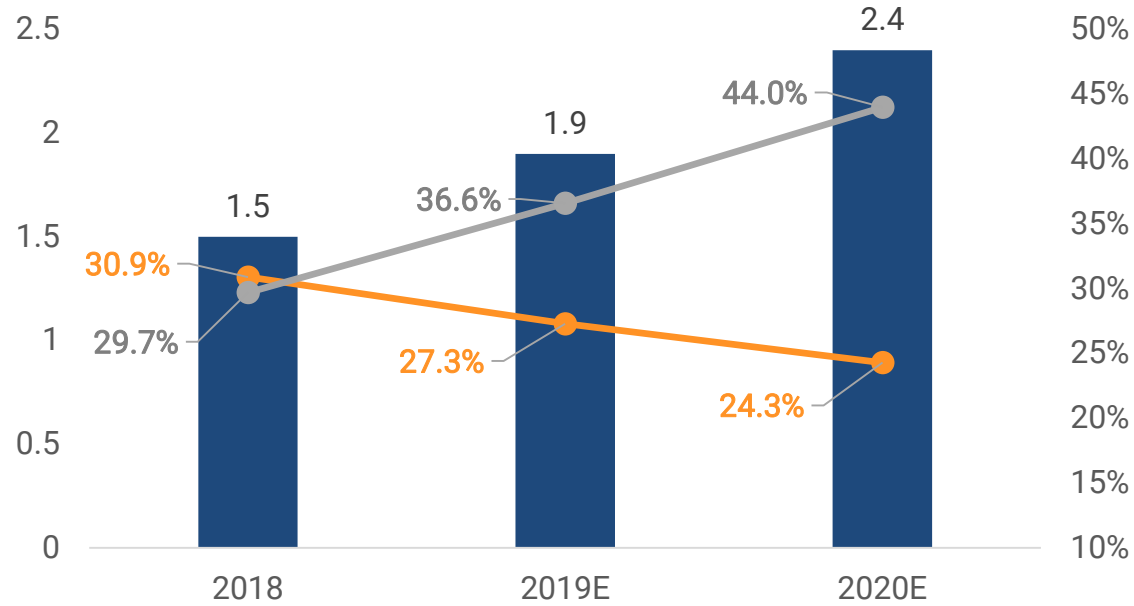
MAU - Monthly Active Users



# E-COMMERCE ACTIVITIES IN CHINA

CHINA'S RETAIL ECOMMERCE WILL GROW FASTER THAN TOTAL RETAIL, AND A QUARTER OF DIGITAL BUYERS WILL PURCHASE FROM FOREIGN COUNTRIES

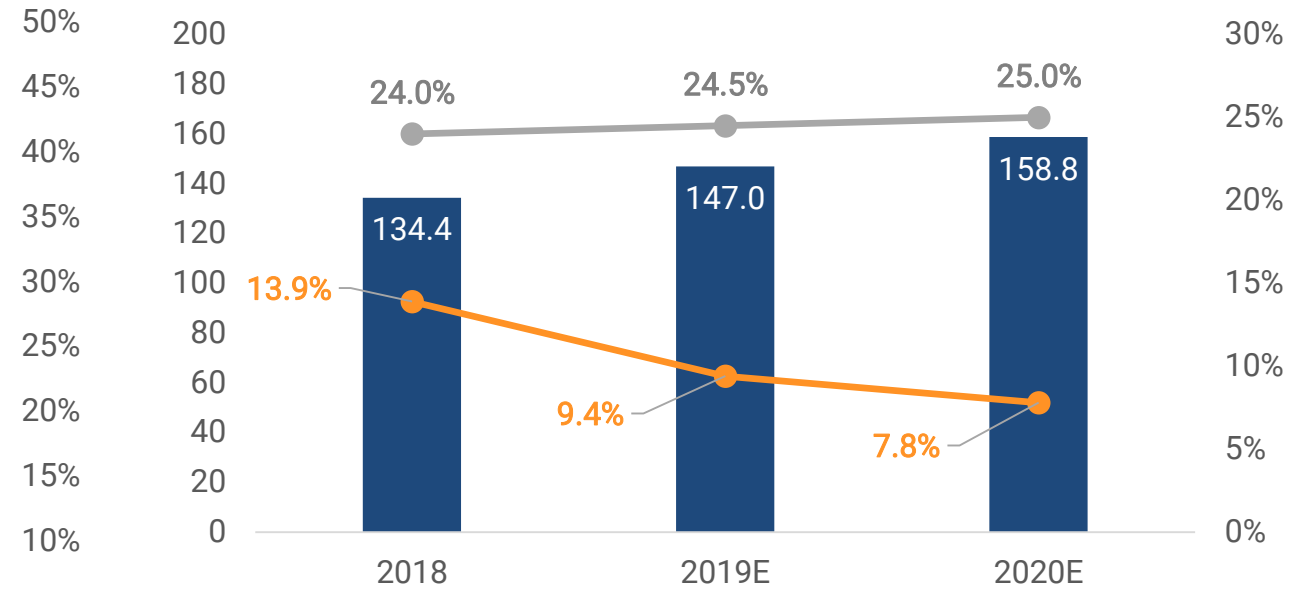
**Retail Ecommerce sales in China**  
(trillion USD, 2018-2020E)



■ Retail Ecommerce sales    ● % Change    ● % of total retail sales

*Note: Includes products of services ordered using the internet via any device; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling etc; excludes Hong Kong*

**Cross-border retail Ecommerce buyers in China**  
(million, 2018-2020E)



■ Retail Ecommerce buyers    ● % Change    ● % of total digital buyers

*Note: Ages 14+; internet users who have made at least one purchase from a foreign country via any digital channel during the calendar year, including desktop/laptop, mobile and tablet purchases; includes goods bought via Daigou; excludes B2B; excludes Hong Kong*

# CHINESE E-COMMERCE PLATFORMS ARE CROWDED & COMPETITIVE

## Brands statistics on Tmall



Total number of brands  
on Tmall

~**200,000** brands  
Oct, 2019



Number of brands in  
Tmall's luxury pavilion

~**50** brands  
Mar, 2018

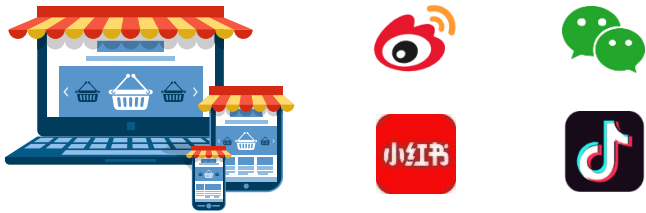


Number of international  
brands on Tmall Global

~**22,000** brands  
Oct, 2019

# RAPID RISE OF SOCIAL ECOMMERCE IN CHINA


BY WORD-OF-MOUTH MARKETING, SOCIAL E-COMMERCE ACQUIRES AND RETAINS CONSUMERS WITH HIGH EFFICIENCY.



In contrast to traditional e-commerce, the essence of social ecommerce is to leverage the role of individuals in the sales process.

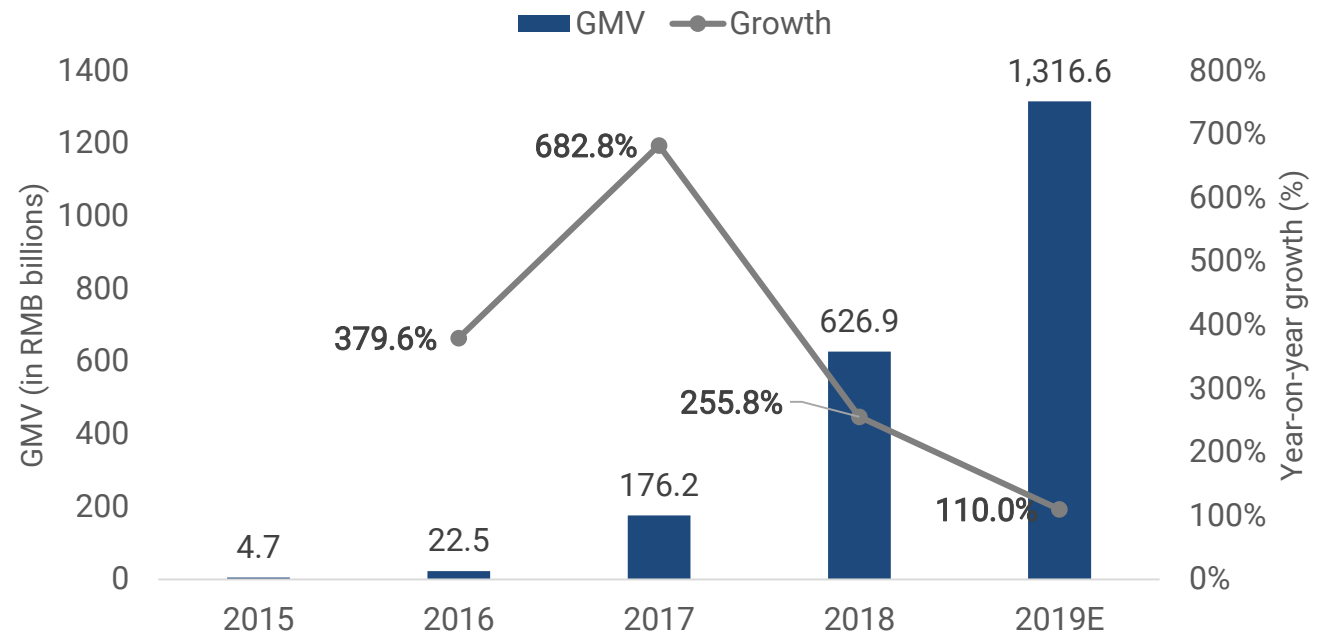
## Purchase conversion rate comparison

  
Social  
ecommerce  
**6%-10%**

  
Traditional  
ecommerce  
**0.37%**

Regarding individual trust as intermediary, social ecommerce has better adapted to the challenges faced by traditional ecommerce channels.

Gross merchandise volume of social ecommerce in China  
(in RMB billions, 2015-2019E)



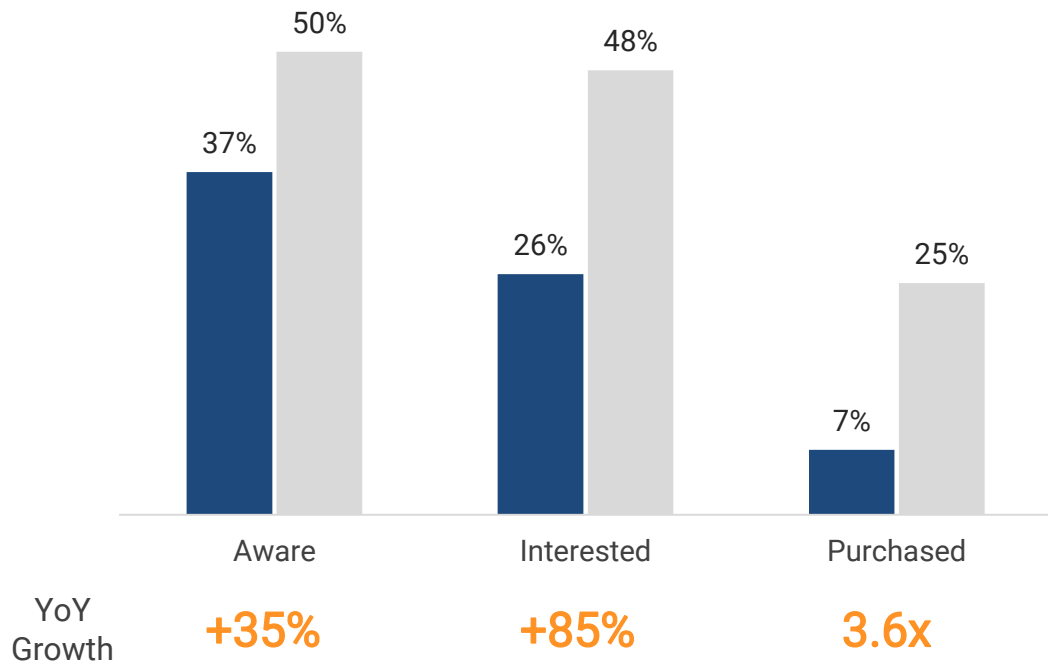
- o GMV transacted on Tmall in fiscal year 2018 was increased 36% compared to fiscal year 2017, which is much lower than the number on social ecommerce.
- o The sales revenue from social ecommerce platforms will account for 20% of the country's online retail market this year.

# CONSIDERABLE INFLUENCE OF SOCIAL MEDIA AND CONTENT

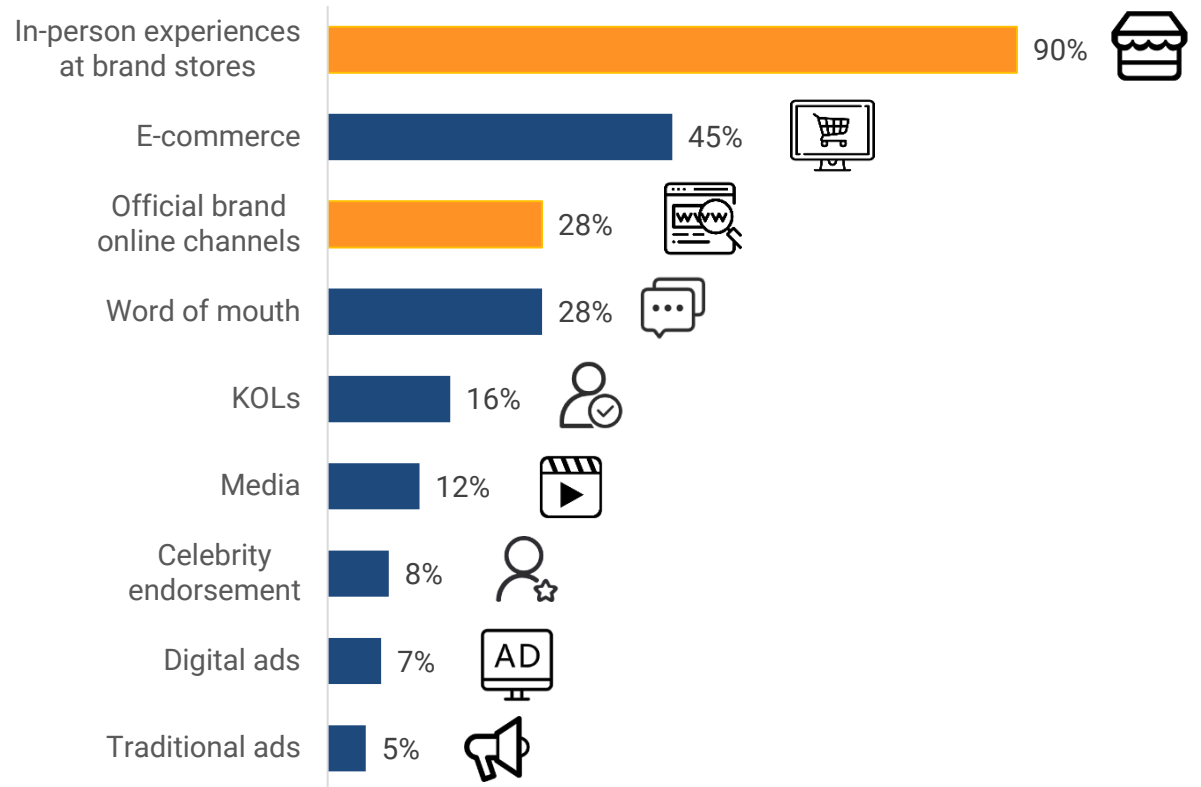
BRAND STORES OR CHANNELS ARE THE MOST IMPORTANT INFORMATION SOURCE FOR CHINESE CONSUMERS

**Influence of social media and content on the consumer journey (2017-2019)**

■ 2017 ■ 2019



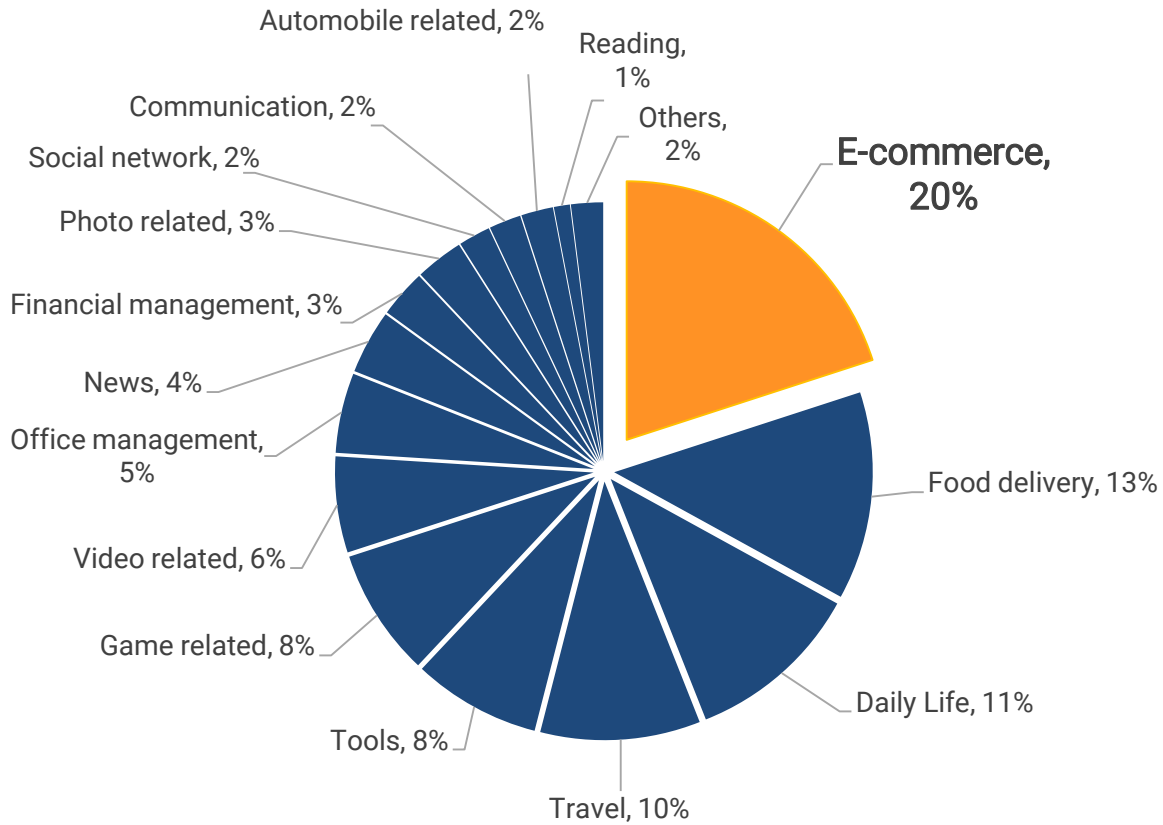
**The sources of information that most influence purchase (top 3 mentions)**



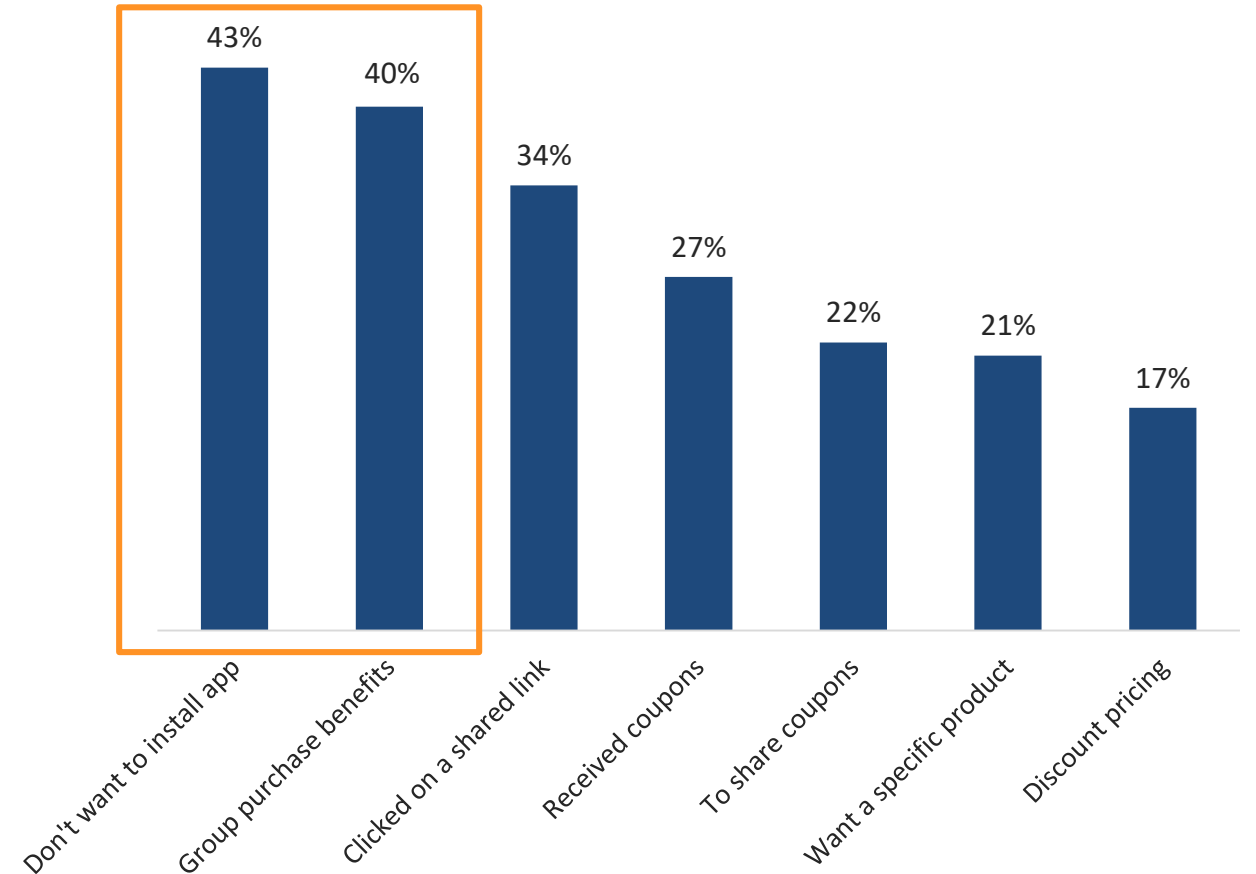
# SHOPPING ON WECHAT IS INCREASINGLY POPULAR IN CHINA

CONVENIENCE AND EXTRA BENEFITS DRIVE CHINESE CONSUMERS TO ECOMMERCE MINI-PROGRAMS

**Top types of active mini-programs**  
(no. of mini-program, April – June, 2019)



**Reasons for shopping on WeChat mini-programs**  
(Top 3 mentions)



# WECHAT BRAND ZONE HELPS BUILD A CENTRALIZED BRAND IMAGE

ANOTHER PORT OF ENTRY TO CONNECT DIRECTLY WITH AUDIENCE ON WECHAT

- In 2018, WeChat launched a new feature known as “Brand Zone”.
- The “Brand Zone” is a specific section that shows up on the top in the search result page when users search a brand name on WeChat.
- Brands can display brand information, official accounts, sales channels, and other customized content in one centralized section.
- Therefore, brands can reach consumers directly through WeChat’s search engine.

## Brands that use “Brand Zone”



## Luckin’s “Brand Zone” in WeChat



Search “Luckin Coffee” on WeChat

Brand Intro

Public account

Mini-program

Related service



# IT IS TIME TO CONSIDER BRAND INDEPENDENCE



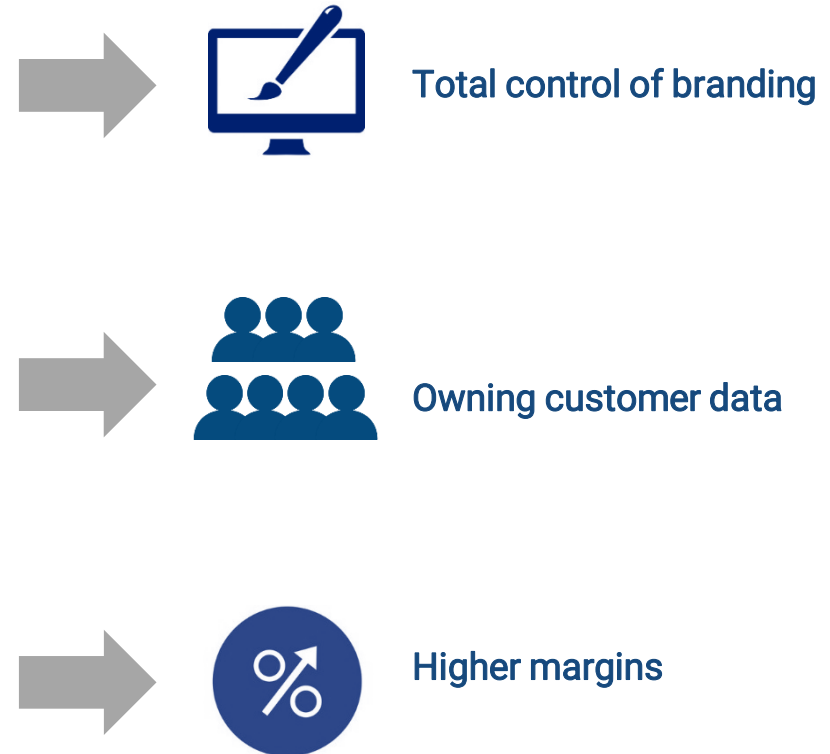
# GLOBAL RETAILERS AND BRANDS ARE LEAVING TMALL

THE SITUATION FOR RETAILERS & BRANDS ON E-COMMERCE PLATFORMS SUCH AS TMALL AND JD.COM IS INCREASINGLY PRECARIOUS

## E-commerce Evolution

1. **Cross-border retailers have to compete with Tmall's direct retail business**
  - While Tmall Global is a marketplace for third-party global sellers, it also runs its own direct retailing business, Tmall Direct Import. This store procures inventory in bulk from leading global brands and sells directly to consumers, thus having an economies of scale advantage.
  - There isn't much room on a large marketplace's website to differentiate oneself with banners and brand logos.
2. **Retailers are failing to provide a unique proposition**
  - Products sold on the marketplace by various retailers will have no unique proposition.
  - Therefore, purchases become driven by price and delivery speed.
3. **Retailers are not making much money on marketplace platforms**
  - Brands have to spend money on platform ads to drive traffic and clicks.
  - Brands are pressured to discount their goods for sales festival such as 11.11 and 618.
  - Brands must pay set-up fees, deposits, and commissions.

## Brand.com Solution





# CHINA'S MARKET ENVIRONMENT IS BRAND INDEPENDENCE FRIENDLY

SELLING IN CHINA HAS NEVER BEEN EASIER



**The developed cross-border ecommerce market helps global brands have more power to control their business**

- Chinese social media and social commerce platforms are now more open to share data, therefore brands can easily understand their customers.
- With more precise data, brands can target their consumers without the marketplace.



**Decreased import tariffs will make brand-owned channels more attractive by enclosing the price gap with marketplace**

- On July 1st 2019, the import tariff in China was announced to decrease, covering 1,449 product items.
- The average tariff rate for clothing, shoes, hats and sports-related products dropped from 15.9% to 7.1%.



**By developing into an all-encompassing digital platform, WeChat is more friendly for brands to enhance brand image independently**

- With the ambition to compete with Alibaba and JD, WeChat has realized the connection between social media marketing and e-commerce.
- WeChat can be an ideal channel where brands can get closer to consumers and keep independence at the same time.

# MAJOR LUXURY PLAYERS ARE ACTIVE IN BRAND-OWNED CHANNELS

## LUXURY BRANDS FEAR APPEARING TOO MASS MARKET

■ No official presence  
 ■ Branding only  
 ■ Limited e-commerce presence  
 ■ Active e-commerce presence

	Brand owned				Mainstream B2C e-commerce				Luxury verticals			
	Brand.com	Brand app	WeChat public account	WeChat mini program	JD		Alibaba		International leaders		Local leaders	
					JD.com <sup>1</sup>	TOP LIFE	Tmall	Luxury Pavilion	Net-a-porter	Farfetch	Secoo <sup>2</sup>	Mei.com
<b>Gucci</b>	Active	Active	Active	Active	No	No	No	No	Active	Active	Active	No
<b>Burberry</b>	Active	No	Active	Limited	Active	No	Active	Active	Active	Active	No	No
<b>Cartier</b>	Active	Branding	Active	Limited	Limited (Watches only)	No	No	No	Limited (Selected SKU only)	Limited (Eyewear only)	No	No
<b>Louis Vuitton</b>	Active	Branding	Active	Limited	No	No	No	No	No	No	No	No
<b>Dior</b>	Limited (View offline inventory only)	Branding	Limited (Limited edition only)	Limited (Campaign-based store)	No	No	No	No	No	Limited (Accessory and vintage only)	Limited (Partner on limited SKU)	Limited (Limited products)
<b>Chanel</b>	Branding	Branding	Branding	No	No	No	No	No	No	No	No	No



- Coach first appeared on Tmall in 2011, but exited in less than two months due to a disagreement over the anti-counterfeit program.
- The brand started its second launch on Tmall in 2015, but left the platform just one year later in September 2016.
- It instead built its own shopping channel on WeChat

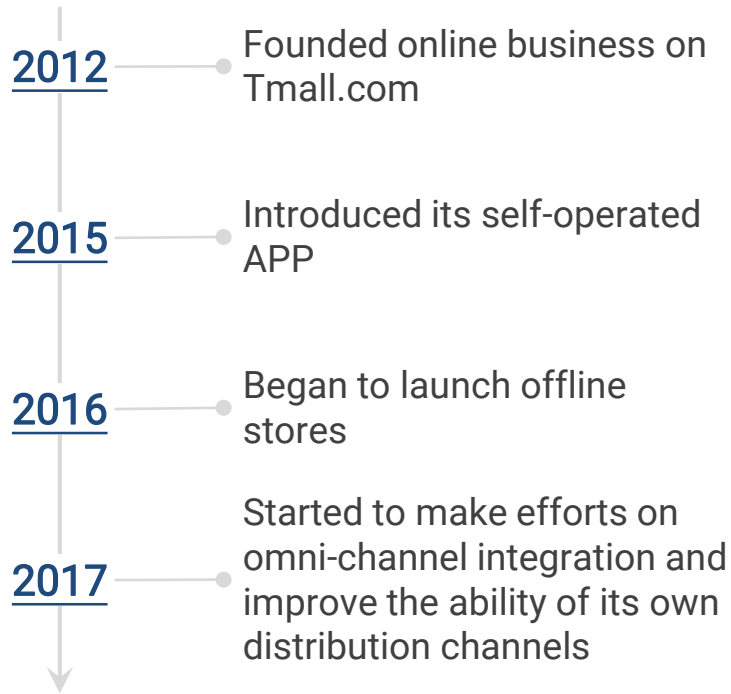
*\* Regard as "active presence" if JD self-operated brand store exists; can be sourced from brand or authorized distributors.*

Source: McKinsey China Luxury Report 2019

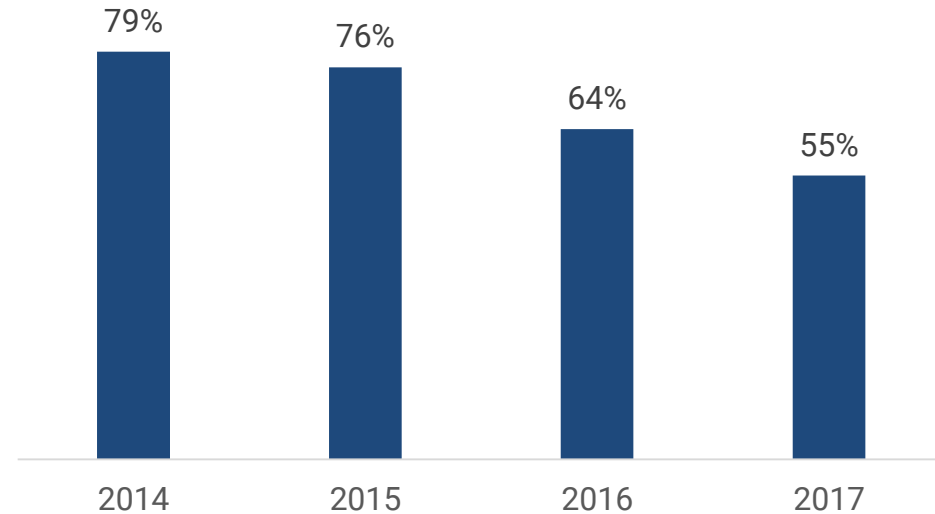
# CHINESE FMCG BRAND GAINING INDEPENDENCE FROM TMALL

RELYING TOO MUCH ON TMALL MAY INHIBIT THE BRAND'S FUTURE DEVELOPMENT

## Three Squirrels: China's Favorite Snack Brand



## Share of revenue from Tmall (2014-2017)



Gradually reduced the reliance on Tmall and establish its own omni-channel strategy to seek opportunities to accelerate the development on new retail.

# USING BRAND-OWNED CHANNELS IS MORE COST EFFECTIVE

RUNNING STORES ON PUBLIC MARKETPLACES IS MORE COSTLY

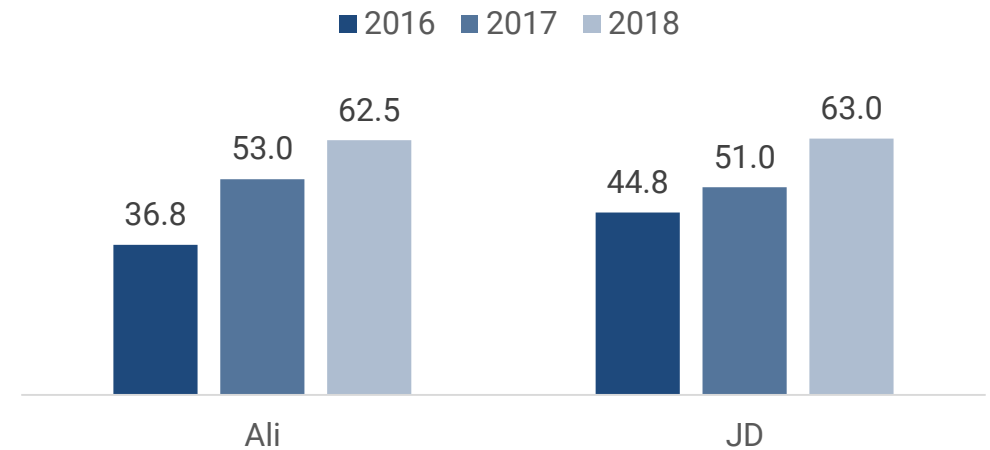
## Platform fees in China in 2019



	Tmall Global	JD.com	Kaola
Deposit	150k ~ 300k	30k ~ 50k	10k ~ 100k
Technical Service Fee	30k ~ 60k	12k	No fee
Real-time Technical Service Fee (commission)	2% ~ 5%	5% ~ 8%	5% ~ 7%

\* All prices are in RMB

## User acquisition and retention costs on Ali and JD.com (RBM, per user)



Formula: current marketing expenses / current active users

With higher platform fees and increasing user acquisition costs, only 10-20% brands are making profits on Tmall. Thus, building brand-owned ecommerce channels may be more worthy of investment.

# BRAND-OWNED CHANNELS BUILD TRUST

CROSS-BORDER MARKETPLACES IN CHINA ARE OFTEN CRITICIZED FOR OFFERING FAKE GOODS

## Zhihu search engine Auto-complete results of 'JD Global'



- The issue of fake goods sold on public marketplace is a common concern of Chinese e-commerce consumers.
- Brand-owned ecommerce platforms can ensure brands full control on the whole retail process ensuring fake goods wont be sold on their site.

## What netizens ask about 'JD Global' on Zhihu

Q:

京东全球购自营旗舰店是否能保证100%正品?

这个京东全球购自营旗舰店是否真的是京东旗下子公司或者京东下属部门?

708 人关注 · 7 条评论 · 1M 次浏览

+ 关注问题

1 M  
Views

Is it possible for JD global self-operated brand stores to ensure 100% guarantee of authenticity on their products?

A:

我并未明确断定前三家就是假自营。若是假冒，京东理应不会坐视不理，更不会放到首页。但诡异的店面信息，以及客服含糊的态度，都令人不禁疑窦丛生。在这个骗子和流氓横行的年代，做一个怀疑论者并非全无益处。究竟是真是假，诸君自有明晰。就算是真自营，是否就能“保证100%正品”，此处也不予置评。

758  
Agrees

We are not totally sure if JD Global sells counterfeits. When the store description is strange and the customer service attitudes are bad, it certainly raises customers suspicion.

# BRAND-OWNED CHANNELS STRENGTHEN RELATIONSHIPS WITH CONSUMERS

ACHIEVE STRONGER GROWTH AND BECOME MORE INNOVATIVE

## AN INDEPENDENT BRAND IS ABLE TO...



### Adopt a consumer-centric strategy

All the way from R&D, through the supply chain, and into sales and marketing



### Sell and communicate directly with consumers

Skip other value chain players



### Personalize consumer experience

Establish emotional connection with consumers at multiple touchpoints to cultivate a close relationship



Better meet consumer needs



Ownership of consumer relation and value chain



Optimized supply chain and operations



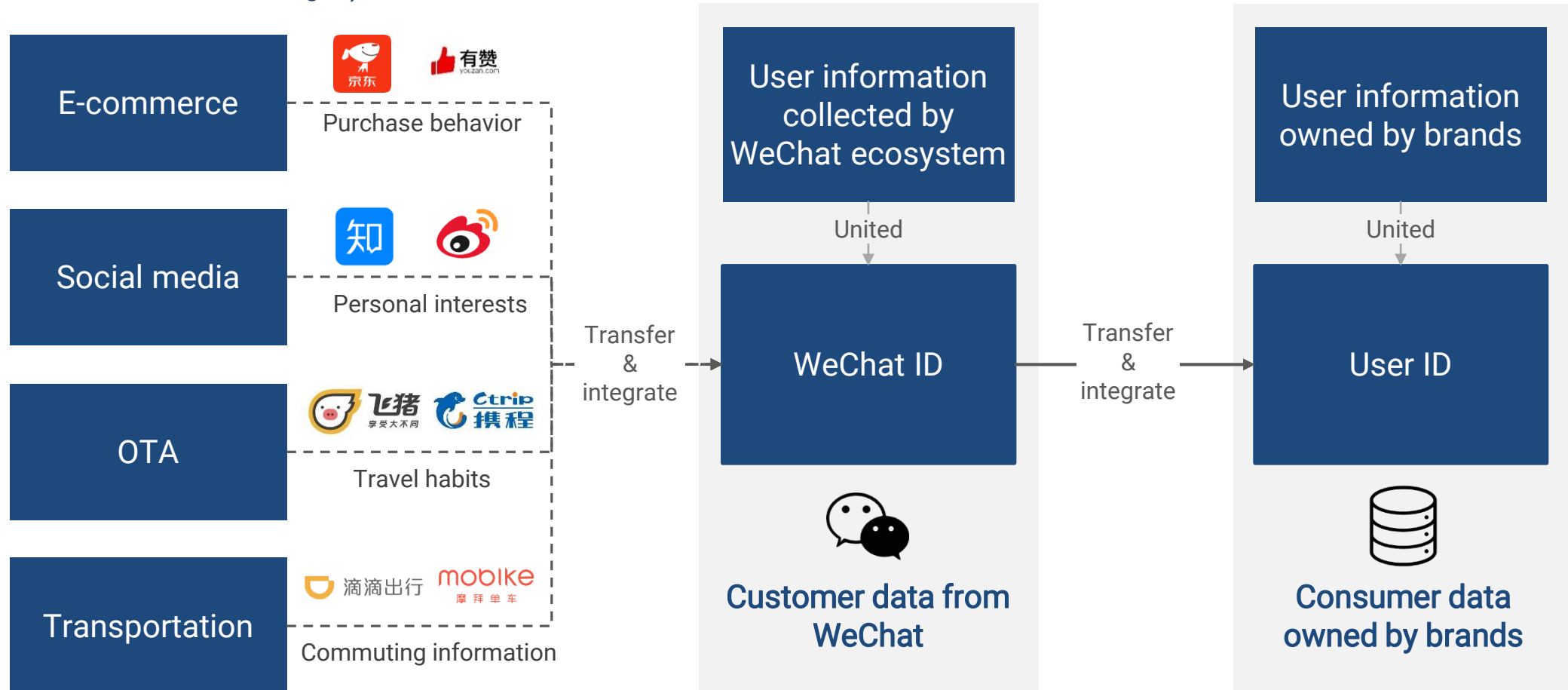
Enhance brand power

## SUSTAINABLE GROWTH AND MARKET LEADERSHIP

# BRAND-OWNED CHANNELS EMPOWER DATA INTEGRATION

BRANDS ARE ABLE TO BUILD THEIR OWN CRM SYSTEM BY BEING INDEPENDENT



## Third-party platforms (Which use WeChat ID for Log-in)





# WHAT DATA CAN BRANDS ACCESS ON TAobao

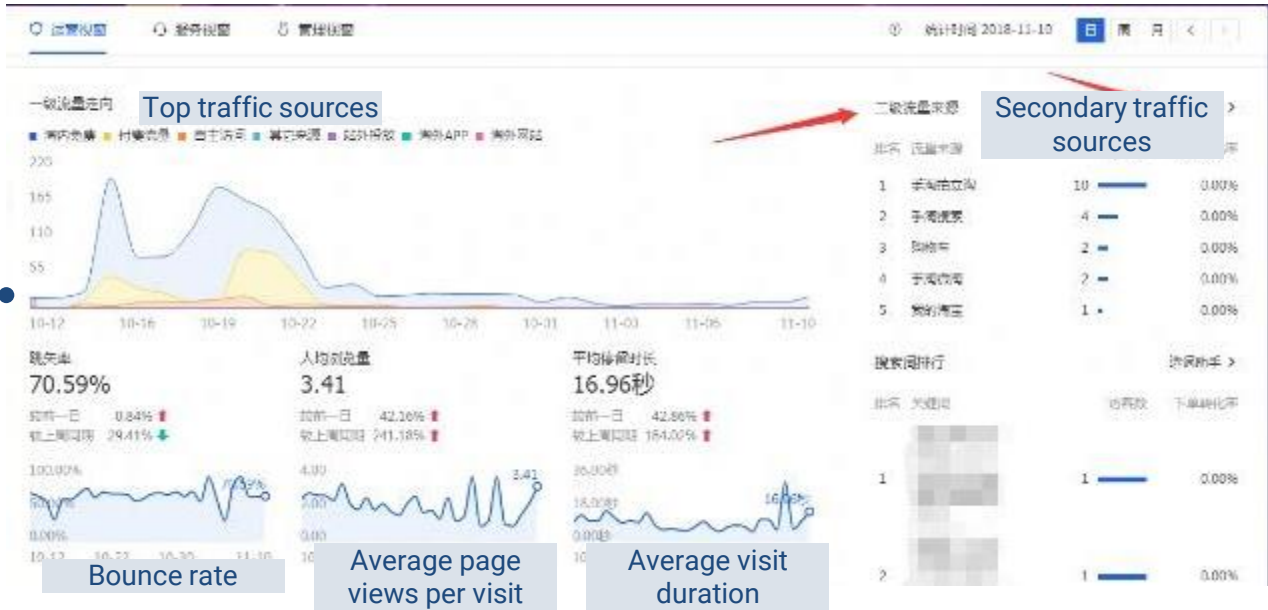
BRANDS NEED CONSUMER BEHAVIOR DATA FROM OUTSIDE TAobao TO ESTABLISH AN ALL-ENCOMPASSING CONSUMER PROFILE

-  实时访客  
今日无线端暂无访客  
Real-time visitor data
-  数据异常  
今日暂无异常  
Abnormalities detected
-  竞争动态  
暂未订购  
Competitor data
-  店铺概况  
您店铺近30天支付金额在第1层  
Store status
-  核心流量  
昨天引流的Top1流量来源是无线  
Core traffic data
-  爆款商品  
昨日无成交  
Hot product data

## Real-time store overview



## Store traffic data



- From the data offered by Taobao, sellers can learn the overall condition of the store as well their competitors.
- Brands have limited access to consumer data.
- Data can be downloaded from the platform but still hard to integrate with brands' own data.



# COMPARISON OF WECHAT MP VS TAobao

WECHAT MINI-PROGRAM BRINGS BRANDS CLOSER TO CONSUMERS

	Taobao	WeChat mini-program
Basic operation data	Yes	Yes
Consumer behavior data in the ecosystem	No	Yes
Brand's Loyalty program	Yes, but it's separately operated on Taobao platform	Yes. It can be integrated with brand's whole membership system
Sharable on WeChat	Yes, but only presents in text and users cannot open it directly.	Yes. Brands can customized the interface and users can open directly in WeChat.

## Sharing item on WeChat from Taobao and WeChat mini-program

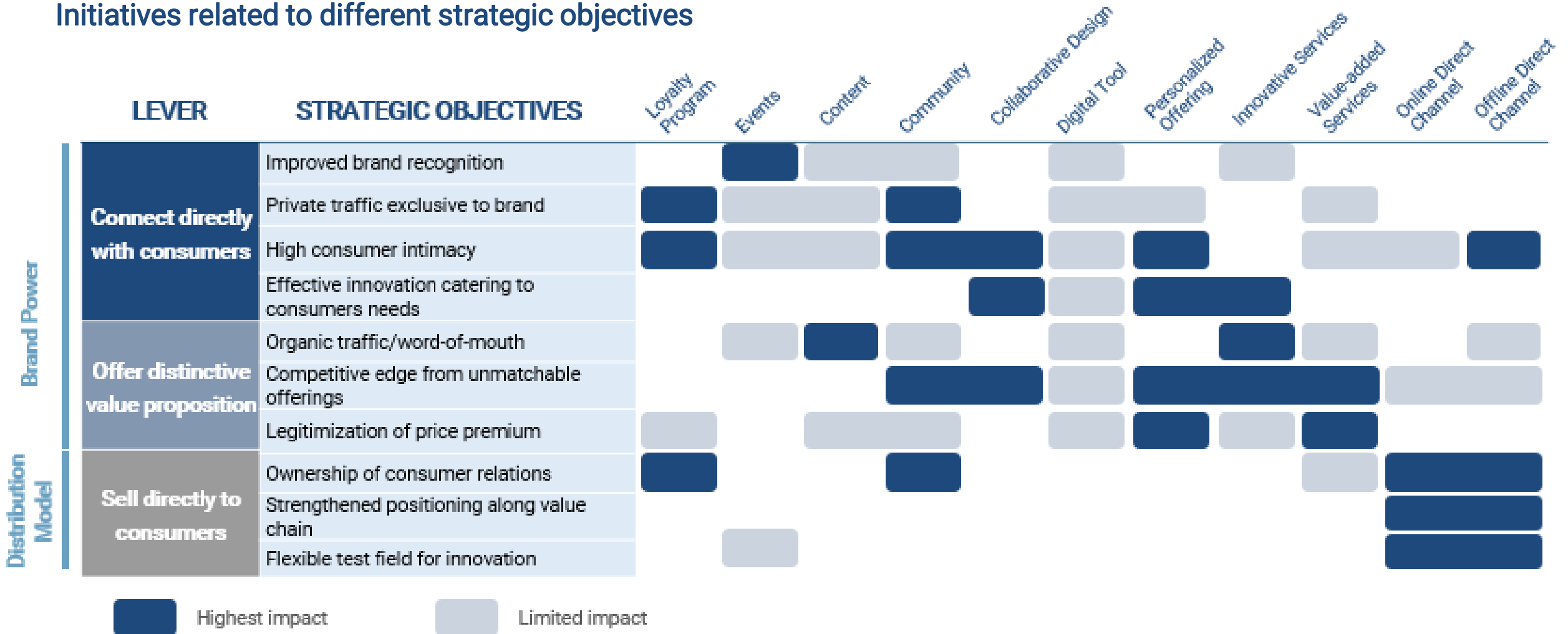


- By selling through WeChat mini-program store, brands can access and analyze consumer behavior data to create an overall view of their customers, while Taobao owns the customer data and limit access for brands.
- WeChat mini-program store is better integrated with WeChat, where Chinese internet users spend a third of their online time on a given day.

# GET CLOSER TO CUSTOMERS AT DIFFERENT LEVELS

BRANDS NEED TO DEPLOY THE MOST RELEVANT INITIATIVES TO MATCH THEIR STRATEGIC OBJECTIVES

## Initiatives related to different strategic objectives



Highest impact      Limited impact

# DIRECT MARKETING TO CONSUMERS THROUGH MINI-PROGRAMS (1/3)

SOCIAL “DIRECT TO CONSUMER (DTC)” ALLOWS DIRECT INTERACTION WITH CONSUMERS AND INCREASES ENGAGEMENT



## Offer a Personalized Product

Customers can create and order personalized products

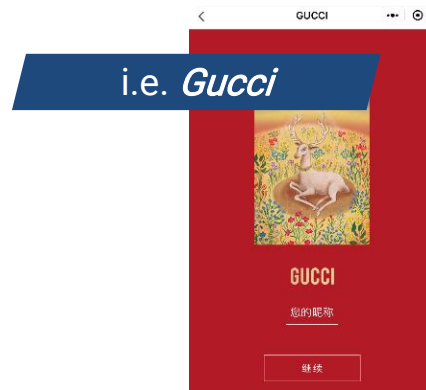


- Mac’s mini-program store allows consumers to customize products according to their individual taste.
- Customer engagement will be increased as they become actively involved in the designing process.



## Create Interactive Campaigns

Including Interactive games, quizzes and tests



- Gucci introduced a personality quiz section on its mini-program.
- Consumers can get a deeper understanding of Gucci’s brand story and brand value by engaging the test.



## Offer Product Trials

Products tested by consumers are likely to be well-received



- Estée Lauder offers giveaways of free product trials on its mini-program.
- Consumers have to provide personal information to participate.
- By providing incentives, it can increase consumer engagement and gather consumer data.

# DIRECT MARKETING TO CONSUMERS THROUGH MINI-PROGRAMS (2/3)

SOCIAL “DIRECT TO CONSUMER (DTC)” CAN INCREASE CONVERSION BY MAKING CONSUMERS CLOSER TO PRODUCTS



## Sell Directly to Consumers

Establish flagship or temporary pop-up E-commerce stores



- Nike's mini-program store on WeChat hosts e-commerce events.
- Direct sales on WeChat make it easier for consumers to reach the product.



## Direct Counselling Services

Provide tools, content, KOL counselling and service reservation as guidance



- Through MeadJohnson's mini-program, consumers can conveniently learn product-related knowledge.
- Such convenient counselling services can better engage potential consumers.

# DIRECT MARKETING TO CONSUMERS THROUGH MINI-PROGRAMS (3/3)

SOCIAL “DIRECT TO CONSUMER (DTC)” BUILD BRAND COMMUNITY BY ATTACHING SOCIALIZING ATTRIBUTE TO PRODUCTS



## Easy Referral Program

Existing members refer new members via gamification and membership rewards

i.e. *Luckin Coffee*



- Luckin Coffee encourages consumers to share the mini-program with their connections to each win a free coffee.
- This program can not only arouse brand awareness but also establish brand community.



## Gift-card Sharing

Use gift card as a tool to acquire new customers and increase store traffic

i.e. *Starbucks*



- Starbucks sells its gift-cards through mini-program and provide customized service.
- The gift card can acquire new consumers and promote the brand image.

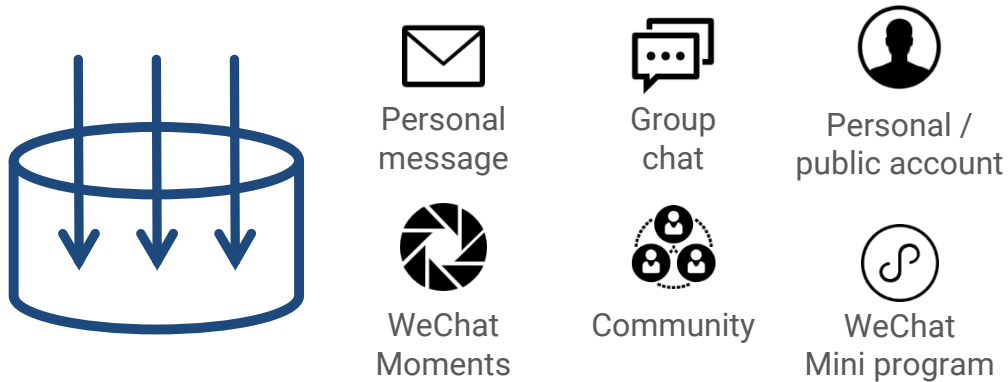
An illustration on a light blue background. On the left, a hand in a grey suit sleeve holds a red horseshoe magnet. The magnet's poles are emitting white lightning bolts. To the right, various shopping-related icons are being pulled towards the magnet: a person in a red shirt and cap, a person in a blue dress holding a shopping bag, a red shopping cart, a yellow envelope, and a blue shopping cart. The text 'WHAT IS PRIVATE TRAFFIC' is overlaid in the center-right.

# WHAT IS PRIVATE TRAFFIC

# CREATE YOUR OWN PRIVATE TRAFFIC POOL

PRIVATE TRAFFIC POOLS MAKE GAINING AND CONTROLLING TRAFFIC MORE COST-EFFECTIVE

## PRIVATE TRAFFIC POOL



Personal account and community with close relationship with consumers

- ✓ Direct contact with consumers
- ✓ More focus on targeted audience
- ✓ Improving consumer retention rate
- ✓ Low cost on getting traffic

VS

## PUBLIC TRAFFIC POOL



Platform and marketplace with huge traffic and resource

- ✓ Contacting with consumers through platforms
- ✓ Reaches a wide range of consumers
- ✓ Mainly disposable flow, hard to complete retention
- ✓ High cost on getting traffic

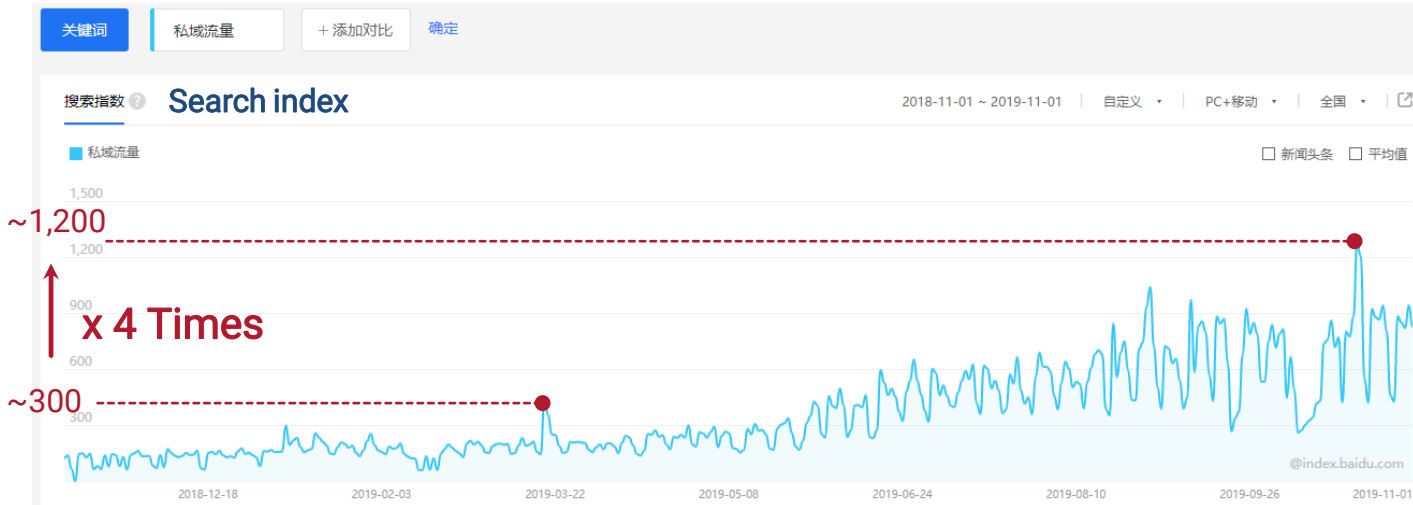
- Like owned traffic in the West, private traffic is a direct response to the rising costs of reaching fans and followers.
- Private traffic is free from the algorithms of large ecommerce platforms, putting the brand in control of how consumers see their products.



# “PRIVATE TRAFFIC” IS TRENDING AMONG CHINESE MARKETERS

MORE PEOPLE WANT TO LEARN ABOUT PRIVATE TRAFFIC IN 2019

## Baidu index “Private traffic” (in last 12 months)



- Higher search index on Baidu shows that the “private traffic” concept started taking off in Spring 2019.
- With several successful examples emerging in the market, marketers want to learn how they can leverage private traffic.

## Zhihu column “Private traffic”

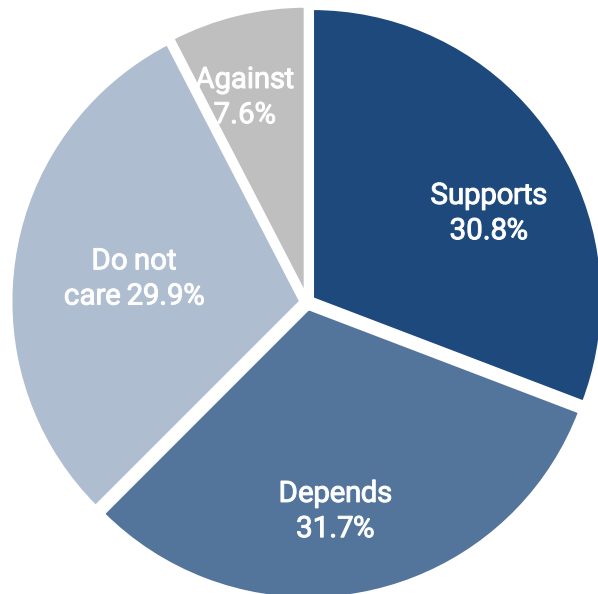
The screenshot shows the Zhihu search results for the keyword '私域流量' (Private traffic). The search bar at the top contains the keyword. Below the search bar, there are navigation tabs for '综合', '用户', '话题', '专栏', 'Live', '盐选专栏', and '电子书'. The search results are displayed in a list format, with each result including a thumbnail image, a title, and a brief description. The first result is a video titled '玩转私域流量: 抖音爆款视频变现攻略' (Mastering Private Traffic: Douyin Viral Video Monetization Strategy) with the subtitle 'Work with private traffic: How to make your video go viral on Douyin?'. The second result is an article titled '如何通过私域流量引流变现?' (How to get traffic and earn revenue through private traffic?) with the subtitle '社群电商变现的方法...' (Methods of monetizing community e-commerce...). The third result is a video titled '第6节 私域流量: 怎么锁定用户, 实现低成本转化?' (Chapter 6 Private Traffic: How to lock users and realize low-cost conversion?) with the subtitle 'Private traffic: How to lock users and realize low-cost conversion?'.



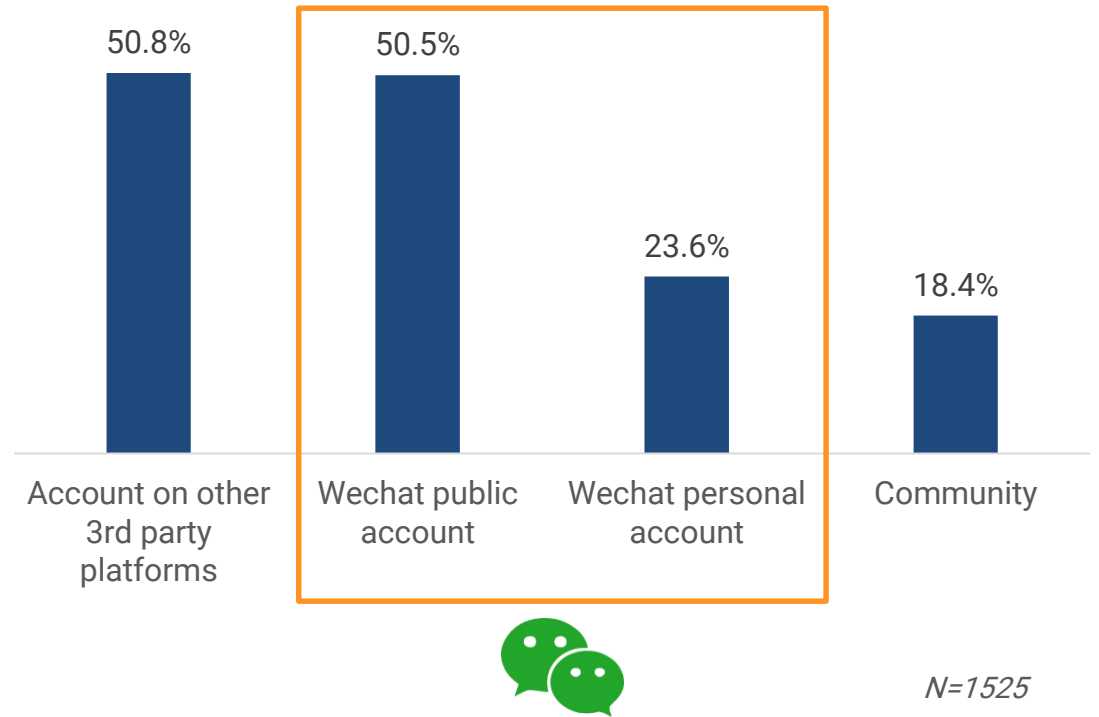
# HOW CONSUMERS FEEL ABOUT PRIVATE TRAFFIC IN CHINA

CONSUMERS SHOW THEIR WILLINGNESS TO JOIN PRIVATE TRAFFIC POOLS, WITH WECHAT AS THE MOST WELCOMED CHANNEL

Chinese consumer acceptance of private traffic (2019)

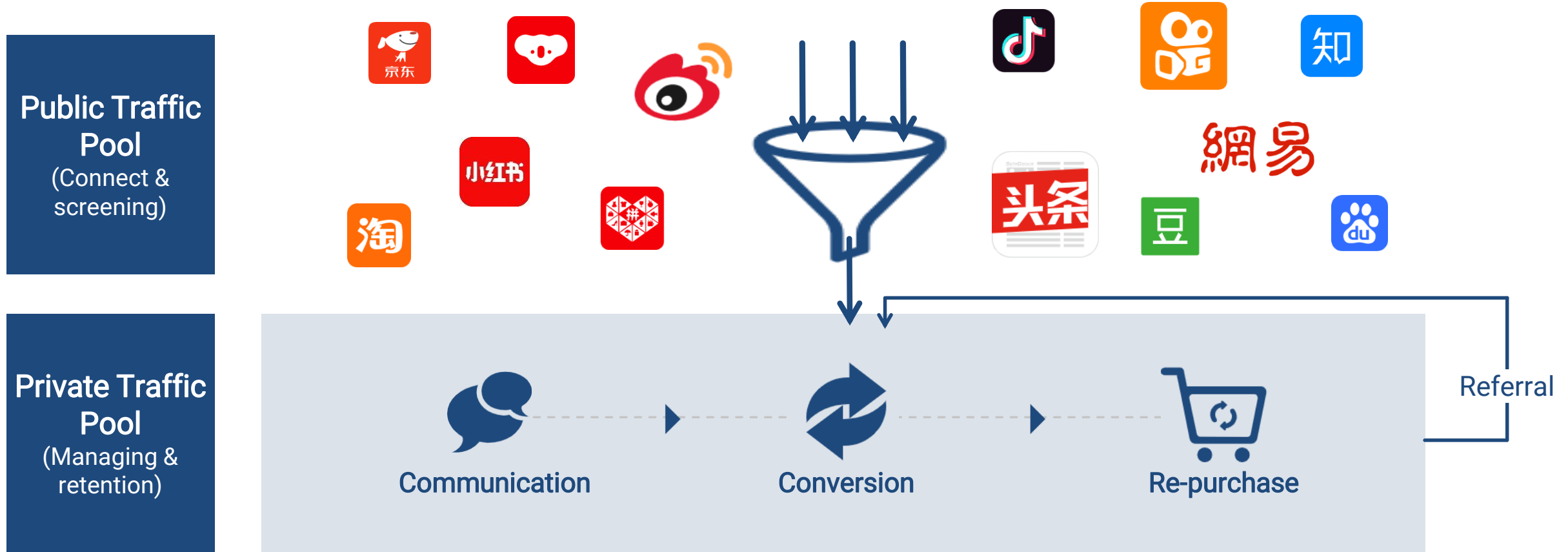


Distribution of private traffic marketing channel in China (2019)



# HOW PRIVATE TRAFFIC MARKETING WORKS IN CHINA

IMPROVING CUSTOMER STICKINESS AND CLIENT RETENTION RATE AFTER GETTING TRAFFIC FROM PUBLIC TRAFFIC POOL.

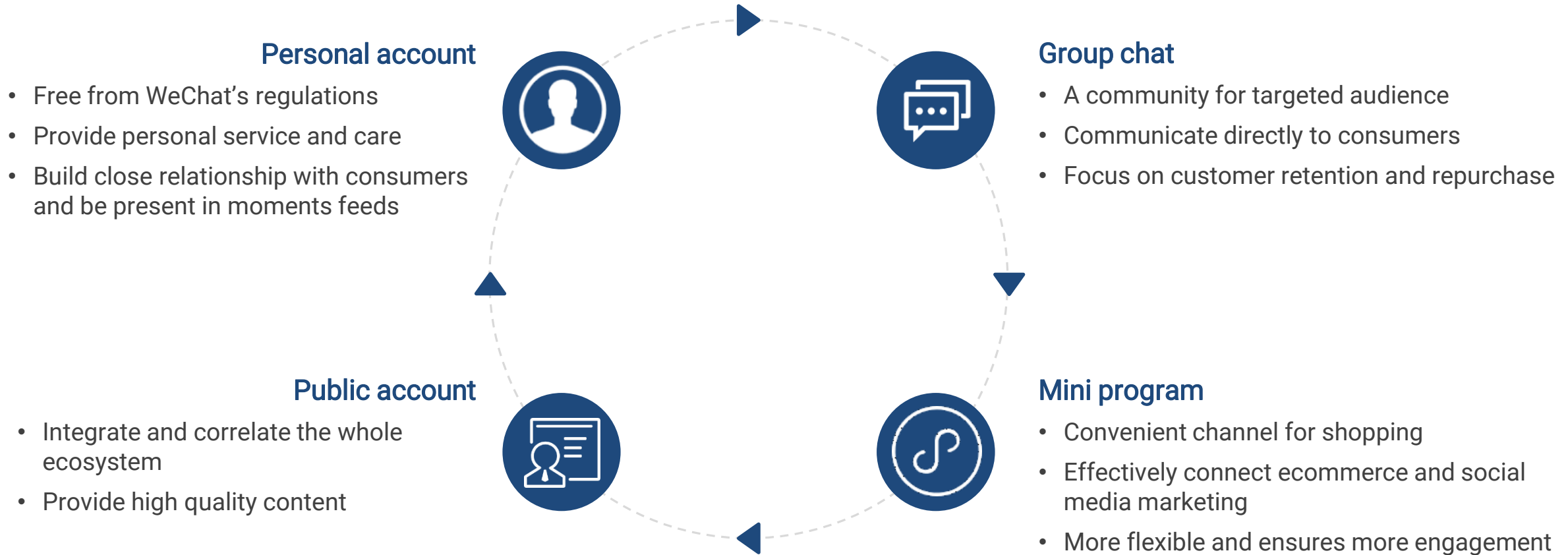


Source:

[https://zhuanlan.zhihu.com/p/83707641?utm\\_source=wechat\\_session&utm\\_medium=social&utm\\_oi=619454018930610176](https://zhuanlan.zhihu.com/p/83707641?utm_source=wechat_session&utm_medium=social&utm_oi=619454018930610176)

# HOW TO ESTABLISH A PRIVATE TRAFFIC ECOSYSTEM ON WECHAT

CREATING AN EMOTIONAL TIE WITH CONSUMER AND INTEGRATING SOCIAL MEDIA MARKETING WITH ECOMMERCE



# HOW TO COMMUNICATE WITH CONSUMERS IN PRIVATE TRAFFIC POOL

BEING CLOSER TO CONSUMERS BY SATISFYING THEIR DEMANDS QUICKLY AND DIRECTLY



**Model 1:**  
Shopping assistant



**Model 2:**  
Topic expert



**Model 3:**  
Private partner

## How it works

Leveraging social media platforms to share product or campaign information with consumers.

Lead by professionals, it aims at creating a highly loyal community by answering questions and acting as an expert on the topic.

Has personalized interactions with consumers through social media platforms.

## What it looks like

Perfect Diary (完美日记) shares detailed information about promotion activities in their private traffic group.

Daily Yoga (每日瑜伽) shares Yoga-related knowledge in their private traffic group.

Perfect Diary (完美日记) provides individual service to consumers in their private traffic group.

# HOW PRIVATE TRAFFIC WORKS WITH REAL EXAMPLE

LEVERAGING WECHAT ECOSYSTEM TO ATTRACT TRAFFIC AND BUILD COMMUNITY INDEPENDENTLY



全网首家独创  
21天瑜伽系统训练营  
21节高清视频教学课程+陪伴式指导+  
抱团打卡+视频直播答疑  
再也不怕练错瑜伽了!!

更多优惠请咨询老师



Providing QR code of a personal account at the bottom of some public account post



YO酱

2019年1月18日 上午9:45

我通过了你的朋友验证请求, 现在我们可以开始聊天了

2019年1月18日 上午10:10

您好, 这里是每日瑜伽主编YO酱  
回复【1】进每日瑜伽主题交流群哦~

2019年1月18日 上午10:43

邀请你加入群聊  
“YO酱”邀请你加入群聊每日瑜伽女神气质9群, 进入可查聊天记录

Sending invitation from personal account to join the group

Products promotion



每日瑜伽女神气质9群 (243)

【靠墙山式收下巴——让头回位】  
山式靠墙, 让头部颈椎回位  
颈部后侧延展, 双手向两侧打开  
站立3-5分钟

5:10 AM

体态, 才是决定一个女人美丽层次最重要的原因。

含胸驼背, 骨盆前倾, O型腿, 整个人显矮又显老  
美国运动机能整合康复师认证、中国著名运动康复学院讲师【司沐欣】带你5天矫正不良体态, 显高又显瘦!

22日晚20:00准时开播, 只剩最后3天, 点此报名<https://appt.9GGsrUs7304.h5.xeknow.com/st>

Knowledge sharing



每日瑜伽女神气质9群 (243)

学白老师一节课, 胜过自学一整年!

手倒立, 拐杖式, 孔雀式等18种高级体式轻松掌握, 瑜伽爱好者都能学哦, 戳链接抢购, 永久学习

瑜伽大师白宸东: 一步一步教你安全快速的达成高级体式, 找...  
拐杖式, 孔雀式, 手倒立等18个高级体式轻松掌握秘诀!

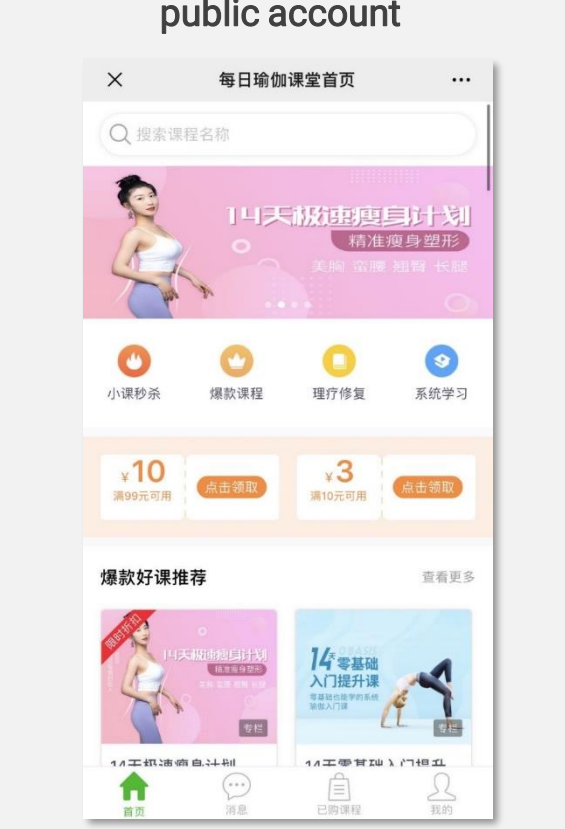
Friday 12:05 AM

伽人们, 早上好呀  
今天是11月15号, 周五  
今天推荐大家学习【仰卧束角式】  
仰卧束角式是绝佳的滋养性练习, 能够充分舒展双肩和胸腔。舒展腹部, 使腹部内器官受益。

快看看影子老师是如何讲解哒

Directly communication with consumers in the group chat

HTML5 store integrated in the public account



每日瑜伽课堂首页

搜索课程名称

14天极速瘦身计划  
精准瘦身塑形  
美胸 瘦腰 翘臀 长腿

小课秒杀 爆款课程 理疗修复 系统学习

¥10 满99元可用 点击领取  
¥3 满10元可用 点击领取

爆款好课推荐 查看更多

14天极速瘦身计划  
14天零基础入门提升课

首页 消息 已购课程 我的

Lead traffic to the store



A photograph of a Louis Vuitton store entrance. The store's name is displayed in large white letters on a dark sign above the glass doors. Several people are walking past the entrance. A woman in a blue dress is walking towards the left, carrying a red bag. A man in a white shirt and jeans is walking towards the right. Another man with a backpack is also walking towards the right, carrying a shopping bag. The store interior is visible through the glass doors, showing shelves and displays. The overall scene is brightly lit, suggesting an indoor or well-lit outdoor environment.

LOUIS VUITTON

## CASE 1: LOUIS VUITTON

INDEPENDENCE FROM MARKETPLACES



# LOUIS VUITTON IN CHINA

## MAINTAINING INDEPENDENCE IN ALL SALES CHANNELS



- LV entered China in 1992. Currently, it has around 40 offline stores and three self-operated online stores in China.
- In the 9 months between October 2018 and May 2019, about 8% sales came from LV's online store.



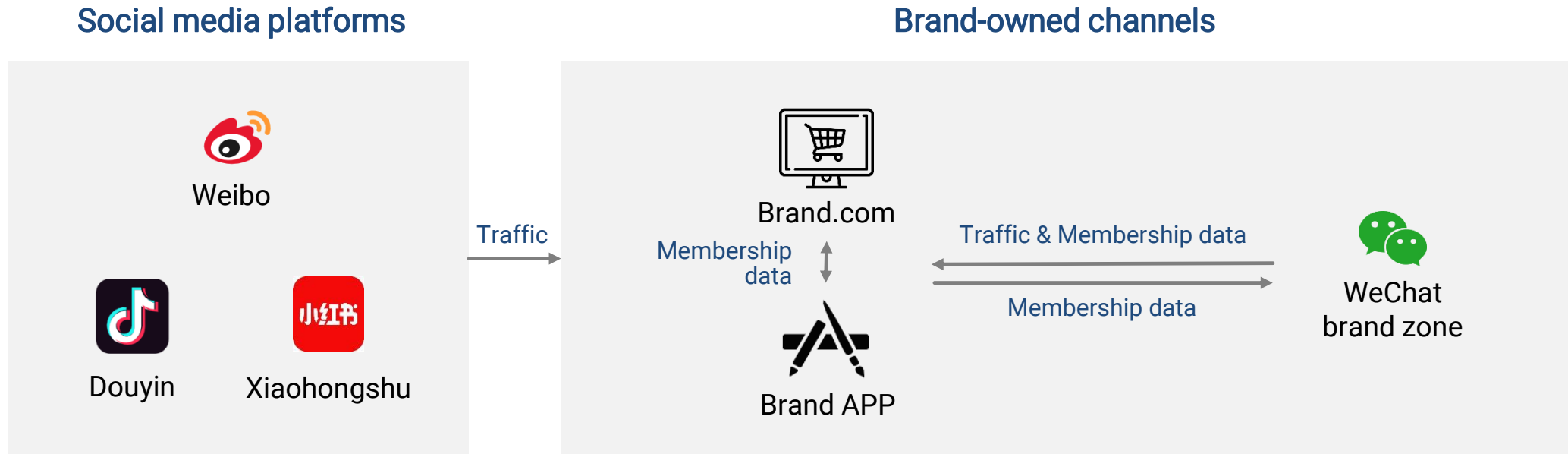
By allowing online purchases on its website, the click-through rate of the site increased by 14% and had become LV's highest performing retail channel.

### LV's sales channels in China



# LV IS HIGHLY INDEPENDENT IN THE DIGITAL MARKET

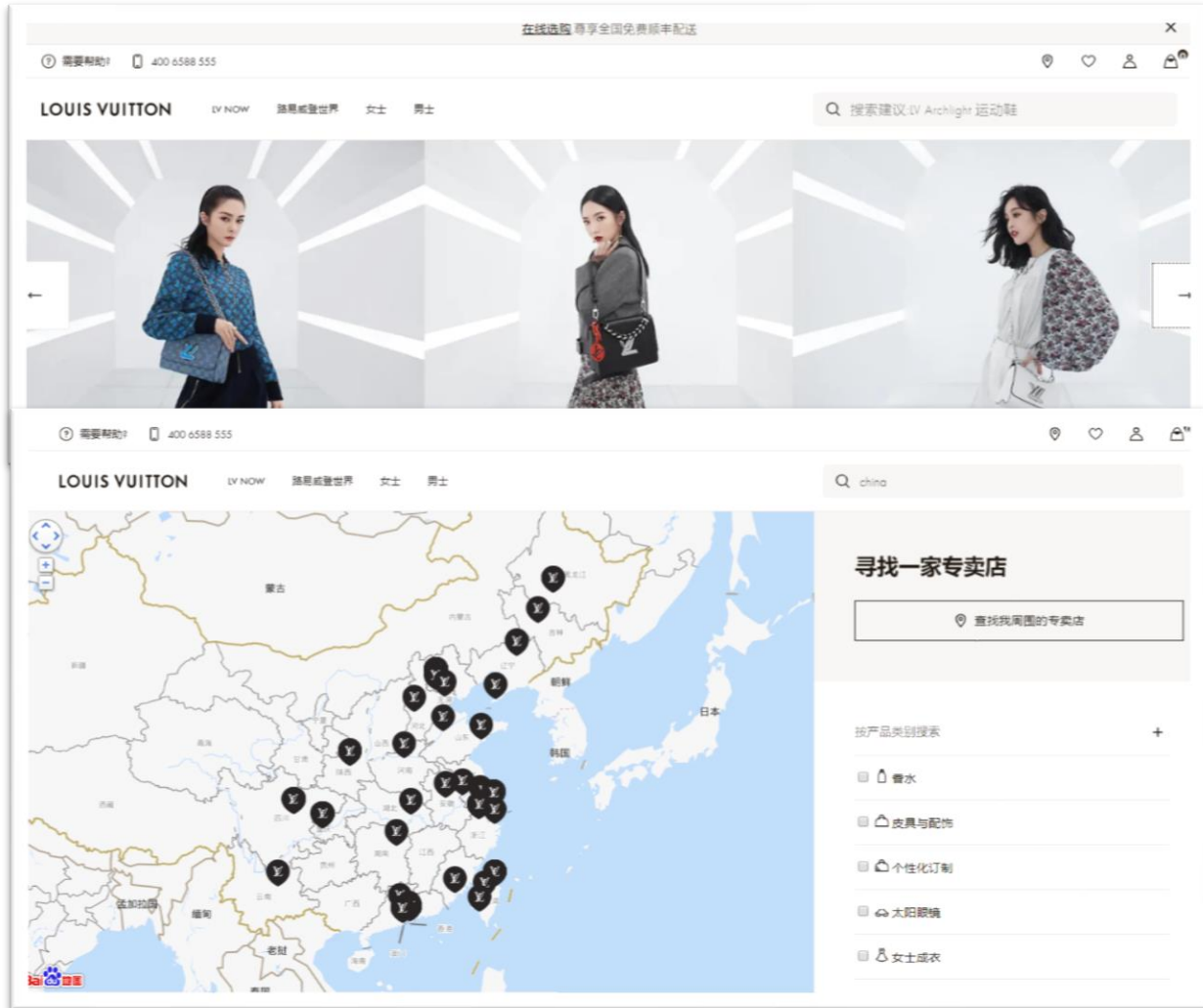
MARKETPLACES ARE NOT INDISPENSABLE, BRANDS CAN DRIVE TRAFFIC THROUGH SOCIAL MEDIA



With little presence on marketplaces, brand.com and brand apps are central in LV's digital strategy.

# BRAND.COM IN CHINA: LOUISVUITTON.CN

## HOW LV SELLS TO CONSUMERS DIRECTLY



### Product category

All products are available on their website



### Payment method

Alipay, WeChat pay, Bank card



### Delivery service

- Free delivery
- Delivered by SF Express
- In stock products: delivered 1-2 days after payment
- Pre-order products: delivered within 1-8 weeks



### Click & Collect service

- Available to collect in offline stores by choosing this purchase method
- Consumers are notified when the good is ready



### After-sales service

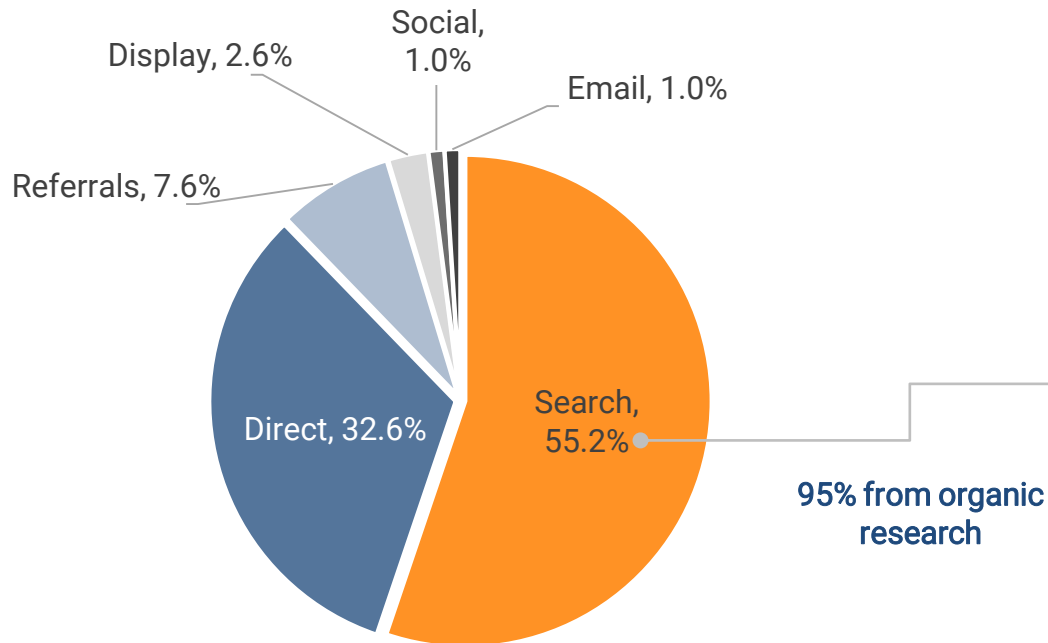
- Returns available within 7 days by receiving
- Free door-to-door collection and delivery service



# LV SUCCESSFULLY BUILT AN INDEPENDENT BRAND IMAGE

SELLING AS A BRAND, NOT A PRODUCT

Traffic source of LV.cn  
(Oct. 2019)



Top 5 Organic keywords, compared to previous month's data  
(Oct. 2019)

lv	51.03%
LV official website	▲22.14%
lv官网	12.49%
Louis Vuitton	▼2.71%
路易威登	5.69%
LV China official site	▲4.00%
lv中国官网	1.64%
LV China	▼8.04%
lv 中国	0.90%
	▲132.0%



From 24<sup>th</sup> November to 1<sup>st</sup> December, LV.cn ranked top 2.3% of all Chinese website in "entertainment and fashion" category.

- With more than half of traffic coming from direct research, LV has successfully improved its brand awareness in China.
- More Chinese consumers search LV because of the brand itself but not for specific products.



# TRAFFIC MONETIZING OF LOUISVUITTON.CN

REALIZING STRONGER TRAFFIC MONETIZATION ABILITY

## Top destination sites of traffic from referrals (Oct. 2019)



- About 10% of website visitors from referring site complete a transaction.
- With significant traffic growth on excashier.com in October, it seems LV has successfully built its independent brand image and market strategy in China.



## Organic exposure rate of Burberry's flagship store on Tmall (5<sup>th</sup> Nov. 2019 – 5<sup>th</sup> Dec. 2019)

Monthly sales	Store exposure index	Conversion rate
9,932	80,172	12.39%

\* Store exposure index refers to views volume index of direct research on Taobao & Tmall

\* Conversion rate = Monthly sales / Store exposure index \* 100

Compared to Burberry's flagship store on Tmall, the traffic monetization capability of LV.cn is no worse than competitors on marketplace such as Tmall.



# MARKETPLACES ARE NOT SUITABLE FOR ALL BRANDS

IT IS DIFFICULT FOR BRANDS PROVIDE HIGH QUALITY PRODUCTS AND KEEP PRODUCTION SPEED UP WITH INCREASING SALES.

## Consumers' perception of LV's official website on Weibo



Weibo is China's biggest social media network that was launched in 2009. Over the past years, it has transformed from a Chinese equivalent of Twitter to a comprehensive platform.



### Consumers perception

Most Chinese consumers complained that some of LV's products are often out of stock, so they always need to wait for a long time after making order on LV.cn.



### LV's current situation

Although LV has not officially sold on marketplace, there is still a shortage of supply. It may discourage some consumers from buying.



### Tips for brands

For brands who are insisted on providing high quality products, marketplace would not be a good choice. Because it's hard to catch up with the increase on sales brought by exposure from the marketplace.

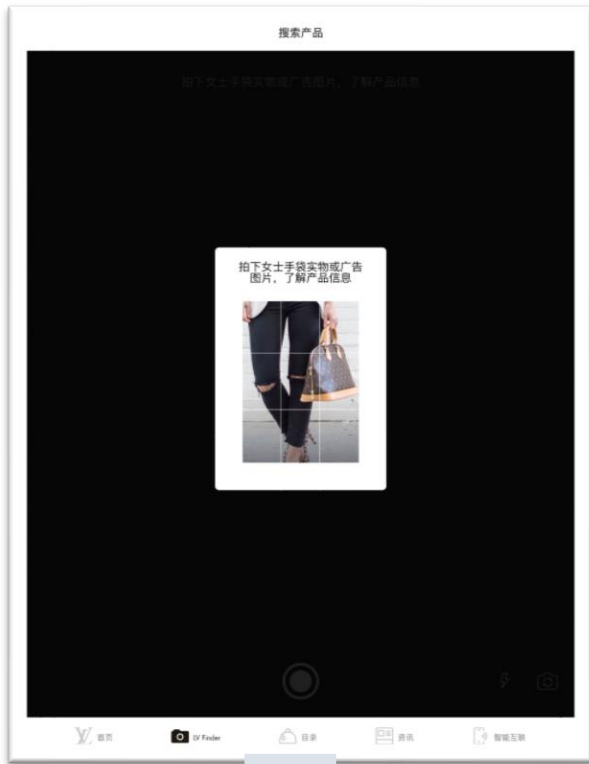




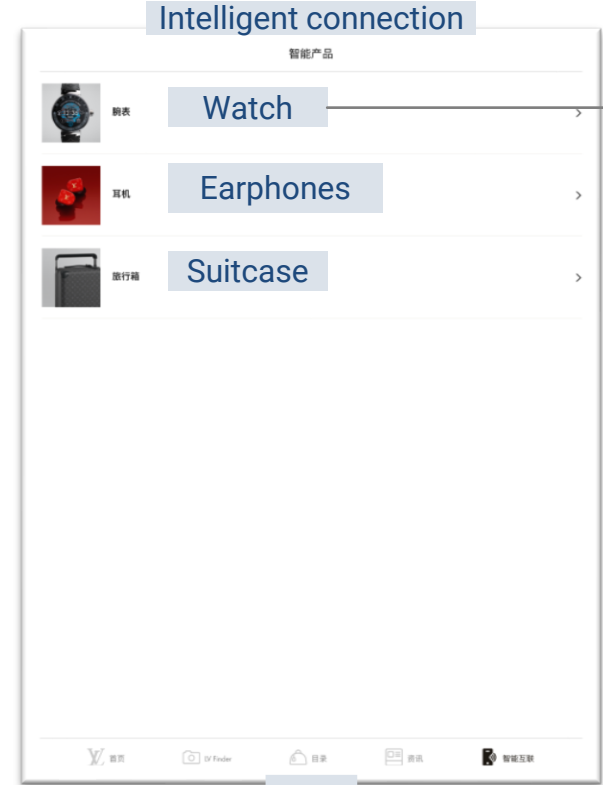
# BETTER CONNECTIVITY BETWEEN CONSUMERS AND PRODUCTS

LV'S BRAND APP SHOWS MORE INNOVATION AND CREATIVITY BY LEVERAGING DIGITAL TECHNOLOGY

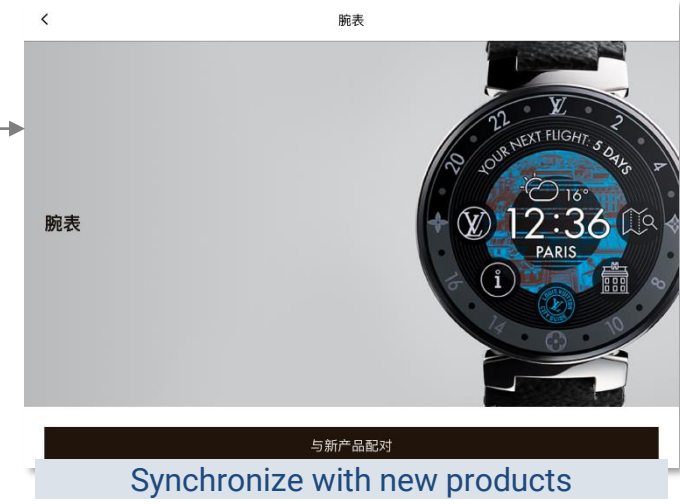
## Applying artificial intelligence technology on LV APP



*Allows APP users to find products in its online store by scanning a QR code.*



*Allows APP users to connect LV's intelligent products.*



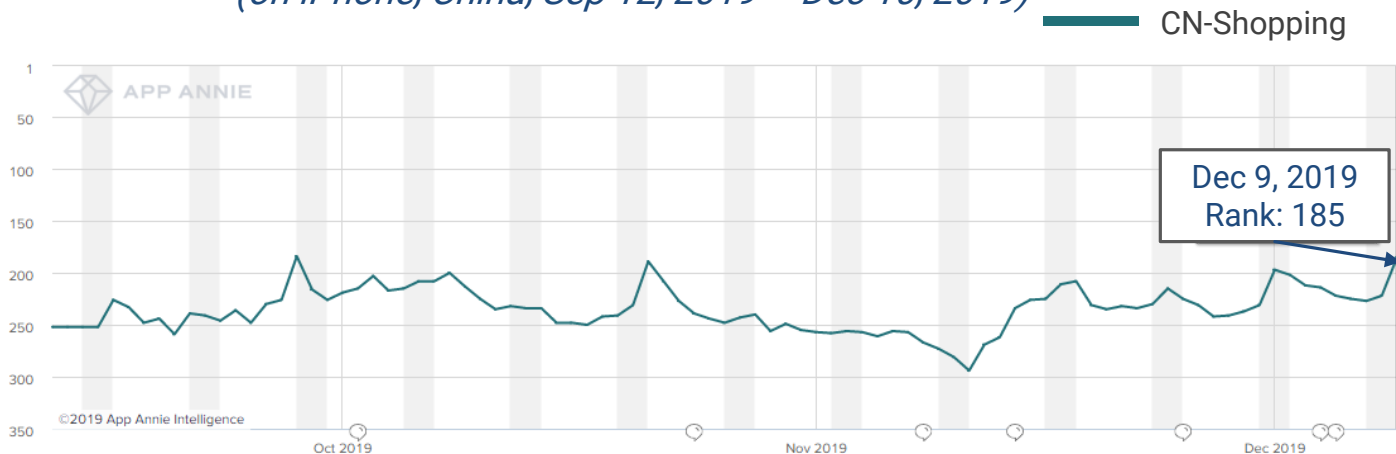
- LV's brand APP has roughly the same product category, delivery and other services available on website.
- It provides a more convenient shopping process than websites.
- LV is trying to capitalize on digital opportunities by leveraging its APP channel, which cannot be realized by having store on marketplace.



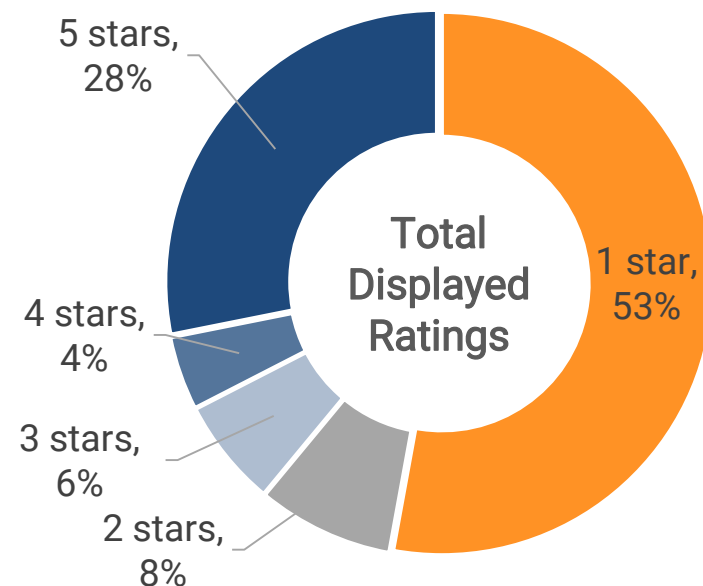
# BRAND APP SHOULD PRIORITIZE USER EXPERIENCE

BETTER USER EXPERIENCE CAN INCREASE BRAND LOYALTY.

**Rank history of LV APP in shopping category**  
(on iPhone, China, Sep 12, 2019 – Dec 10, 2019)



**Ratings of LV APP on APP Store**  
(Dec 10, 2019)



## Most recent feedback on APP Store

[Write a Review](#)   [App Support](#)

Sort by Most Recent

软件做的太烂了吧! Tue  
☆☆☆☆ zz~猪猪zz

一直登不上是怎么肥四?

去年还能在 app 上下单, 现在却... 20 Nov  
☆☆☆☆ 墩墩

有 app, 我还得去官网下单。不明白弄这个 app 的意义何在。而且线上购买信息还不互通。

- Almost no positive feedback from Chinese consumers
- Most complaints are around:
  - ✓ Unable to login and no fixed version until now
  - ✓ Product and order information is inconsistent with that on website
  - ✓ Hard to connect intelligent devices
  - ✓ Slow in operation process

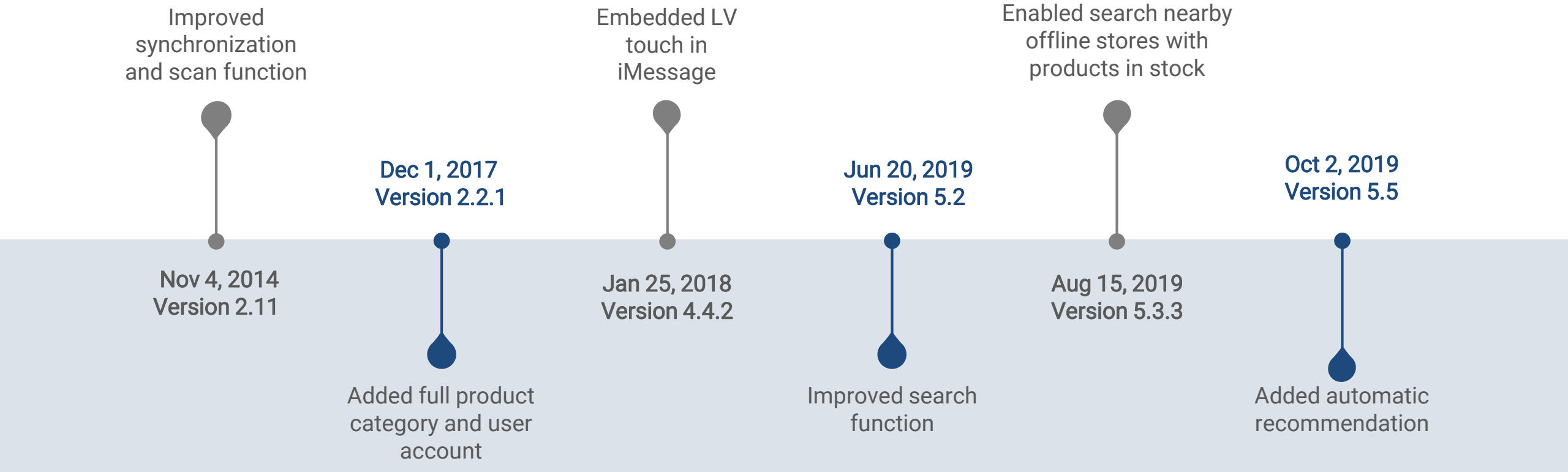
- LV APP ranked not very high as a shopping APP.
- There still are some defects need to fix, especially technical issues.



# LV CONTINUOUSLY IMPROVES USER EXPERIENCE

AS A HIGHLY INDEPENDENT BRAND, LV BETTER UNDERSTANDS THEIR CUSTOMERS AND THEREFORE CAN EASILY ADAPT TO DEMAND

## Some critical updates of LV APP in APP Store

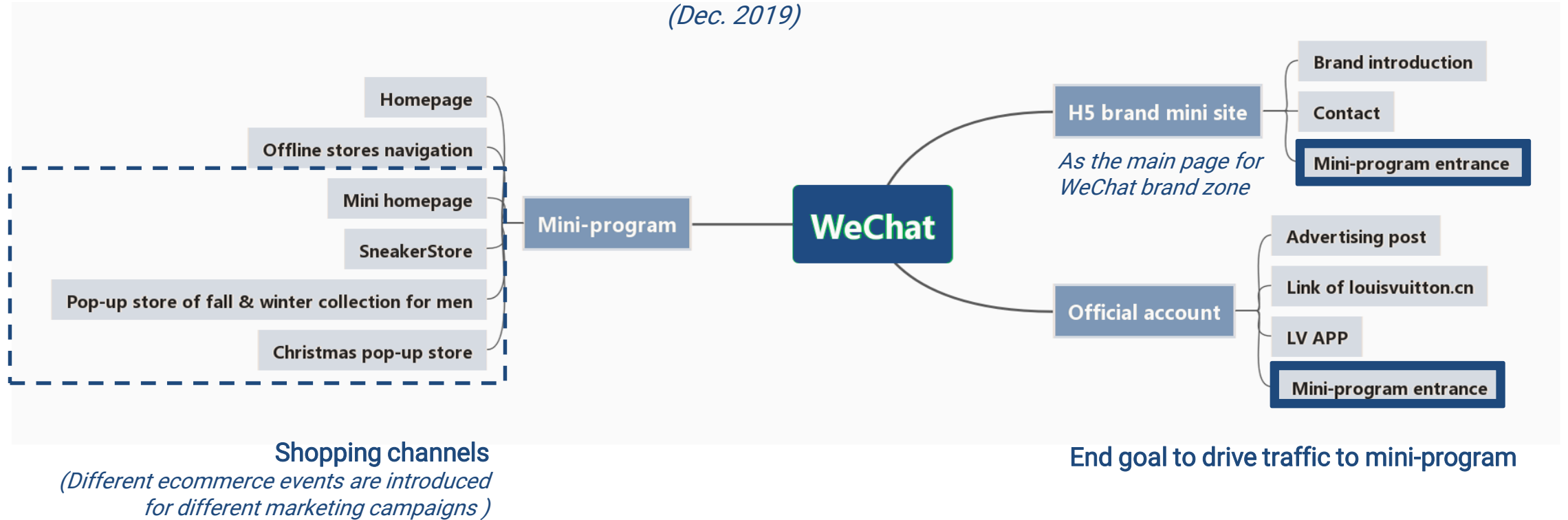




# BUILD INDEPENDENT BRAND IMAGE ON WECHAT

BRAND INDEPENDENCE ENABLES LV TO HAVE A FLEXIBLE PROMOTION STRATEGY ON WECHAT

Structure of LV's WeChat brand zone  
(Dec. 2019)





# LV PROMOTIONS ON WECHAT DRIVE TRAFFIC TO MINI-PROGRAM STORE

## LV's WeChat public account



## Post content and effect

### 4 latest posts on LV Official Account

Date	Subject	View
24 Oct.	LV Archlight sneakers	100k+
5 Nov.	LV twist bag	100k+
15 Nov.	LV's cobranding with League of Legend	100k+
22 Nov.	LV men's bag	100k+

### Providing entrance to mini-program pop-up stores at the end of article



## Performance

### Evaluation of LV Official Account

Item	Score
Value of investment on ads	9/15
Completeness of basic information	15/15
Activeness	3/10
User stickiness	5/15
Content quality	9/15
Impact	29/30

- LV's WeChat public account is well-connected with other channels.
- Most article posts are correlated with marketing campaigns.
- All articles are quite successful, we can assume these posts do drive large volume of traffic to its WeChat stores.



### Active followers

960,205



### Rank

75<sup>th</sup> in fashion category





# HOW LV SELLS THROUGH MINI-PROGRAM ECOSYSTEM

LEVERAGING SOCIAL MARKETING STRATEGY TO DRIVE TRAFFIC FOR BRAND ITSELF

## LV's mini-program ecosystem

(Dec 10, 2019)

Traffic in December



**Shopping channels**  
*\* pop-up stores change based on promotion campaigns*

**Customer service and navigation**

**Product category:**  
 ✓ Sneakers  
 ✓ Men's fall & winter collection  
 ✓ Boutique

**Payment method:**  
 WeChat pay only

"Homepage" works as the main page of mini-program ecosystem, and provide entrance to other mini-programs.

### Entry points of mini-programs:

- WeChat posts
- Navigation bar in chat-box
- Brand mini site
- WeChat search engine

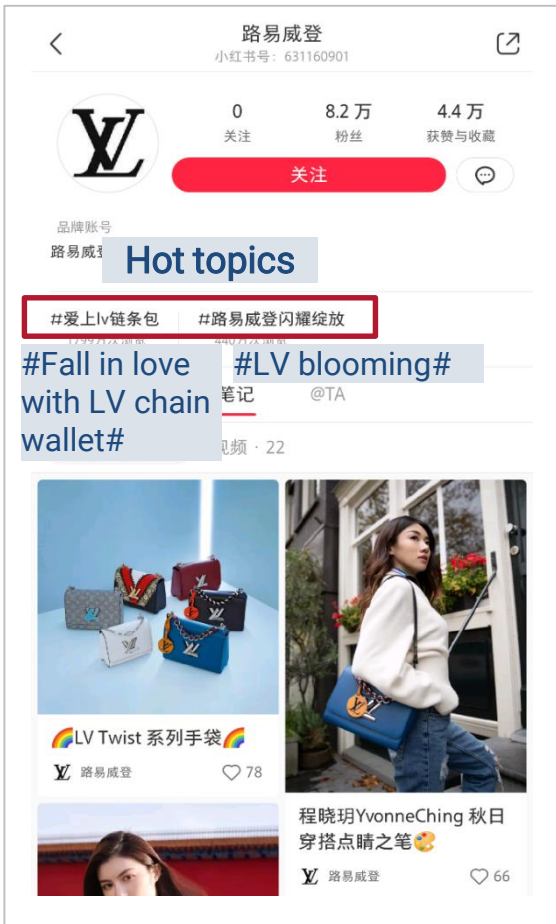


# HOW LV USES KOL MARKETING

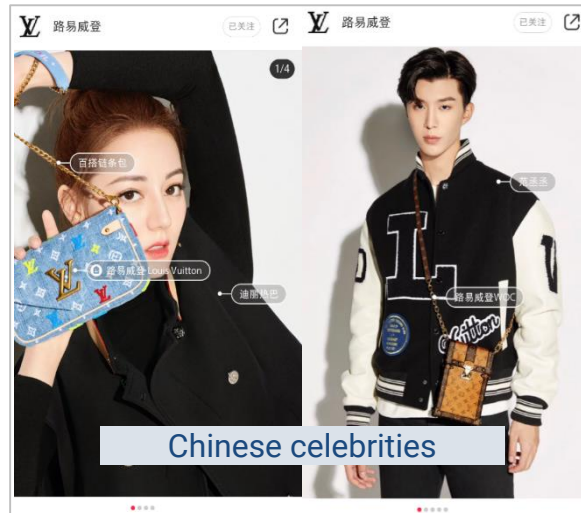


## Promotion on Xiaohongshu

### Official account



### Most popular posts



**Followers**  
82,000

- LV's XHS account improves visibility by raising topics and discussion on their hot products.
- The promotion activities on XHS target young netizens.

## Promotion on Weibo

### Official account



### One of most popular posts



**Followers**  
4.1 Million

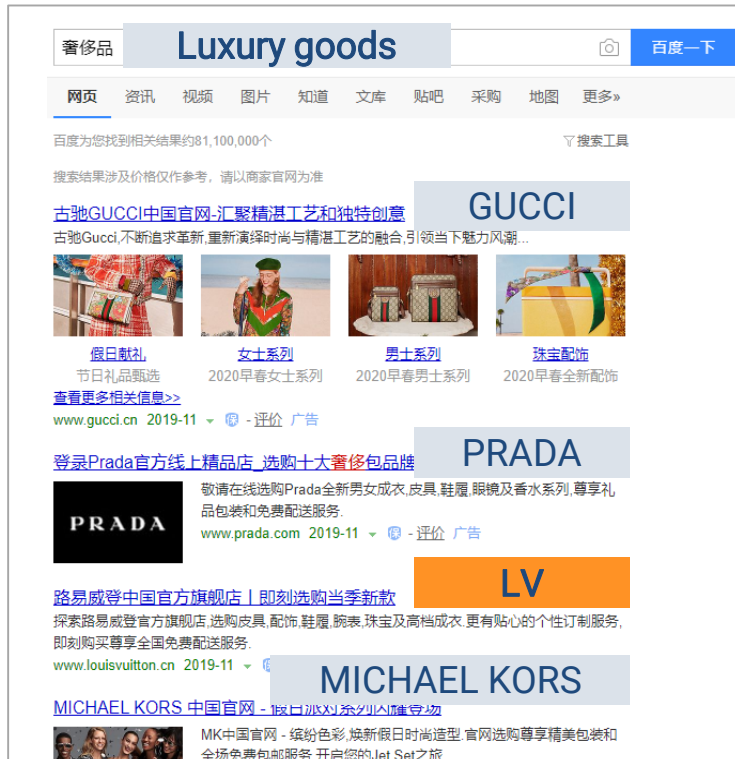
Reaching more than 4 million followers, Weibo could be an ideal channel for potential consumers.



# HOW LV DRIVES TRAFFIC TO BRAND.COM

UTILIZING MAINSTREAM SEARCH ENGINE AND SHORT VIDEO PLATFORMS FOR HIGHLY TARGETED PROMOTION

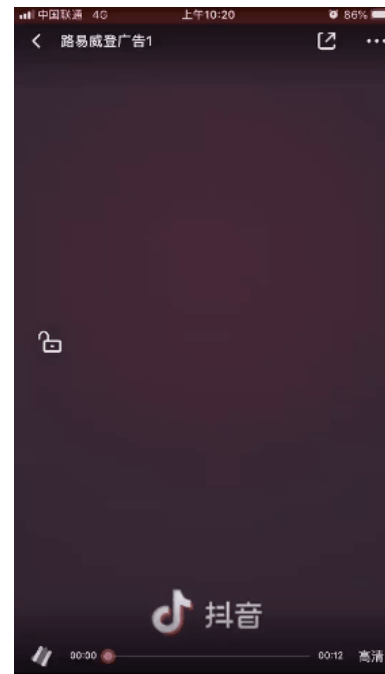
## LV's advertising on Baidu shows up during searches for "Luxury goods"



LV paid for targeted keywords to be preferentially showed in the search engine Baidu to help increase traffic of LV.cn.

## LV's Christmas promotion ads on Douyin

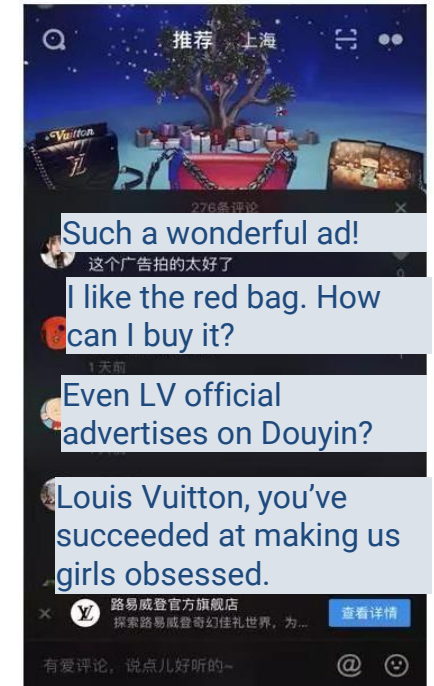
Lock screen video ads



Feeds ads



Users' comments

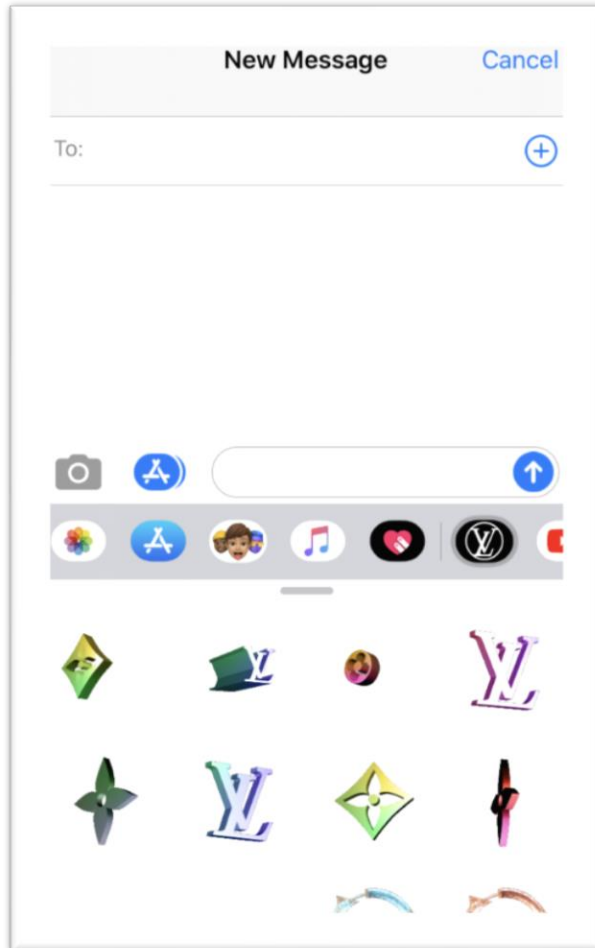


- LV started to do advertising on Douyin, a Chinese social media platform which owns rich resource and traffic volume.
- Since LV has no presence on marketplaces, these advertisements can drive all traffic to its own sales channels.

# ADDING INTELLECTUAL PROPERTY IN MESSENGER

USING SHARABLE BRANDED VISUALS TO GET CLOSER TO CONSUMERS.

## LV's iMessage stickers



- In January 2018, LV embedded LV touch into iMessage and provided attractive stickers based on its brand visuals.
- Every iPhone user can send the sticker through iMessage after downloading LV APP.
- Leveraging iPhone users' social connection to expand influence and improve brand awareness.
- It is also a trigger to attract people download the LV APP.



# SENDING NEWSLETTERS FOR CUSTOMER RETENTION

DIRECTLY, REGULARLY AND COST-EFFECTIVELY WAY TO PROMOTES FOR BRAND ITSELF

## Welcome email

**LOUIS VUITTON**

亲爱的!

感谢您对路易威登的喜爱与信任!

您已成功订阅路易威登电子报, 我们将第一时间为您献上最新的产品信息及品牌资讯。  
欢迎随时管理您的订阅。

您也可以通过 [louisvuitton.cn](http://louisvuitton.cn) 体验完整的路易威登惊喜之旅。

顾客服务  
致电我们:  
400 6588  
555

官方微信: [louisvuittonofficial](https://www.louisvuittonofficial.com)  
官方微博: [路易威登](https://weibo.com/louisvuitton)

[louisvuitton.cn](http://louisvuitton.cn)

Links to LV official WeChat and weibo

## Holiday promotion newsletter

LV NOW 路易威登世界 女士 男士

庆祝准备

Prepare for celebration

## Link to shopping page on LV.cn

制定假日计划 寻找梦幻佳礼 收拾行装, 踏上假日之旅

推荐产品  
Recommended products

垫肩短袖上衣 ¥15,400	极光 (DEHORS IL NEIGE) 香氛蜡烛 ¥1,800	B BLOSSOM 18K 金钻石戒指 ¥28,800
即刻选购	即刻选购	即刻选购

Buy now

- LV's newsletter is designed to drive traffic to LV.cn and its major social media accounts.
- Ensuring direct communicating with potential consumers to stimulate demand and realize retention.





# CO-BRANDING: INCREASING EXPOSURE TO NEW CONSUMER GROUPS

COLLABORATED WITH A BRAND WHICH HAS A HIGH PURCHASE FREQUENCY TO BOOST BRAND AWARENESS

Recently, LV collaborated with LEAGUE of LEGENDS (world leading video game), and created a series of co-branding products.

2019.9

Designed a suitcase for LOL



奖杯啥的都不重要，箱子想要了

英雄联盟神吐槽：我感觉箱子比奖杯值钱

“The suitcase is most attractive”

“I think the suitcase is more valuable than the trophy”

2019.10

Published LV x LOL game skins



这可能是我唯一买的起的lv单品惹 🤔

“This might be the only LV I can afford”

幸亏我没换至臻锐雯，LV琪亚娜准备入手

“I’m going to buy one!”

2019.12

Published LV x LOL collections



👛太贵了，其实好喜欢那个泡泡裙。。。一看价格加税三千刀。。。瞬间平静

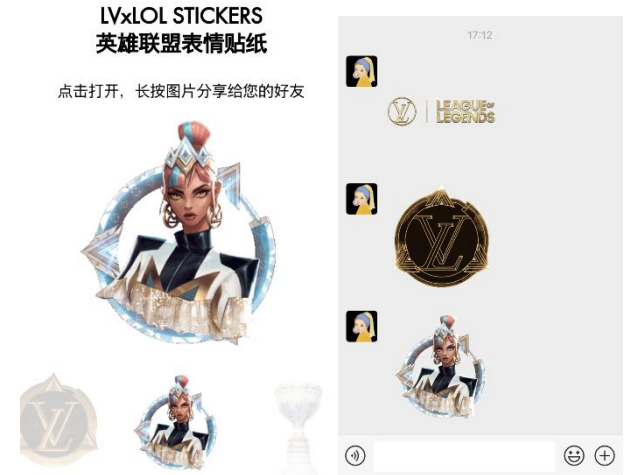
“I like the dress but it is too expensive”

帅炸了！这个系列太可了 🍎🍎🍎

“So cool! I like all of them!”

2019.12

LV x LOL stickers fit for WeChat



As a luxury brand with a lower consumption frequency, the collaboration helped LV improve brand awareness, as well as strengthened its brand.

## Comments on Weibo

Source: <http://www.1th1.com/weixin/price/3940.html>  
[ost-2-47840.html](http://ost-2-47840.html)



# ROADMAP OF LV X LEAGUE OF LEGENDS MARKETING CAMPAIGN

COVER NEW GROUPS OF CONSUMERS THROUGH COORDINATED PROMOTION ON ALL CHANNELS

## LV's promotion ecosystem

### LV.cn

路易威登 x 英雄联盟系列

即刻选购

### APP

COLLECTION LOUIS VUITTON 2054

### Newsletter

LOUIS VUITTON

LV NOW 路易威登世界 为她甄选 为他甄选

## Vote launched on Weibo



More than 10.6K people voted

LV's promotion has reached large volume of potential consumers.

## WeChat public account

LVxLOL posts  
**Views: 100K+**

如何说服男友给你买 LV X 英雄联盟联名系列?  
宇宙第一时尚博主在线指导

Entrance of LVxLOL mini-programs

官网选购 | **LVxLOL** | LV 尊享

## Mini-program

路易威登

LOUIS VUITTON  
路易威登 X 英雄联盟

即刻选购

首页 购物袋 我的订单 客服

## Weibo

路易威登

2 hour ago from 微博 weibo.com

#路易威登联名英雄联盟#奇亚娜 LV 至臻皮肤亮相峡谷之后, 路易威登推出与 @拳头游戏 联袂打造、由品牌女装艺术总监 Nicolas Ghesquière 亲自设计的 LV X LOL 联名系列。该系列融汇 @英雄联盟 原创元素与 Nicolas Ghesquière 个人灵感, 将游戏虚拟场景带入现实世界。网页链接 邀您登录官... Full Text

Arousing LVxLOL topic on Weibo and has attracted more than **1 million** discussion

LV has built a mature promotion system by itself to meet different demands.





## CASE 2: PERFECT DIARY 完美日记

EXCELLENT EXAMPLE OF PRIVATE TRAFFIC MARKETING

# PERFECT DIARY 完美日记

AN EMERGING BRAND THAT STARTED ON MARKETPLACE BUT IS GRADUALLY BECOMING INDEPENDENT.

PERFECT DIARY  
完美日记

PERFECT DIARY  
完美日记

- PERFECT DIARY is a young Chinese Beauty brand targeting young women born in the 90s.
- The brand started its online business on Taobao, and tried to sell independently later.
- It now has 40 offline stores and one brand-owned store on WeChat.



In the “Hurun Greater China Unicorn Index 2019 Q3” report published by Hurun research unit\*, Perfect Diary was ranked 6<sup>th</sup> on the top new Unicorn list, with valuation at 7 billion RMB.

*\* Hurun research unit is a leading luxury publishing group*

## Perfect Diary's sales channels

■ Self-owned channel  
■ Marketplace



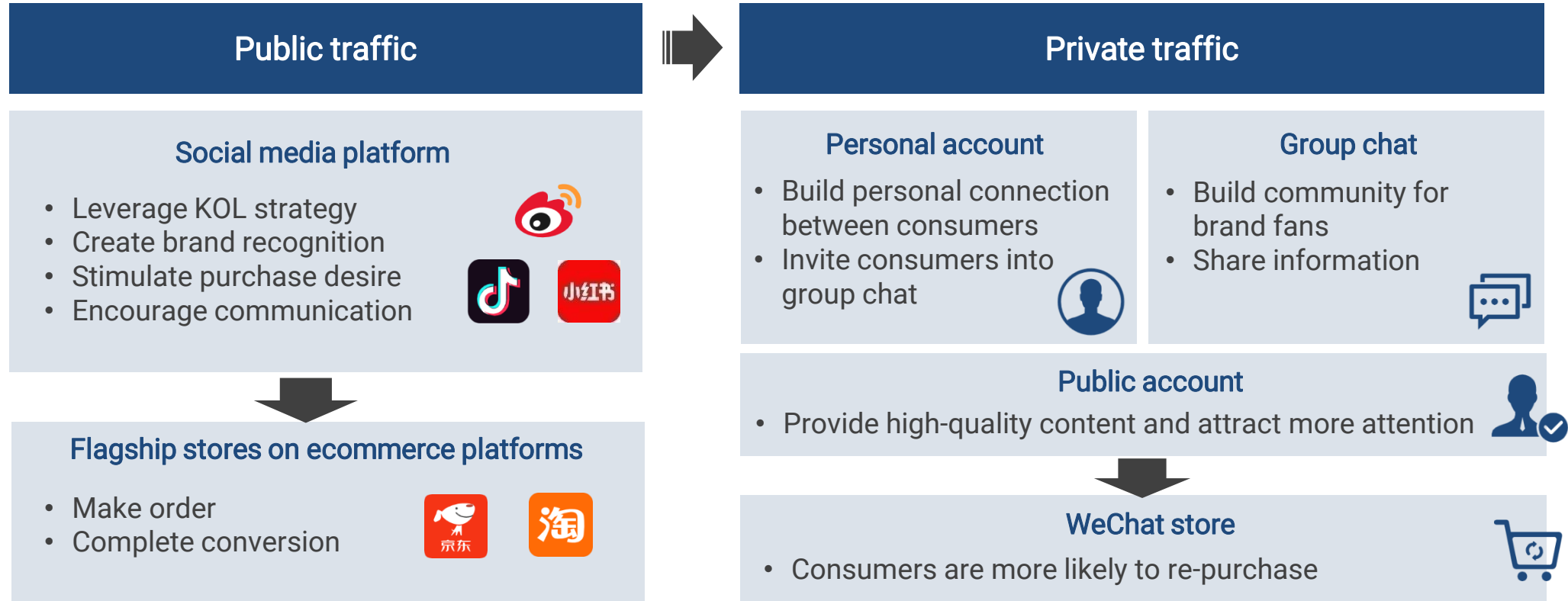
Source: [https://baike.baidu.com/reference/22119286/426eN0Spxp\\_s-tePzTwHLeZZyK\\_-fFaP2hUnv7rVMwx4odCiOxZJWeY3Z64W3IfD6N544Sr-kdKAzz5C6gSkq9vVMTf6C5dlRn1AnE\\_4GMcmYGeaew](https://baike.baidu.com/reference/22119286/426eN0Spxp_s-tePzTwHLeZZyK_-fFaP2hUnv7rVMwx4odCiOxZJWeY3Z64W3IfD6N544Sr-kdKAzz5C6gSkq9vVMTf6C5dlRn1AnE_4GMcmYGeaew)

# CONVERTING PUBLIC TRAFFIC INTO A BRAND'S OWN ASSET

A PERFECT EXAMPLE TO LEARN HOW TO GAIN INDEPENDENCE FROM THE MARKETPLACE

PERFECT DIARY  
完美日记

## Perfect Diary's online marketing strategy



- Perfect Diary builds its private traffic pool on WeChat, which can be conducive to re-purchasing.
- This brand leverages rich outside resources and then converts it into its own resources and realizes consumer retention.

# LEVERAGING XHS TO IMPROVE BRAND AWARENESS

INCREASING BRAND VISIBILITY BY WORKING WITH KOLS

PERFECT DIARY  
完美日记

## Job description for “KOL advertising” position

岗位要求

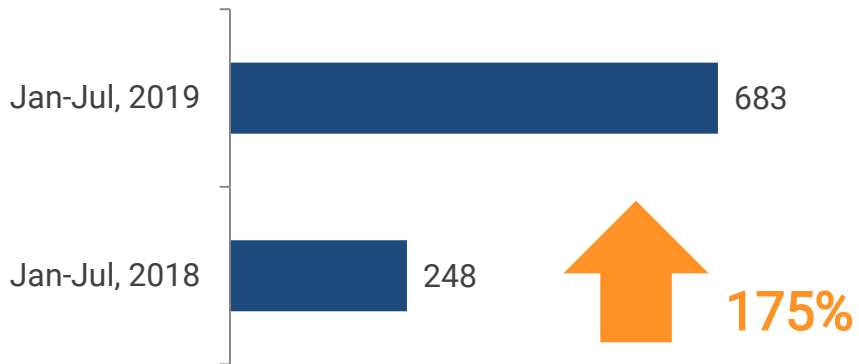
- 1、本科及以上学历，1年以上互联网相关工作经验（含相关经验）；
- 2、熟悉小红书等各类新媒体渠道，了解小红书的运营逻辑；
- 3、有较强的沟通能力，能独立解决问题
- 4、有团队意识和较强的抗压能力；
- 5、有一定MCN机构和小红书红人资源者优先。

Be familiar with new media channels like XHS.

Better to have some KOL and Multi-Channel Network (MCN)\* resources.

\* Multi-Channel Network (MCN): Agency manages KOL activity including content creation and marketing.

## Perfect Diary’s KOL advertising volume on XHS (no. of cooperated KOL)



PERFECT DIARY  
完美日记



L'ORÉAL  
欧莱雅

## Brands' visibility on XHS

Followers  
1.7 Million

Like & Save  
2.3 Million

Followers  
184 K

Like & Save  
87 K



L'OREAL is a world leading cosmetics company, it entered China in 1996.

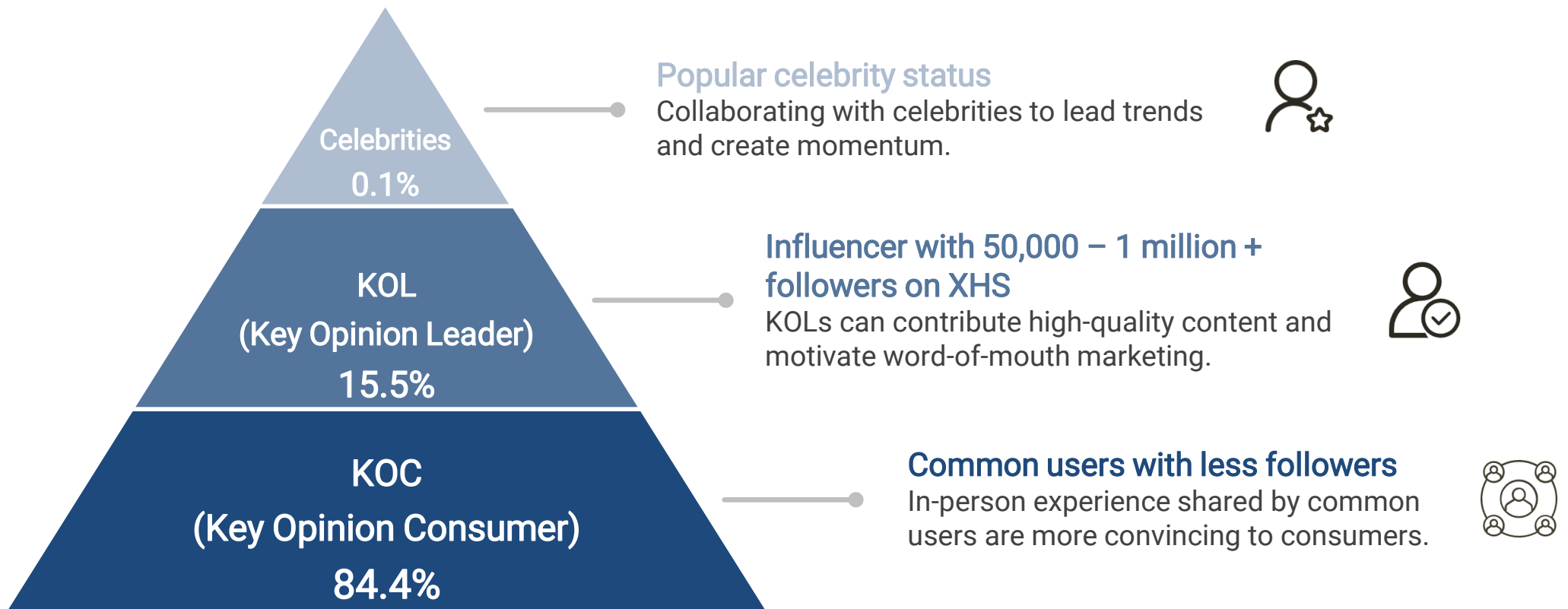
- Perfect Diary shows particular preference for KOL marketing on XHS.
- The brand is still working on expanding their influence on XHS by cooperating with more KOLs.
- Their strategy on XHS performed well, even better than world leading brand in the cosmetics industry.

# UTILIZING THE BANDWAGON EFFECT FOR HIGH BRAND VISIBILITY

PERFECT DIARY'S HIGHLY COST-EFFECTIVE ADVERTISING STRATEGY ON XHS

PERFECT DIARY  
完美日记

## Perfect Diary's KOL advertising structure on XHS





# DIFFERENT GROUPS OF PEOPLE PROVIDE DIFFERENT CONTENTS

EXAMPLES OF PERFECT DIARY'S KOL ADVERTISING ON XHS

PERFECT DIARY  
完美日记

**Celebrity posts**

*Both are young and popular celebrities in China*

👍 18 K	👍 83 K
💬 2.3 K	💬 2.7 K
★ 23 K	★ 36 K

**KOL posts**

还有比这只完美日记更闪的嘛? 🐔

一只佳佳 👍 1.6 万

16K likes

芳心纵火犯🐱完美日记新品探险家12色眼影盘02...

我的猪呢\_ 👍 3.8 万

38K likes

Head KOLs' posts normally introduce products with charming pictures and detailed description.

**KOC posts**

双十一省钱🍀完美日记黄皮显白平价口红

一只猪啊猪 👍 182

182 likes

我单方面宣布成为完美日记的代言人!!

Hatred 👍 781

781 likes

- Content from KOCs appear more ordinary but are more trustworthy for consumers.
- Though each can reach to limited number people, a large volume of KOCs can make waves.



# CONVERTING PUBLIC TRAFFIC INTO PRIVATE TRAFFIC

MOTIVATING CONSUMERS FROM MARKETPLACES TO ENTER ITS PRIVATE TRAFFIC POOL AT A LOW COST

PERFECT DIARY  
完美日记

## Perfect Diary's private traffic acquiring process



- The promotion card is attached to products sold on marketplace\*.
- Lucky money encourages consumers to enter its private traffic pool.

Personal account Xiaowanzi gives access to get lucky money and sends personal invitations to enter private traffic group.

\* We bought Perfect Diary's product from both Tmall and its WeChat store. The promotion card is only attached with products from Tmall.

# CREATING A VIRTUAL KOC CHARACTER

CREATING EFFECTIVE COMMUNICATION IN BRAND'S PRIVATE TRAFFIC POOL

PERFECT DIARY  
完美日记

## Xiaowanzi 小完子



### Who is She?

An imaginary KOC character created by Perfect Diary.

### What's her role?

- Provides information on products
- Beauty Consultant
- Provider of real-time customer service
- Friend

## Character image of Xiaowanzi

### Exterior image

Beautiful and well dressed young girl



### Interior image

Positive, lively and has many hobbies

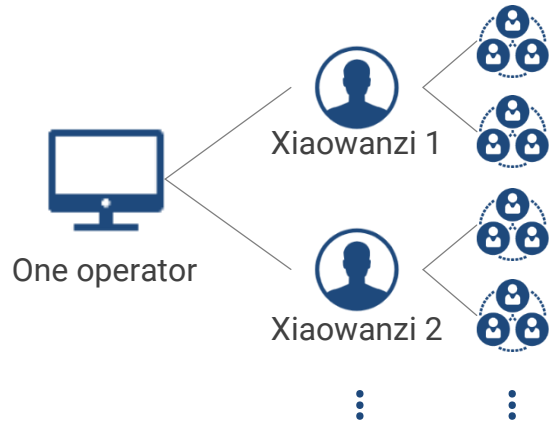
- Xiaowanzi has similar characteristic with Perfect Diary's target consumers.
- This KOC character help the brand build closer relationship with consumers.
- Close relationship makes communication more effective and efficient.

# BUILDING PERSONAL CONNECTIONS WITH CONSUMERS

CREATING A PERSONAL ACCOUNT MATRIX TO PROVIDE CUSTOMIZED SERVICE

PERFECT DIARY  
完美日记

## 'Black technology' behind Perfect Diary's personal account matrix



- Leveraging group control technology, Perfect Diary created hundreds personal account with unified character image called "Xiaowanzi".
- Normally, each WeChat personal account can have no more than 3,000 contacts. So, Perfect Diary has already has millions of followers in its private traffic pool.

## WeChat Moments of different accounts



**Post frequency**  
2-4 posts per day



**Main content**

- Life sharing
- Products promotion
- Product related knowledge sharing

- Sharing high quality content on WeChat moments to stimulate shop desire.
- Providing different content to different consumer groups.

# EFFECTIVE COMMUNICATION TO INSPIRE RE-PURCHASE

ESTABLISHING A SERIES OF COMMUNITIES TO SELL AND COMMUNICATE DIRECTLY TO CONSUMERS

PERFECT DIARY  
完美日记

## Communicate with consumers in WeChat group

### Real-time support

#### Customer

Is this new arrival?  
那个粉钻 16 号色是新出的吗

#### Xiaowanzi

是哟，是新色号呢  
Yes, it's new for Christmas.  
为圣诞准备的红棕色~

### Product promotion



Discount  
produces



New  
arrivals



Live stream activity



Related knowledge

## Expansion of one WeChat group



- Perfect Diary has hundreds of private traffic groups, and each is managed by one personal account.
- The group expands fast and has promotion activities everyday.
- The manager Xiaowanzi acts as a reliable friend and provides exclusive service for all consumers in the group.

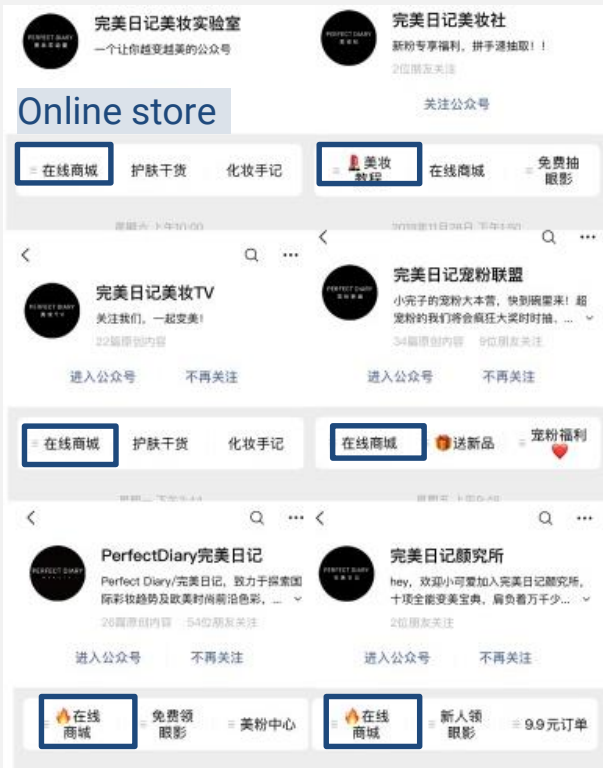
# MAINTAINING RETENTION ON BRAND-OWNED SALES CHANNELS

DRIVING BRAND'S PRIVATE TRAFFIC TO ITS OWN STORES

PERFECT DIARY  
完美日记

## Entry points to Perfect Diary's WeChat stores

### Navigation bar on official accounts' main page



Perfect Diary has 6 public accounts and each of them are store entry points.

### Links in each WeChat post



Providing entrance to Perfect diary's flagship store on WeChat.

### Links shared by Xiaowanzi



Providing entrance to another WeChat store called "Abby's choice 完子心选", which might related to each personal account's KPI.

## Perfect Diary's WeChat stores

### Flagship store 完美日记旗舰店



Main shopping channel on WeChat, providing all products.

### Abby's choice 完子心选



Branch store on WeChat, which only sells products promoted by personal accounts.



# FINDING NEW CONSUMERS OFFLINE

AND CONVERTING THEM TO ONLINE REGULAR ONLINE CONSUMERS BY INVITING THEM TO PRIVATE TRAFFIC POOLS

PERFECT DIARY  
完美日记

## Perfect diary's first offline store in Shanghai



Photo from 36Kr's Weibo account

## Establishing new private traffic pool based on offline stores



Giving free gifts to motivate consumers to enter its new private traffic pool



Direct to new private traffic pool managed by a new KOC character "Xiaomeizi小美子"

- Perfect Diary has opened 30 offline stores in 2019, and is planning to have 600 stores in next 3 years.
- The brand hopes 65% customers in offline stores are new consumers, who haven't bought their products online.
- By establishing offline stores, the brand aims at improving shopping experience and create new private traffic pool.





# 山姆会员商店

## CASE 3: SAM'S CLUB

RETAIN INDEPENDENCE THROUGH MEMBER-OWNED BUSINESS

# SAM'S CLUB IN CHINA

STARTED BUSINESS IN CHINA INDEPENDENTLY AND COOPERATED WITH JD FOR FURTHER EXPANSION



- Sam's Club is a world leading membership store, which serves more than 2 million members in mainland China.
- It mainly focuses on deep developing regular buyers and improving membership renewal rate.



In 2018, Sam's Club achieved 8% same-store sales growth in China's market, with almost 80% membership renewal rate.

## Online sales channels of SAM's Club

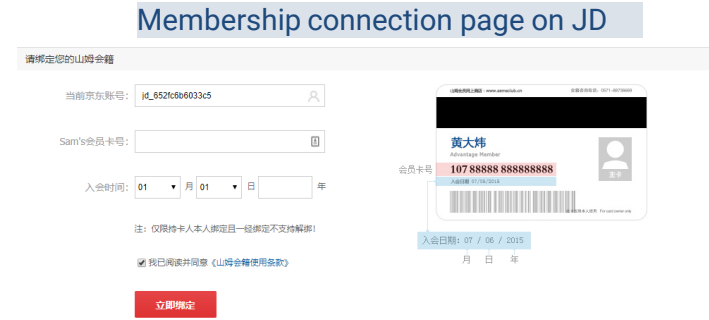
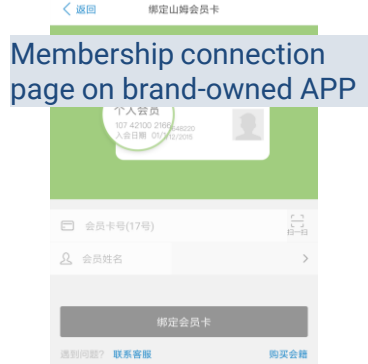
Self-owned channel  
Marketplace



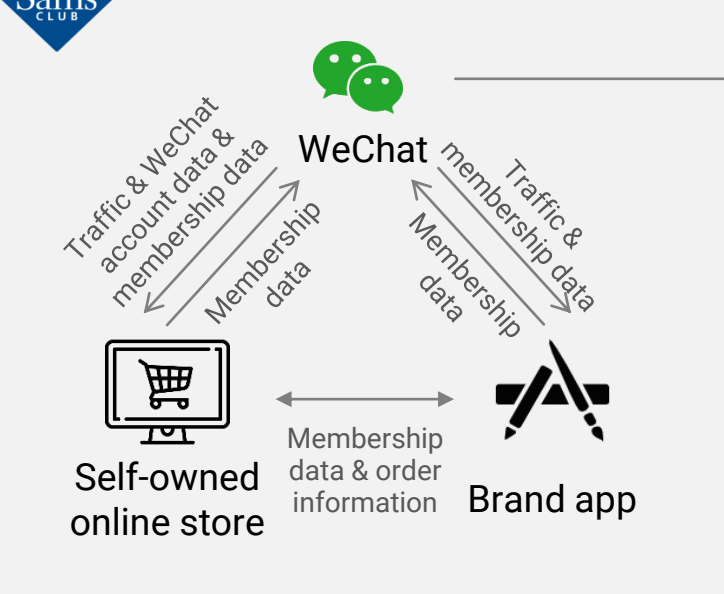
Source:  
<http://www.chinadaily.com.cn/a/201901/24/WS5c491649a3106c65c34e63a9.html>; <https://36kr.com/p/5250546>

# MEMBERSHIP-CENTERED CRM ON DIGITAL CHANNELS

## FULL CONTROL ON MEMBERSHIP DATA



### BRAND-OWNED CHANNEL



Personal information

Traffic

Membership data & consumer behavior

Membership data

### MEMBERSHIP SYSTEM

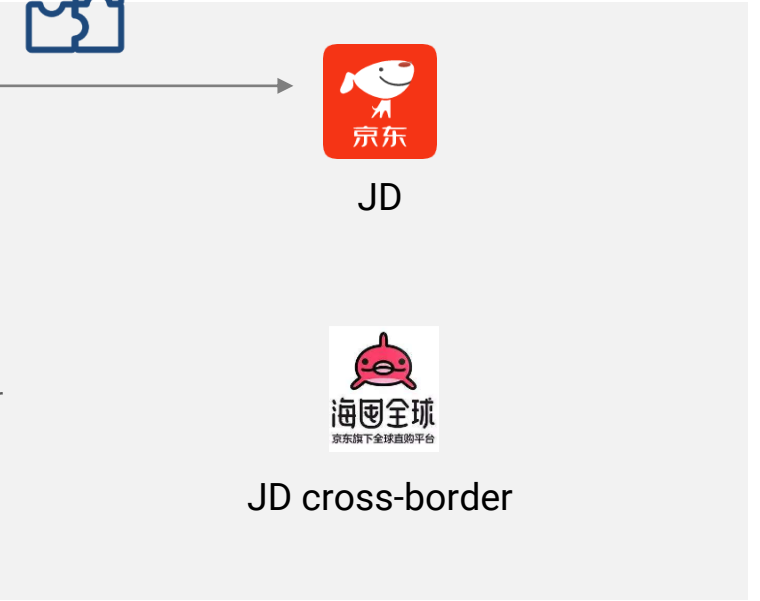


Membership data

Membership data & consumer behavior



### MARKET PLACE CHANNEL





# SELF-OWNED SHOPPING CHANNELS OF SAM'S CLUB

SAMSCLUB.CN AND APP: ONLY SERVE MEMBERS

## Delivery service

	Ordinary delivery	One-hour delivery service	Global purchase
Warehouse	Sam's Club offline store	Sam's Club offline store	Bonded warehouse
Shipment time	1 day	1 hour	1-5 days
Delivery area*	Specified area around offline stores	3-5kms away from offline stores	Specified area around offline stores

\* Specified delivery policy on samclub.cn



**Payment method**  
Alipay, Bank Card, payment after delivery



**Price**  
One price for members



**After-sales service**  
Free returns & refunds within 7 days



**Special service**  
Using the Bank of Communications card can get customers extra discount



# SAM'S CLUB FLAGSHIP STORE ON JD

MAINLY OPERATED BY JD WITH PURPOSE OF BUSINESS EXPANSION

## Services provided by Sam's flagship stores on JD platform



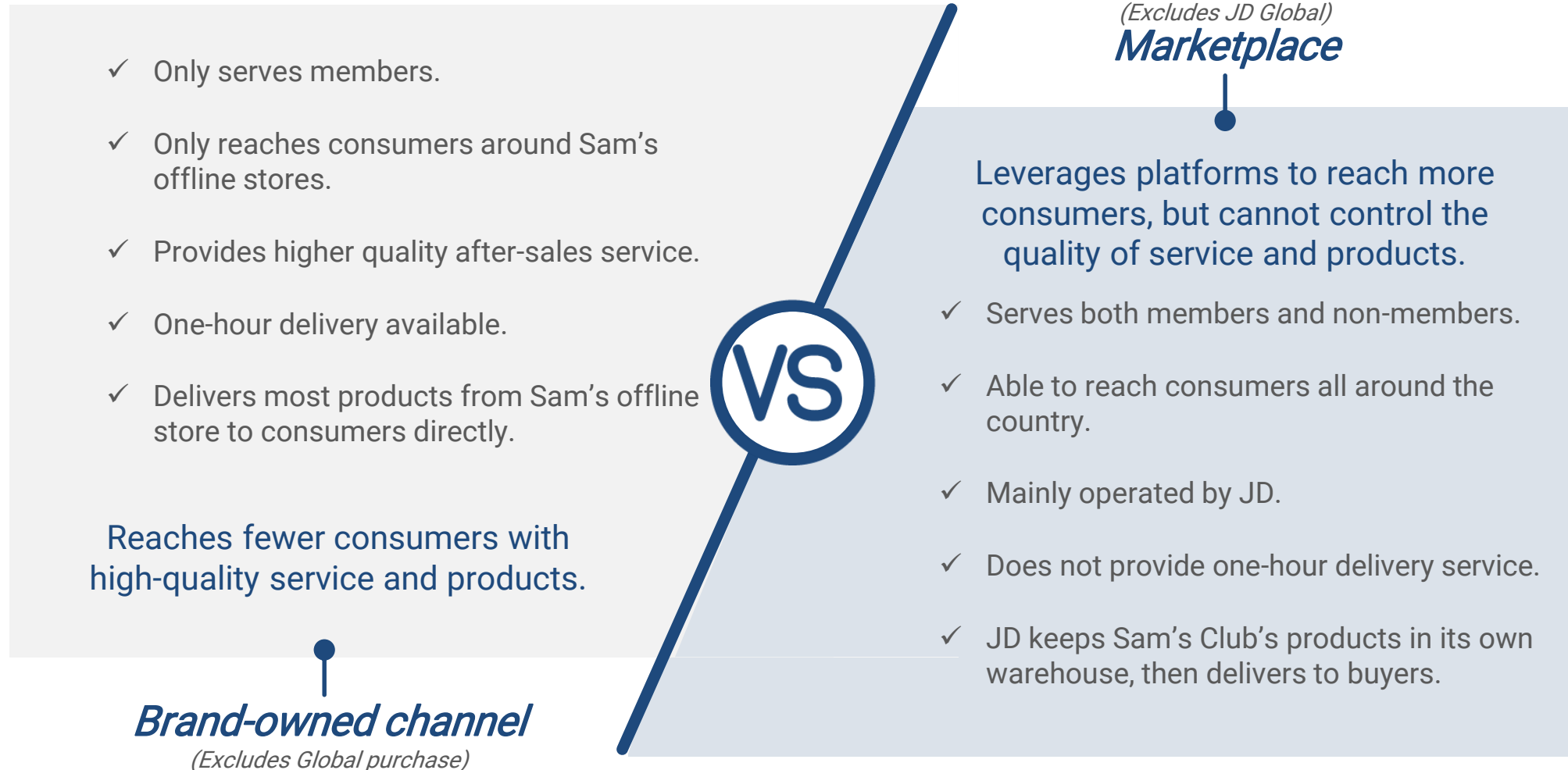
	JD self-operated store	Flagship store on JD Global
<b>Service provider</b>	JD	Sam's Club
<b>Payment method</b>	JD Pay, Bank Card, WeChat Pay, Apple Pay, UnionPay	
<b>After-sales service</b>	DO NOT accept free returns & refunds within 7 days	
<b>Shipment time</b>	Within 1 day	Within 3-10 days
<b>Warehouse</b>	JD's warehouse	Bounded warehouse
<b>Delivery area</b>	Country-wide delivery available (excluding fresh food)	
<b>Price</b>	Member's price & ordinary price	
<b>Membership</b>	Integrate with Sam's own membership system, JD + Sam Club double membership	





# REALIZING HIGH CONSUMER STICKINESS ON BRAND'S OWN CHANNEL

SAM'S CLUB IS ABLE TO ENSURE PREMIUM SERVICE ON ITS OWN CHANNEL BY SERVING CONSUMERS DIRECTLY

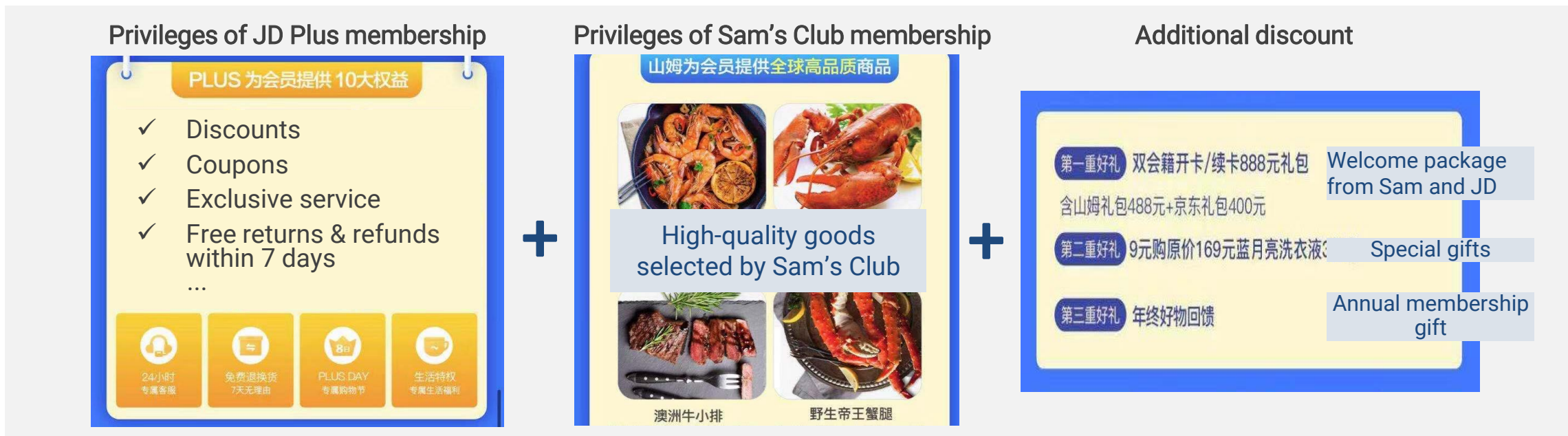




# MEMBERSHIP COLLABORATION ATTRACTS MORE MEMBERS

## SAM'S STRATEGY ON INCREASING BRAND LOYALTY ON MARKETPLACE

### Benefits provided by double membership



- Doubled benefits help Sam's Club persuade more consumers to become members.
- Sam's Club uses a collaboration strategy to convert regular buyers on JD into brand's own asset.

前不久在京东买的山姆超市和京东plus双会员绝对不亏，被袭了一大堆福利和优惠，简直不要更划算。。。👀👀👀

The double membership is highly cost-effective. I got a lot of benefits!



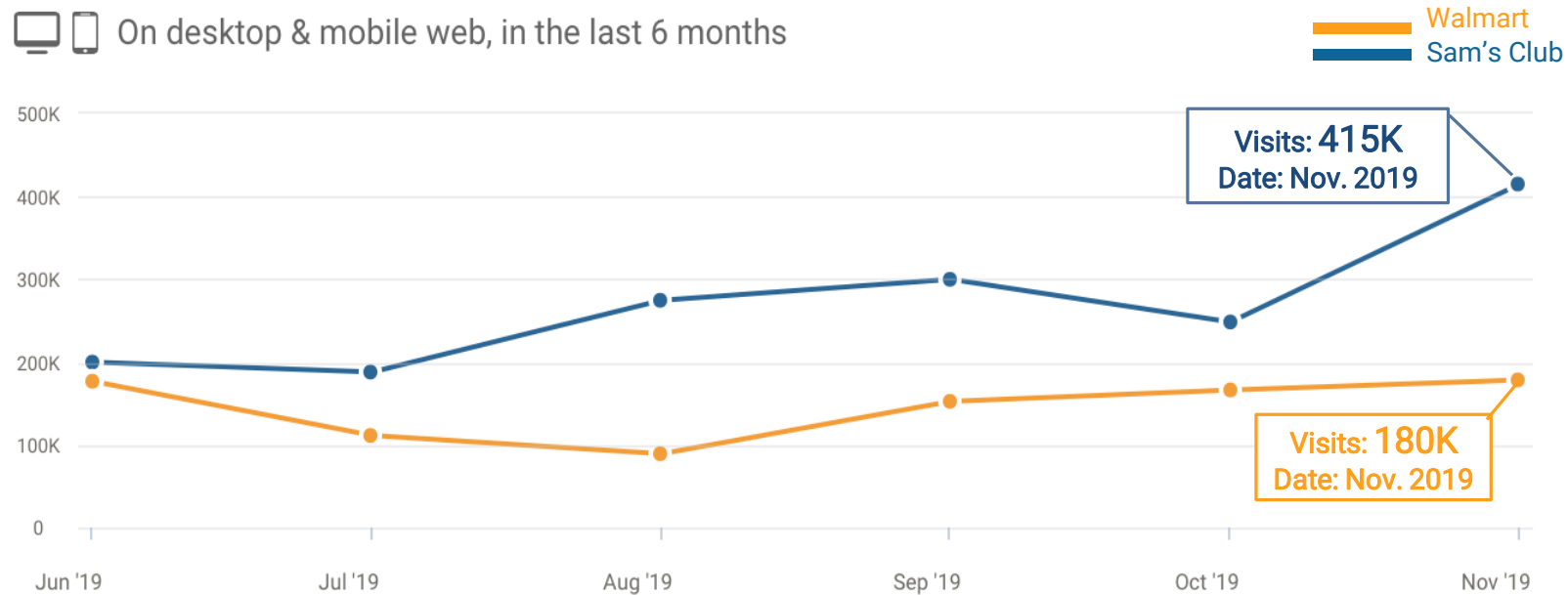
Consumers' perception on Weibo



# INDEPENDENT SALES CHANNEL INCREASE BRAND VISIBILITY

SELLING ON OFFICIAL SITE MAKES MORE CONSUMERS HAVE OPPORTUNITY TO LEARN THE BRAND

## Total Visits of Sam's Club official site in China



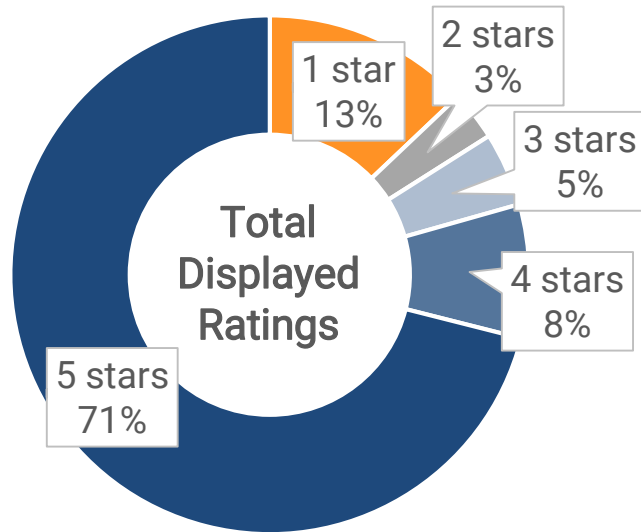
- Sam's Club's official website in China has online shopping while Walmart's site does not.
- By selling to consumers directly on the official site, Sam's Club's site attracts 2 times more traffic than Walmart's site.
- Sam's Club's membership system ensures its website stable traffic volume in a long term.



# SAM'S CLUB'S BRAND-OWNED CHANNEL HAS HIGH QUALITY SERVICES

ENSURING MEMBERS CAN GET PREMIUM SERVICE THROUGH BRAND.COM AND BRAND APP

## Ratings of Sam's Club APP on APP Store (Dec 12, 2019)



## Consumers' perceptions of Sam's Club's brand APP on Weibo

我决定起个有用点的名字: 买生鲜很方便

It's very convenient to buy fresh food on Sam's Club APP.

今天去山姆买菜忘了买牛奶, 西红柿没货。刚刚试了下在山姆APP上网购, 8点24下单牛奶和西红柿, 刚刚送到, 历时半个小时不到, 看来我可以实现彻底宅在家里不出门了, 只要再花钱买个代扔垃圾服务即可。

The delivery is fast. I made order on Sam's Club APP and it arrived within half an hour.

## Consumers' feedback of Sam's Club's flagship store on JD

★★★★☆

这个吃起来还可以, 就是有些发硬, 总觉得没有实体店里面的好呢。

I think the products sold in Sam's Club's offline store has better quality than JD flagship store.

★★★★☆

昨天下午4点多下的单, 今天下午两点才收到。

I'm disappointed with the delivery, it's too slow.

- Most consumers are satisfied with the service and products provided by Sam's Club's brand APP.
- Sam's Club's flagship store on JD is mainly operated by JD, and has received more complaints about poor service.



# SAM'S CLUB APP IS NOT ONLY A ONLINE SHOPPING CHANNEL

BESIDES SELLING TO MEMBERS, IT ALSO PROVIDES RICH CONTENT

## "Discovery" page



There are regular recipe posts on Sam's Club brand APP.

## Products promotion in post



Stimulating purchase desire and directing readers to shopping page.

## Shopping page



Landing on shopping page to complete conversion.

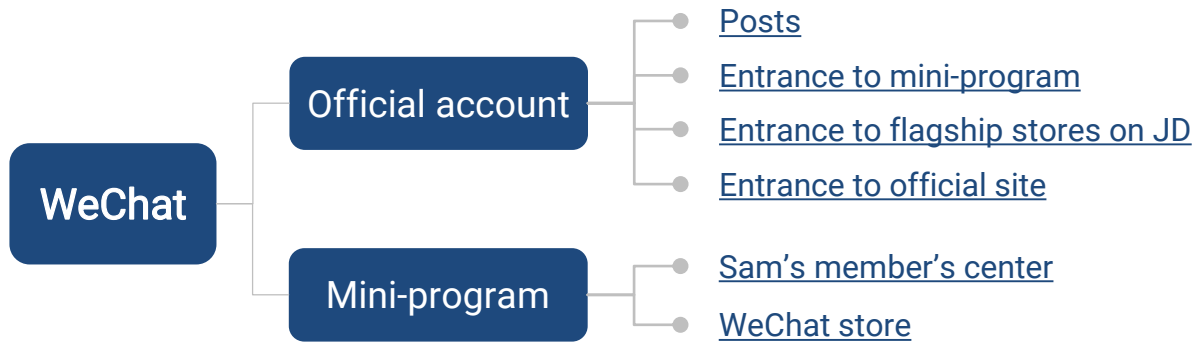




# CREATING WECHAT-CENTERED DIGITAL MEMBERSHIP DATABASE

WECHAT IS THE ONLY CHANNEL FOR E-CARD MEMBERSHIP REGISTRATION

## Structure of Sam's Club's WeChat ecosystem



## Sam's Club's WeChat ecosystem aims at:

- ✓ Bringing traffic to other online shopping channels and boost sales.
- ✓ Providing convenient membership registration and activation process.
- ✓ Posting rich content to provide promotion information and create demand.

### Official account homepage



### Member's center



- Existing members can activate e-card.
- Non-members can register here.

### Posts



### WeChat store (only for members)







# CONSUMERS SEE SAM'S CLUB AS A WELL-REPUTED BRAND

POWERFUL BRAND IMAGE CAN PROMOTE THE BRAND ORGANICALLY

## Ads on variety show



- Sam's Club gave space for a popular variety show.
- It presented Sam's Club's offline store in real scenario.

## Public relation strategy on WeChat



- Sam's Club collaborated with influential local media on WeChat to reach their members in different cities.
- Sam's strategy worked quite well, with high view volume and engagement.

## Consumers' perception on WeChat



- Sam's Club has a good reputation by offering high-quality goods.
- Sam's Club is the top of mind when people mention bulk buying.

- Sam's Club has relatively less presence on media, it only runs promotion for new store arriving and sales promotion.
- Membership operating make Sam earns good reputation by offering high-quality goods.



BEAST

野兽派

## CASE 4: BEAST 野兽派

THE NICHE FLOWER SHOP TRANSFORMED INTO A WELL-KNOWN  
PREMIUM BRAND WITHOUT ONLINE MARKETPLACES

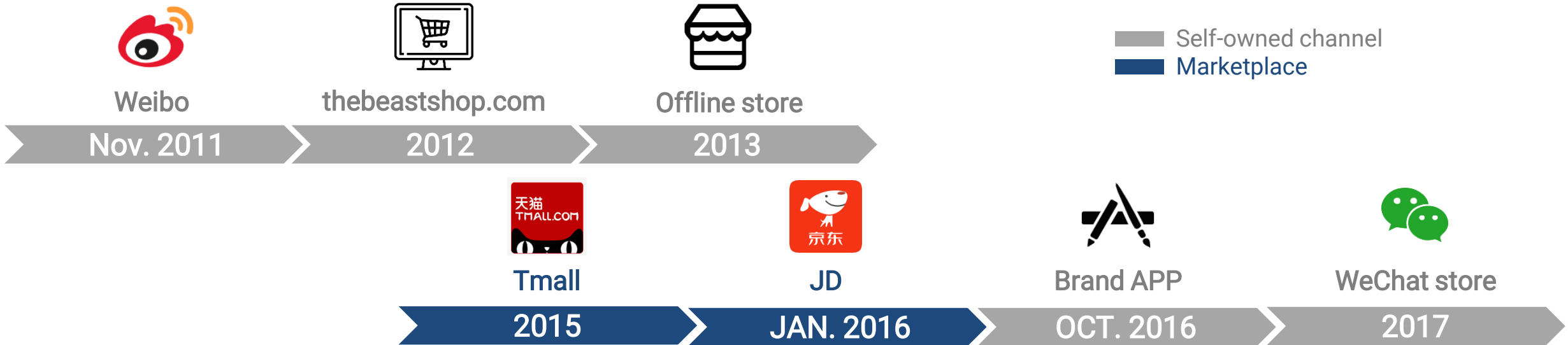
# BEAST 野兽派

STARTED AS AN INDEPENDENT BRAND STEPPED INTO ONLINE MARKETPLACES LATER



- Beast is a homegrown brand in China, products include followers, clothes, cosmetics, and furniture.
- Though a young brand, Beast has explored an effective sales system in China.

## Sales channels of Beast



Source: [https://baike.baidu.com/item/野兽派/23779192;](https://baike.baidu.com/item/野兽派/23779192)  
<https://baike.baidu.com/item/野兽派花店/10916447?fr=aladdin>



# STARTING BUSINESS INDEPENDENTLY AS A NICHE BRAND

BEAST ESTABLISHED ITS E-FLOWER BUSINESS ON WEIBO AND CREATED AN EXCLUSIVE BRAND IMAGE.



## How did Beast run its business on Weibo at the beginning

### Sold 2 main products



Flowers



Cheesecakes

### 3 steps to complete purchase

1

Contact with the staff on Weibo or through phone call

2

Pay by Alipay

3

Delivered by express companies or brand itself

### Asked for 5 pieces of information

The store requests only this information from buyers

Reasons for buying and special requests



Gender of the receiver



Expected price



Name and address of the receiver



Buyer's contact information



### Notice

- Beast's Weibo store is an experimental studio.
- It only serves consumers in Shanghai.
- Reservation should be made at least 3 days in advance.

Beast's consumer-centered sales strategy ensured the brand can offer unique and customized service to a limited number of customers.

# EMOTION-DRIVEN BRANDING THROUGH WEIBO

GETTING CLOSER TO CONSUMERS BY SATISFYING THEIR EMOTIONAL NEEDS.



## Screenshots of Beast's Weibo posts



## Viewers comments under posts



## Sharing buyers stories on Weibo

- Builds emotional connection with consumers
- Drives viewers to comment and interact
- Improves brand awareness and allows premium price

The brand shares images of the flower bouquets they have designed along with the anonymous story of the buyer.



# STRENGTHEN BRAND IMAGE THROUGH BRAND EXTENSION

BEAST INTRODUCED MORE FAST-MOVING CONSUMER GOODS TO MAKE THE BRAND MORE COMPETITIVE



## Beast's products category nowadays

欢迎来到 THE BEAST 野兽派！登录/注册

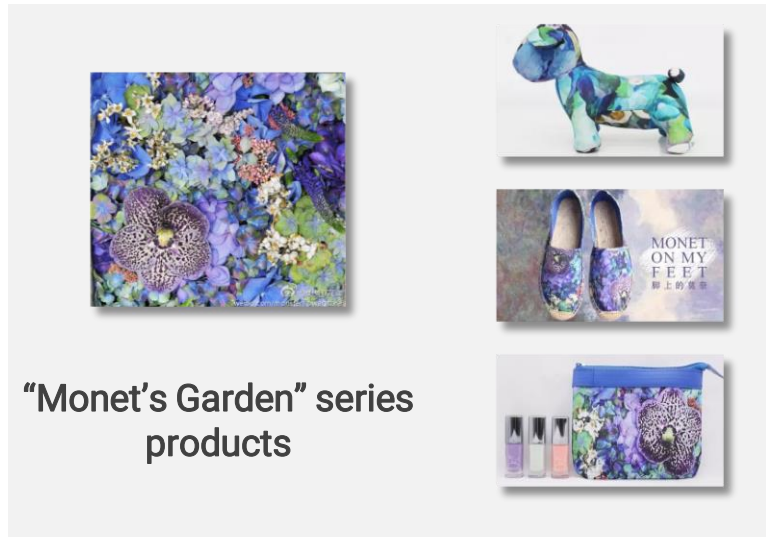
BEAST 野兽派

Search

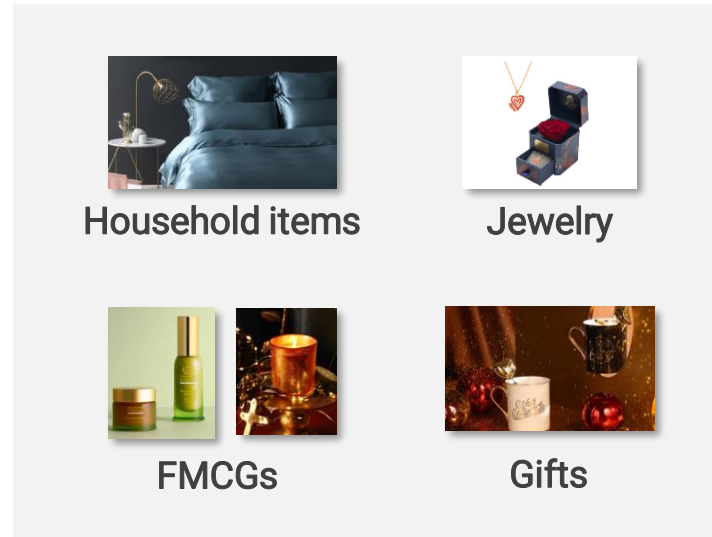
what's new 新鲜上架 | Flora 花艺 | Home Textile 家纺 | Furniture 家具 | Décor & Tabletop 家饰餐厨 | Beauty 美妆个护 | Fragrance 香氛 | Jewelry & Accessories 珠宝配饰 | Lingerie 家居服 | Beast Town 跨境商品 | Gifts 礼物 | Sale 折扣 | Stores 实体店

### Flowers and series products

### Other Products



"Monet's Garden" series products



Household items

Jewelry

FMCGs

Gifts

- Beast's emotional connection with consumers makes their new products have high acceptance level in the market
- Through product segments extension, Beast successfully transformed from a flower brand into a lifestyle brand
- Selling FMCGs helps Beast improve brand awareness and brand loyalty

Beast introduces a series of products for their flower designs

Beast Keeps expanding product category to realize "second time growth"



# IMPROVING BRAND AWARENESS DURING TRANSFORMATION

LEVERAGING THE POWER OF IP, CO-BRANDING AND POPULAR CELEBRITIES.

## Beast's recent co-branding cases



Le Petit Prince  
(movie) X BEAST



TOM and JERRY  
(cartoon) X BEAST



CIRE TRUDON  
(candle brand)  
X BEAST

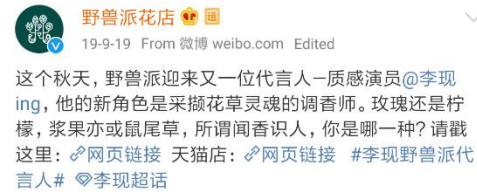


PRADA X BEAST

- Beast frequently collaborates with famous IP and brands to create new product series
- The brand aims at improving brand awareness in its extension segments like FMCG through co-branding

## Beast's cooperation with celebrities

### Announcement post on Weibo



39.7K 11.8K

92.2K

### Related topic on Weibo



- Beast announced their cooperation with Li Xian (popular Chinese actor) in September 2019.
- The brand raised topics and did a series of posts on Weibo.
- The collaboration successfully improved brand awareness.



# FURTHER IMPROVE BRAND IMAGE WITH OFFLINE STORES

CREATING AESTHETICALLY APPEALING STORES CLOSE TO CONSUMERS

## Offline store - BEAST



## Offline mini store – Little B



## Offline furniture store – Beast Home



- Beast's offline stores emphasize providing exclusive experiences
- Each offline store is well-designed and has a unique theme
- In addition to flowers, Beast introduced new branches to sell other products

## Consumers' perception on Weibo

野兽派第三家线下店，柔美且平静，美好得不真实



Beast's offline store is so beautiful that looks like a dream. I feel comfortable there.

刚刚逛野兽派，久久不愿离开，就像小时候对文化用品商店的迷恋一样，想睡觉都住在里面。

I just visited Beast's offline store. It's so attractive that I don't want to leave.

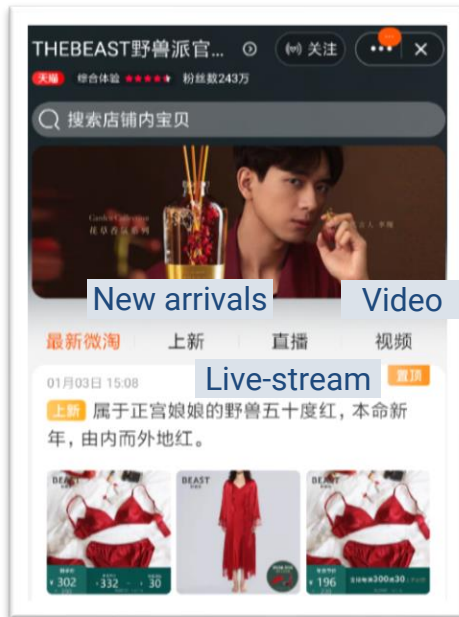


# COOPERATING WITH MARKETPLACES TO EXPAND BUSINESS

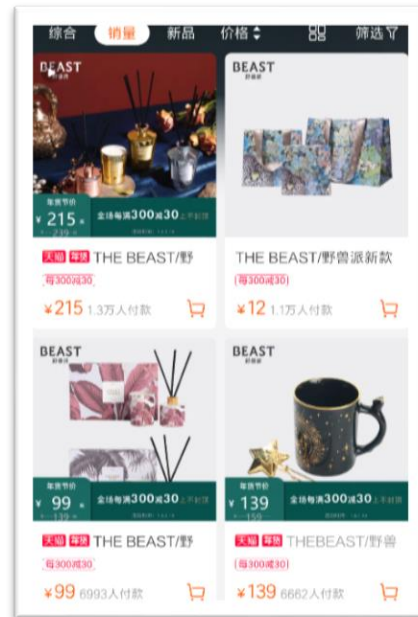
BEAST ENTERED ONLINE MARKETPLACES TO BOOST SALES AFTER CREATING A POSITIVE BRAND IMAGE



## Beast's flagship store on Tmall



Latest events in store



Top 4 best sellers

.Tmall supported the brand to further extend new product segments

## Sales volume on Tmall (Jan 2019– Dec 2019, million)



- After Beast entered Tmall in 2015, the sales of the brand had seen more than ten times rise in three years.
- Beast's successful branding strategy entering Tmall created large anticipation. The high volume in sales would have been impossible if Beast did not already have a strong brand name.



## CASE 5: BOSIDENG 波司登

COMPLETE BRAND UPGRADE FOCUSED ON BRAND IMAGE



# BOSIDENG

AS A LONG-STANDING LOCAL BRAND, IT REALIZED BRAND UPGRADE WITHOUT RELYING ON MARKETPLACE



- BOSIDENG is a Chinese brand founded in 1976 and is famous for high-quality down coats.
- BOSIDENG is now selling in 69 countries around the world, with more than 20 million consumers.
- The brand encountered severe crisis from 2012 to 2015, but did a complete brand upgrade and revitalization with an effective branding strategy.
- The brand had more than 4 times profit growth since the revitalization.

## Sales channels of BOSIDENG

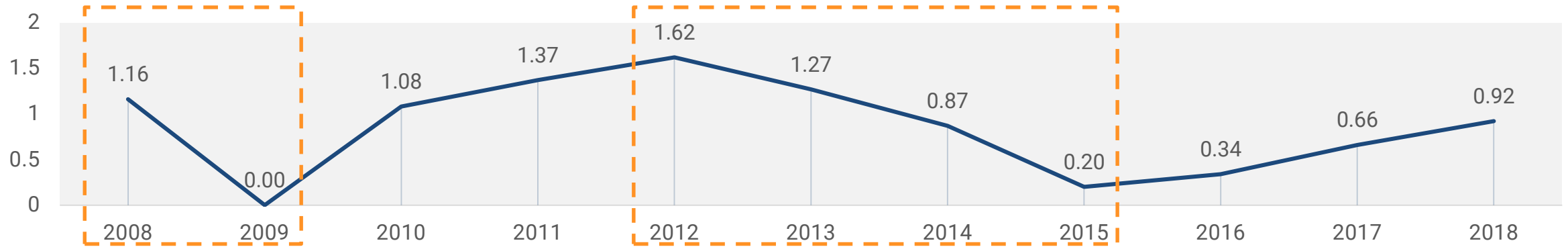


# BRAND IMAGE IS THE CORE FOR ACHIEVING GROWTH

INDEPENDENT BRANDING STRATEGY CAN SAVE A BRAND AND MAKE IT POWERFUL WHILE MARKETPLACE CANNOT



Operating profit of BOSIDENG  
(billion RMB, 2008-2018)



## BOSIDENG crisis response

	2008-2009	2012-2015
Reason of decline	Global economic crisis	Influence from e-commerce, economic downturn, overstocked products, out of fashion
Response	Entered Tmall in 2008	Improve supply chain management, introduce multi-channel retailing strategy, complete brand upgrade, make diversify promotions
Result	A short-term profit increase	Successful brand revitalization

- The online marketplace had brought a short-term boost in profit but brought new challenges.
- By focusing on the brand development, the brand awareness of BOSIDENG reached 93% among consumers in 2018.

Source: BOSIDENG annual report;  
<https://baijiahao.baidu.com/s?id=1621611151103140106&wfr=spider&for=pc;>  
[https://mp.weixin.qq.com/s/Q0EYKP43nt\\_CSru9vv9LwA](https://mp.weixin.qq.com/s/Q0EYKP43nt_CSru9vv9LwA)

# SALES CHANNEL UPGRADE AND OPTIMIZATION

IMPROVING BRAND IMAGE THROUGH SALES CHANNEL UPGRADE

**波司登**  
畅销全球72国

## BOSIDENG's flagship store before upgrade



## BOSIDENG's flagship store after upgrade



Vice president of  
BOSIDENG

Now we have better understanding on operating stores. Each store is an important port where brands can spread information, and it can greatly affect customers' perception of the brand.

## BOSIDENG's efforts on sales channel upgrade



### Optimize channel structure layout

- Upgraded its e-commerce portals, which now account for a fifth of revenue
- Enhanced cooperation with mainstream offline channels like shopping mall and central business street
- Launched pup-up stores as supplements to flagship stores



### Upgrade terminal image

- Improved the design of every offline store
- Transformed the focus of offline store from selling products to providing a place for experiencing products.

Source: <https://mp.weixin.qq.com/s/6NQOEAc4ki1daHNYw0Et8A>;  
[https://mp.weixin.qq.com/s/Q0EYKP43nt\\_CSru9vv9LwA](https://mp.weixin.qq.com/s/Q0EYKP43nt_CSru9vv9LwA); <https://www.straitstimes.com>

# PRODUCT UPGRADE AND INNOVATION

IMPROVING THE DESIGN AND FUNCTION OF PRODUCTS

波司登  
畅销全球 72 国



## Upgrade product function



*Extremely cold series*

- Cooperated with international Research institution for R&D to create more functional products
- Improved material quality and production process



## Upgrade product design



*BOSIDENG X ATLEIN*

*Antonin Tron the ex-designer of LV, Givenchy and other luxury brands*

- Hired talented designers around the world to improve the quality of design, which was always a complaint of consumers
- Collaborated with well-known artists and international designers to develop new series

Source: [https://mp.weixin.qq.com/s/Q0EYKP43nt\\_CSru9vv9LwA;](https://mp.weixin.qq.com/s/Q0EYKP43nt_CSru9vv9LwA;)  
<http://www.bosideng.com;> [https://www.sohu.com/a/271932320\\_109170](https://www.sohu.com/a/271932320_109170)



# IMPROVING COMMUNICATION WITH CONSUMERS

INTEGRATING PROMOTION ON VARIOUS PLATFORMS INCREASES BRAND AWARENESS

**波司登**  
畅销全球72国

Cooperating with KOLs and advertising on Douyin



This short video was viewed almost 10 million times.

Sharing updates brand news on social media



BOSIDENG's WeChat account matrix ranked first among all Chinese apparel brands.

Holding show at the New York Fashion Week



Live-stream of the show was watched by 1.2 million people. Related topics on Weibo reached 230 million views.

Making good use of KOL influence and fan economy



By having a new brand image, BOSIDENG aims at attracting young consumers again.

Source: <https://mp.weixin.qq.com/s/pgxDa6SmimAqK8HHbYIbNw>



# BRAND INDEPENDENCE IS MEANINGFUL FOR ALL KINDS OF BUSINESS



PERFECT DIARY  
完美日记



波司登  
畅销全球72国

- For luxury brands that care much more about high-quality and high-end brand image than sales volume, brand independence is particularly important.
- Brand independence can help brands avoid fake goods issue and guarantee good reputation.
- By running an independent business, brands can build its own marketing ecosystem to get traffic and boost sales.
- For mass brands that pay much attention on high sales number, it is also worthwhile to take brand independence into consideration in addition to the close collaboration with e-commerce platforms.
- Brand independence can help brands effectively convert public traffic into a brand's own asset, and gradually improve brand loyalty.
- For brands that care a lot about membership maintenance and high-quality services, it is important to retain independence after entering marketplaces.
- Brand independence ensure brands have full control on membership data. Therefore, brands can further improve service quality by having better understanding on clients.
- Niche brands can become famous without entering the marketplace.
- As an independent niche brand, emotional marketing can help to get closer to consumers and increase brand value.
- Apart from collaboration with e-commerce platforms, brand extension can be another approach which can help brands increase sales as well as improve brand awareness.
- For brands that facing the need of brand upgrade, independent branding strategy can save a brand and make it powerful while marketplace cannot.
- Although e-commerce can help to boost sales in short-term, the improvement on brand image is still the core for achieving growth.

# STAY UPDATED ON CHINA MARKET INSIGHTS



**WeChat**



To get weekly China market insights, follow our WeChat account



**LinkedIn**

<https://www.linkedin.com/company/daxue-consulting>



**Newsletter**

<https://daxueconsulting.com/newsletter-2/>