

Winona

A collection of Winona skincare products is displayed on a wooden surface. In the foreground, a brown glass bottle of 'Anti-Genitive Essence' with a silver dropper cap sits on a small wooden block. To its left, a glass dish holds two small green fruits. Behind the bottle, a white cylindrical can of 'NATURAL SKIN CARE' stands on a larger wooden block. To the right, a white sheet mask with eye cutouts is placed next to its packaging box. In the background, a glass flask containing a red liquid is visible. The entire scene is dimly lit, with a dark blue overlay on the right side of the image.

China market strategy

March. 2021

Double V.
Training & Consultancy

daxueconsulting

Winona: A professional skincare brand targeting sensitive skin

- Winona, founded in 2008, is a Chinese skincare brand targeting sensitive skin. Winona is under Yunnan Botanee Group, a bio-technology manufacturer.
- In 2020, Winona's parent company Botanee filed for IPO in China.
- Ranking NO.1** in sensitive skin care category in 2020, surpassed Freeplus, KAO and Curel.



Winona shows its professional brand image through packaging

Brand Concept

- Winona has its own product research and development team, and has been working with hospitals, dermatologists and universities, the brand has obtained a number of patents.
- Winona's brand vision is to solve the skin problems of Chinese people. The products specifically target sensitive skin.

Packaging

- White bottle with red stripe design.
- Looks like cosmeceuticals products.

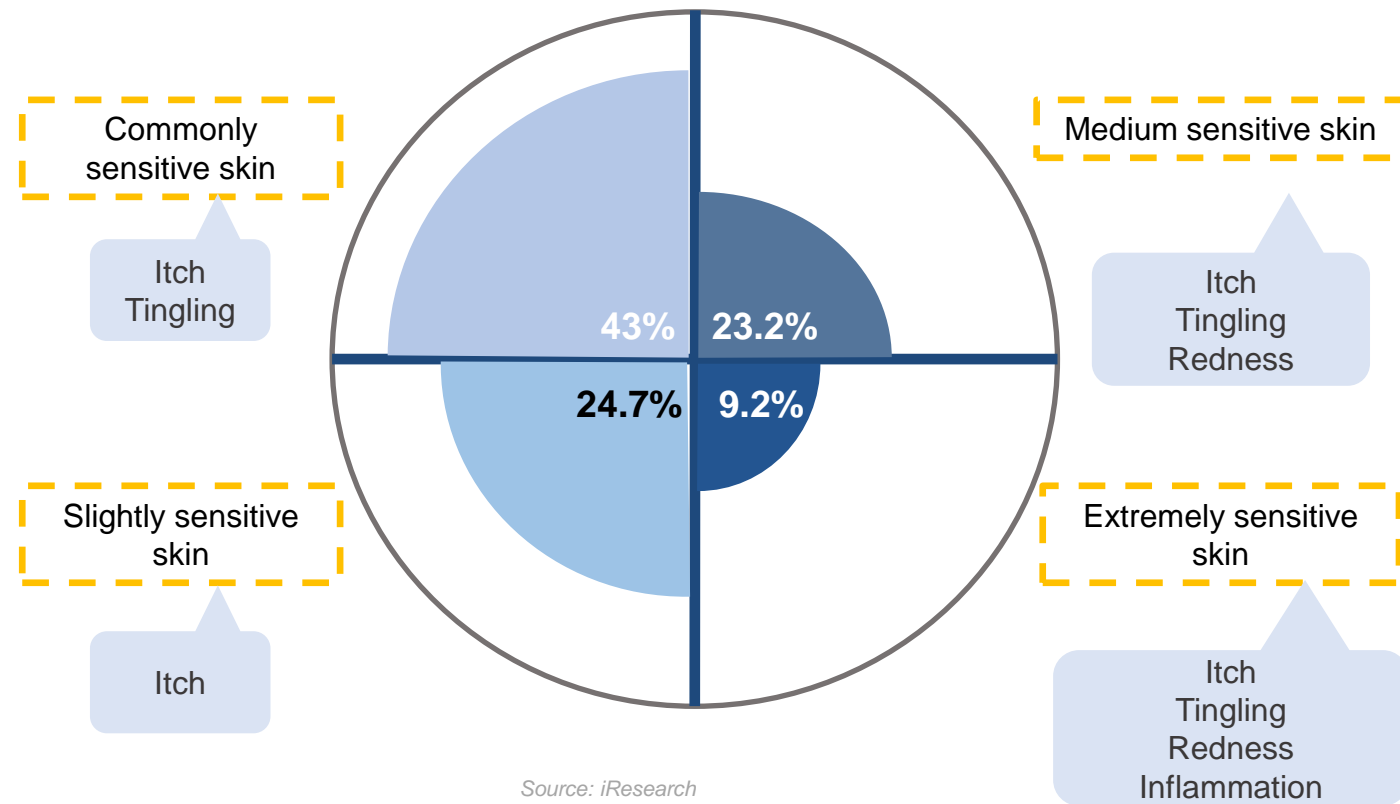


Strategy 1: Segmentation for sensitive skincare (1/2)

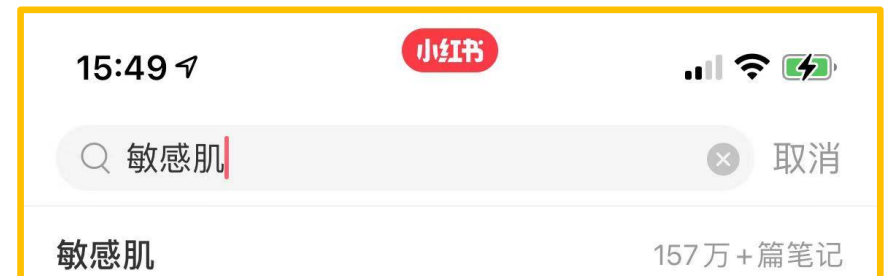
- “Sensitive skin” accounts for a large proportion of skin types in China.
- After COVID-19, “How to solve the problems of sensitive skin” also becomes a popular topic on social media.

What is the major skin problems among Chinese customers?

(Online survey of iResearch for skincare products consumers, 2020)



Major skin problems among Gen Z in China after COVID-19



1.57+ million searching results on “Sensitive skin”

Strategy 1: Segmentation for sensitive skincare (2/2)

Top selling products of Winona on Tmall



Moisturizing special care
cream for sensitive skin

Moisturizing &
hydrating cream

Moisturizing
& repairing mask

- Winona accurately targets this specific group of customers with sensitive skin
- Winona's brand concept directly point out "This is a kind of product that is effective to solve sensitive skin's problems" which will certainly attract this specific group of customers.
- The brand concept and contents are clearly positioned as an expert in sensitive skincare category

Sensitive skin is one of the largest skin concerns among Chinese customers



专注敏感肌肤

敏感肌肤 · 当选薇诺娜

Brand concept:
Focusing on sensitive skin

22:47

小红书

薇诺娜敏感肌

薇诺娜敏感肌

2万+篇笔记

Over 20k search results with the key word "Winona sensitive skin"

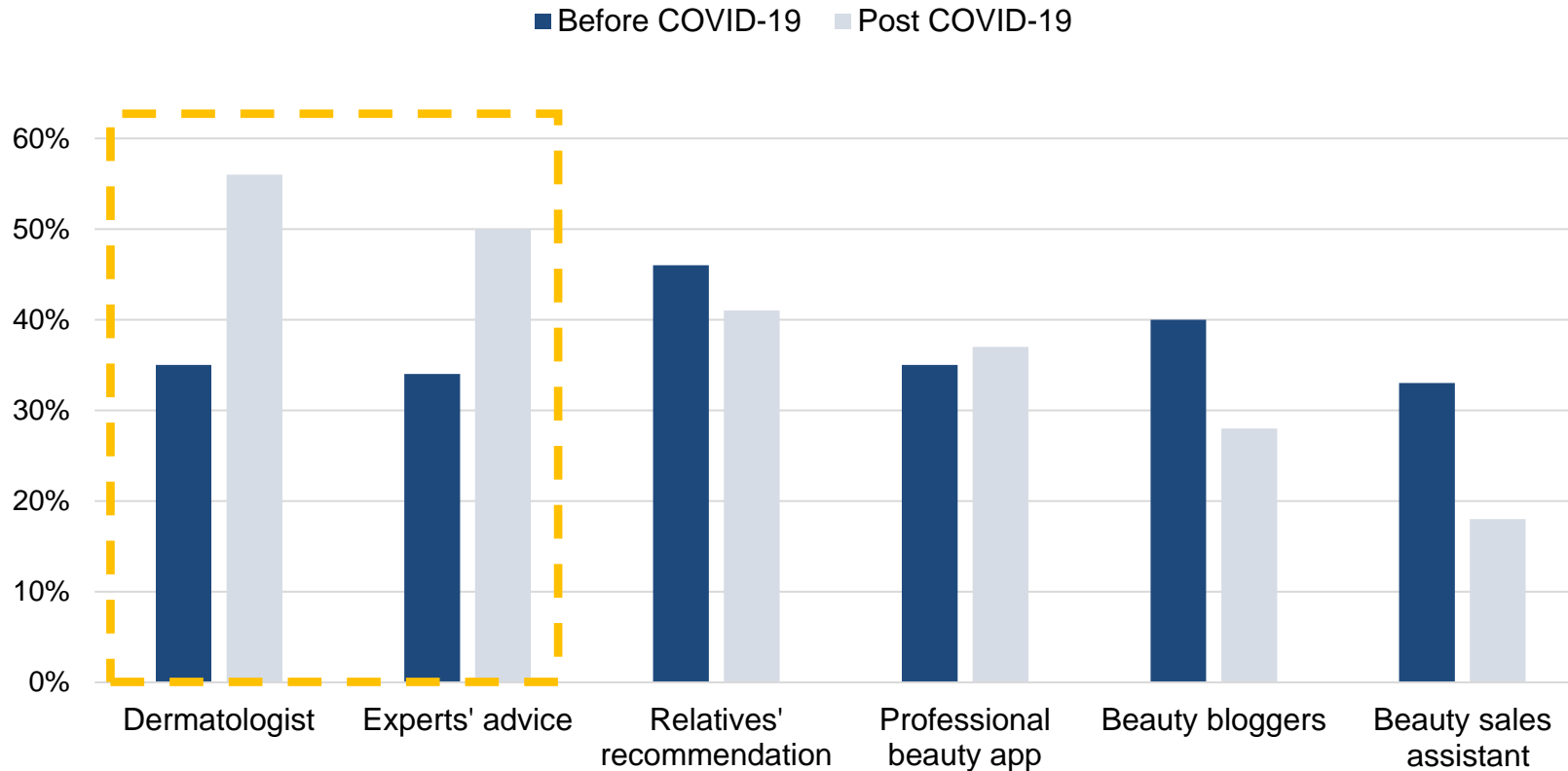


90% posts no matter from Winona official account or KOLs are related to sensitive skin problems

Strategy 2: Academic marketing (1/2)

After COVID-19, Chinese customers trust information from professional channels more.

What channels do you trust the most for beauty?
(Online survey of CBNDData for skincare products consumers, 2020)



Source: CBNDData



Influenced by
Relatives' recommendation & beauty bloggers



After COVID 19

Educational posts from dermatologist or experts

Influenced by
Dermatologist & experts



Strategy 2: Academic marketing (2/2)

- The founder of Winona is a doctor in the industry with strong academic background.
- Most KOLs/KOCs of Winona are professional dermatologists, which is totally different from other beauty brands.
- Winona invites skincare experts to give professional advice on different skin problems.

Preview of the live stream with the dermatologists

Livestreaming without dermatologist

9k

Livestreaming with dermatologist

93k



V.S
X 10 times



Key words used for live streaming previews

#还原护肤真相 #Reveal the reality of skin care
#在线皮肤科医生答疑 #Online Q&A from dermatologists
#敏感肌护肤科普 #Skincare knowledge about sensitive skin

Strategy 3: Strategic selections for live stream hosts

- Unlike other brands, Winona holds live streams not only for selling products but also to teach customers about their skin problems.
- Dermatologists are the major live stream hosts, alongside top KOLs like Viya and Li Jiaqi.
- The brand cooperated with Li Jiaqi in the early stage of live streaming.

Oct.2019

First entered
Li Jiaqi's live streaming room

Double 11 in 2019

Create two “10 seconds records”

- Sold out **25k sets** of Merry-go-round Gift Box in **10 seconds**
- Sold out **50k** clear sunscreens in **10 seconds**



Li Jiaqi recommended merry-go-round gift box on Double 11 in 2019



Sold out 25k sets of “Merry-go-round Gift box” in 10 seconds



Sold out 17k sets of “Prinsepia Utilis Royle Spray” in live streaming



Viya recommended Prinsepia Utilis Royle Spray in Nov. 2019

Problems: High price & single concept of “sensitive skin”

Price comparison of cream from different brands

Brand name	Price	Unit-price
Winona	268 RMB/50g	5.36 RMB/g
Curel	139 RMB/40g	3.4 RMB/g
Freeplus	238 RMB/40g	6 RMB/g
La Roche Posay	145 RMB/40g	3.6 RMB/g
Avène	272 RMB/50g	5.4 RMB/g
Dr.Yu	148 RMB/50g	3 RMB/g

- The price of Winona is still a little higher than other cosmeceutical skincare brands which also focus on sensitive skin, including overseas big brands and domestic brands .
- The average unit-price of the cream from other brand are around **3 RMB/g**, but Winona’s unit-price is over **5 RMB/g**, which is about **1.5 times** more expensive.
- But for customers who are willing to pay for higher price, they would also prefer to choose big brands, so if Winona wants to attract customers, it should have some other benefits



Single concept of
“Sensitive skin repair”

- How to further develop with the concept of "sensitive skin repair" or “Cosmeceuticals”
- When “Sensitive skincare” is no longer popular, how can they change the brand’s concept.

C-beauty industry overview



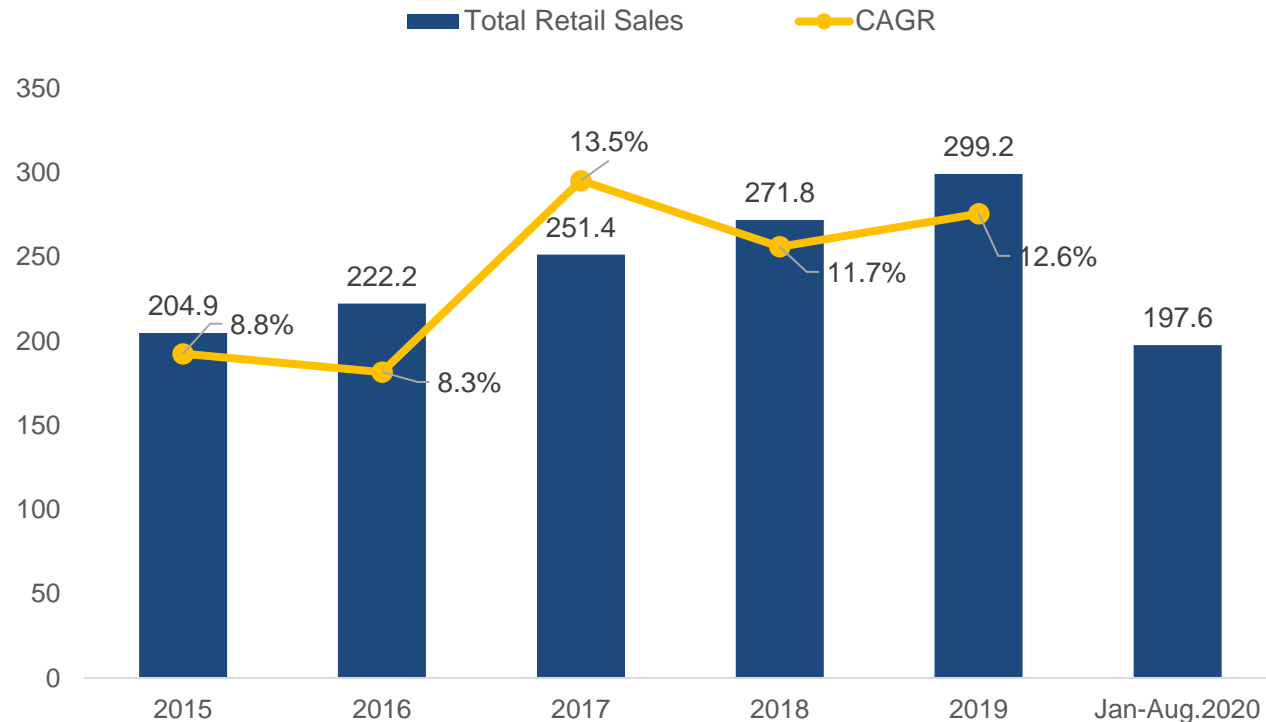
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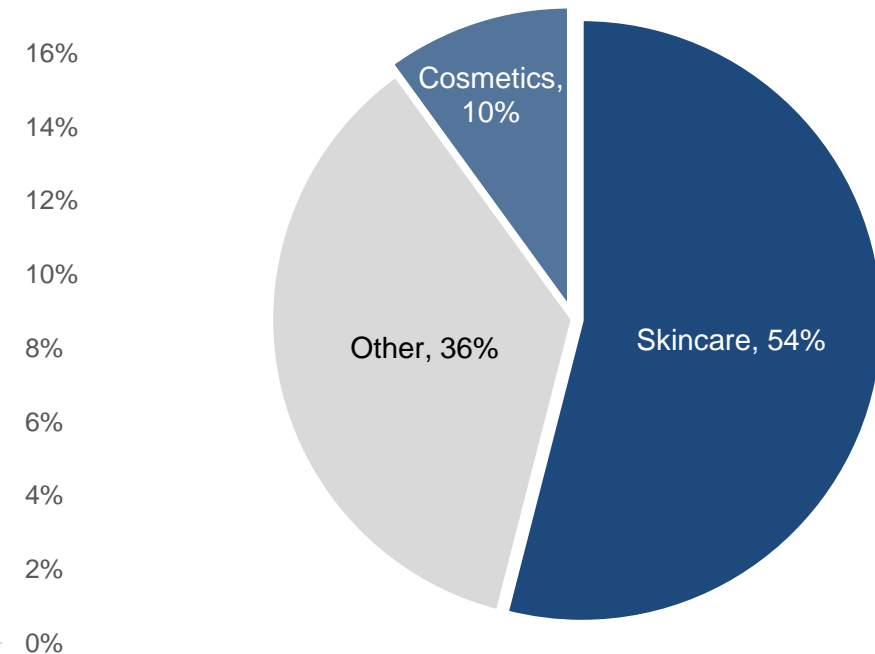
The beauty sector in China developed steadily in recent years

- 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)



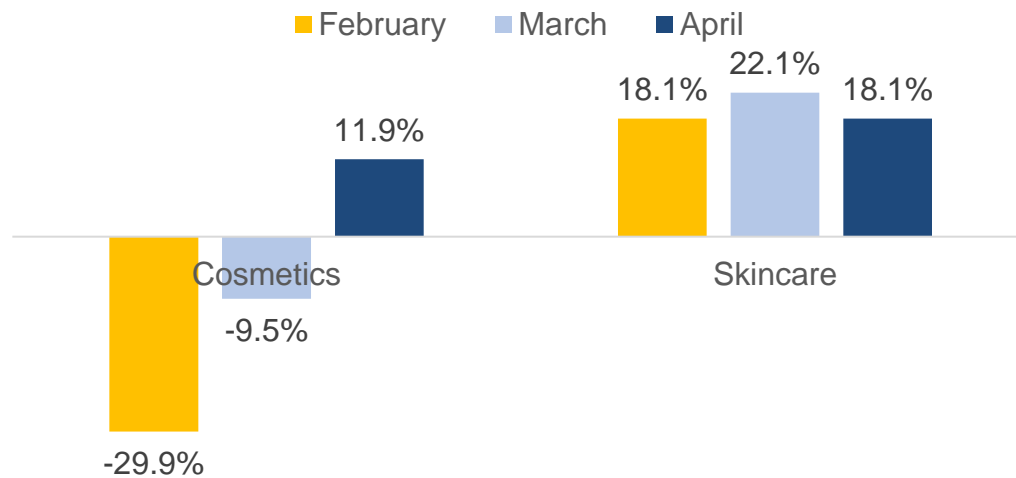
Source: Euromonitor, iiMedia, 360 make-up, designed by Daxue consulting

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

<p>Topic: Mask makeup is necessary for outdoor activities</p>  <h3>#口罩妆出门必备#</h3> <div style="border: 1px solid orange; padding: 5px;">Views1.1亿 Discuss5.2万 详情></div> <p>HOST: 拾配师</p> <hr/> <p>ALL +</p> <div style="background-color: #e0f0ff; padding: 5px; margin: 5px 0;"> Views: 110 million Discussion: 52 thousand </div> <p>导语：出门必备口罩妆，小仙女们快学起来啦！！！！变美美哒</p> <p>Top</p> <div style="margin-top: 10px;">  搭配饰 🧡 +Follow </div> <p>2~17 from iPhone 11</p> <p>#口罩妆出门必备#口罩妆教程来了 😍📺搭配饰的微博视频</p>  <div style="background-color: #e0f0ff; padding: 5px; margin-top: 5px;"> Popular Mask Makeup Tutorial </div> <div style="margin-top: 10px;">  <div style="display: inline-block; background-color: white; padding: 5px; margin-left: 10px;"> #口 24 thousand views </div> </div>	<p>Live stream mask makeup tutorial on Taobao</p>  <p>MAKE UP FOR EVER PROFESSIONAL MAKEUP TUTORIAL</p> <p>ganand 看到 甄甄甄的吗 开始心疼口罩钱了 今天卖东西了吗 辣妈彩妆师 叫我锦鲤666 辣妈彩妆师 叫我锦鲤666 辣妈彩妆师 叫我锦鲤666 辣妈彩妆师</p> <p>跟主播聊点什么?</p>
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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 15th-25th December 2020



JD Black Friday Shopping Season 20th-29th 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 (27th 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.



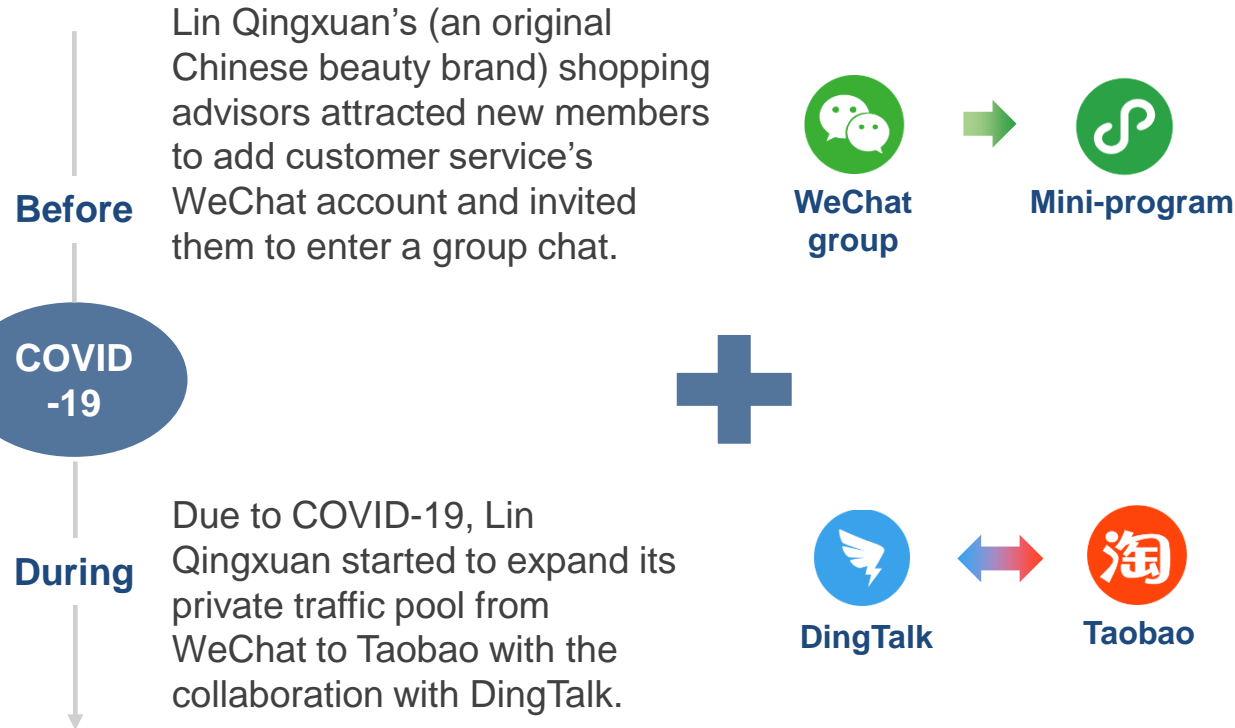
The three most popular brands in the self-care category were foreign brands Kao, Shiseido and Ryo.

Source: JD.com, designed by daxue consulting

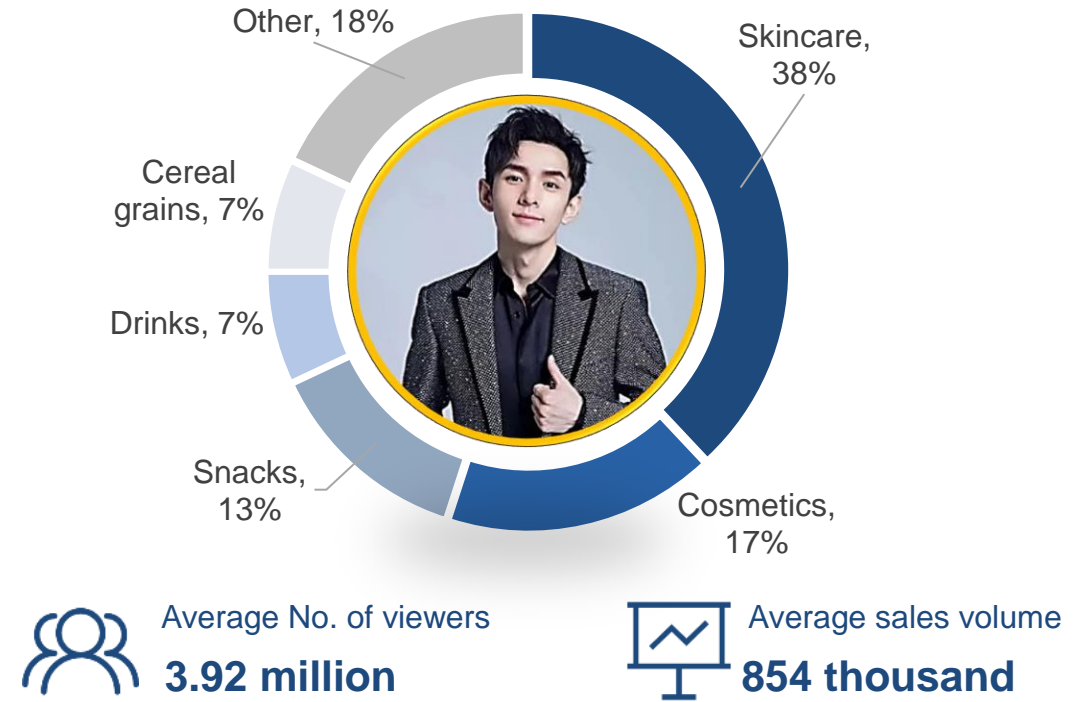
Live streaming and private traffic: Two key beauty market strategies

- **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)



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

ABOUT

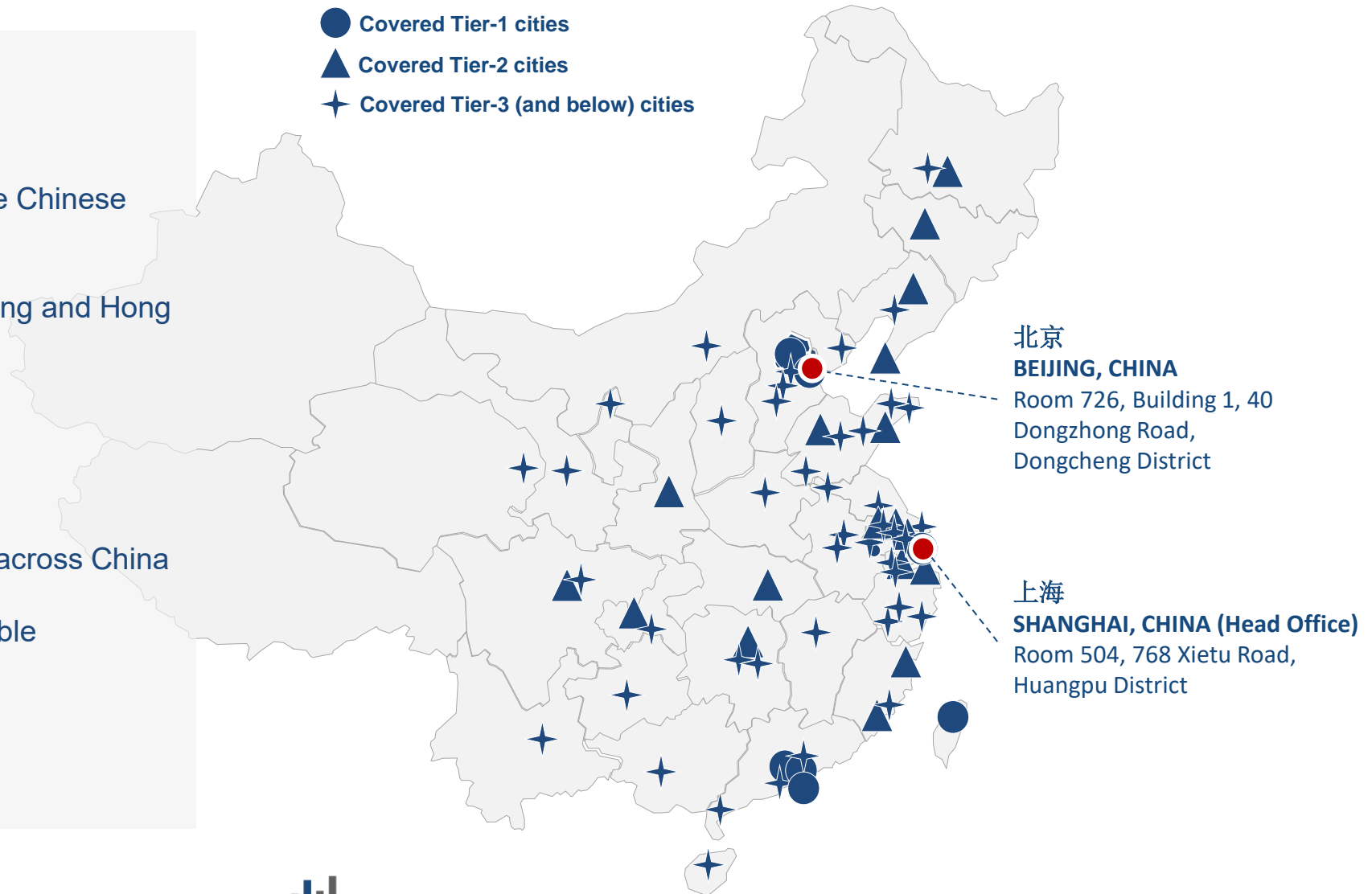


Who we are

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

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 MAGAZINE 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

華美銀行
EAST WEST BANK

EAST WEST BANK

BOF

Los Angeles Times

StartupBRICS
L'Actu Tech & Startup des Emergents

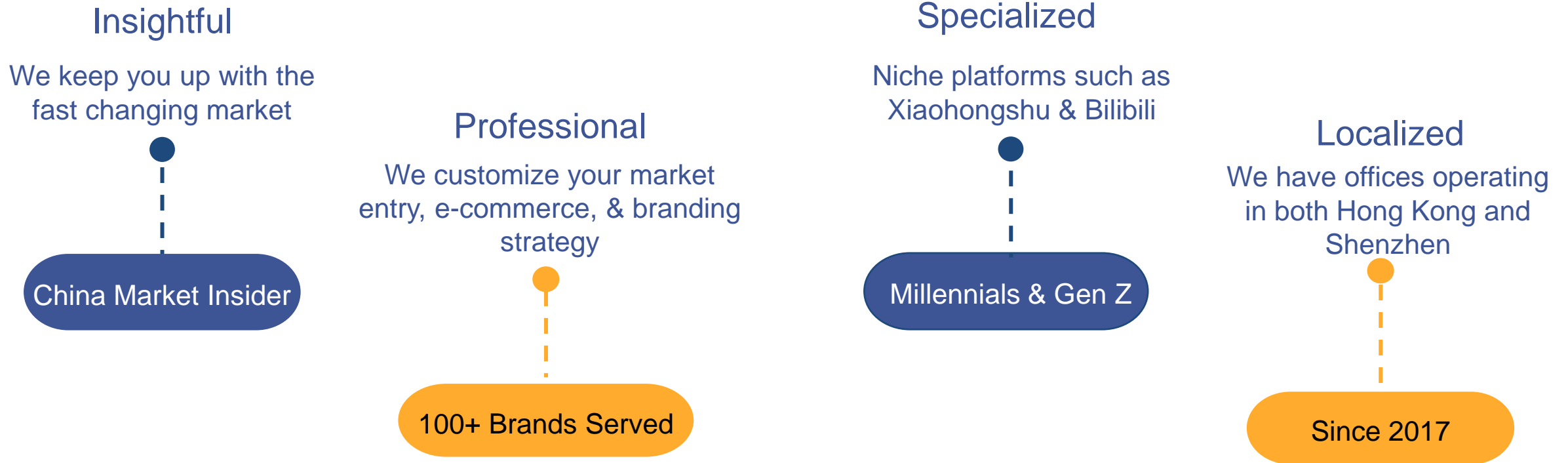
EL PAÍS

Double V.
Training & Consultancy

ABOUT

Who we are

Double V Consulting - Your Insider into China market



How we can help you?

Double V Consulting - Your Insider into China market

TRAINING

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

CONSULTING

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

E-COMMERCE

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

BRANDING

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
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MONNIER
Frères

VitaRealm®

FORZIERI

Caotina



Louis
Widmer
SWISS DERMATOLOGIE

GERMAINE DE CAPUCCINI
COSMÉTICA EXCLUSIVA DE LOS PREMIOS GQ™

plantronics

Tal
PROFESSIONAL
HAIR
CONCEPT

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best for kids



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