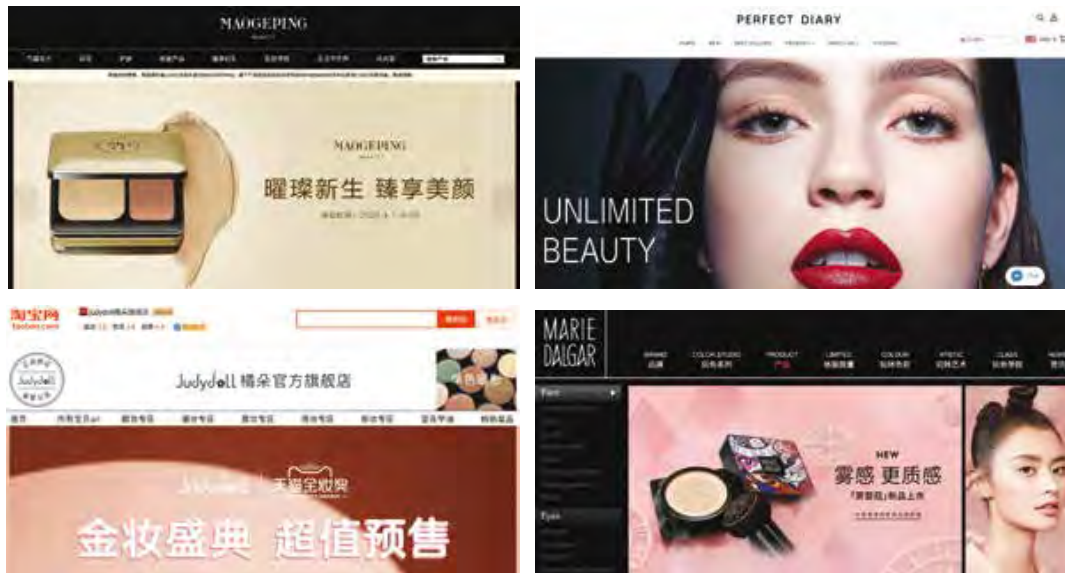


Local brands



Home-grown beauties

Local brands are becoming a stronger feature of the beauty market in China, even in the prestige category, thanks largely to social media *By Sophie Douez*

Domestic beauty brands in China are developing rapidly, with new entrants targeting the prestige category with quality products and savvy social-media marketing. Chinese beauty brands accounted for over a third of the market share among 55 brands that achieved over RMB100m (\$14.4m) in sales during Tmall's 11.11 shopping festival last year. These brands also accounted for 40% of the top-20 make-up brands by sales on Tmall from January to November of 2019, according to IfoP Asia. The Hong Kong Trade Development Council (HKTDC) puts the total market share of Chinese brands at 56%. It adds that many of these brands have expanded into second- and third-tier cities and have vigorously developed online sales.

"A wave of new generation C-beauty brands is challenging the old 'cheap unoriginal' norms of C-beauty by offering a value upgrade, and China's young, urban population is its biggest advocate," comments IfoP Asia vice president head of qualitative Amy Tan.

Key to the ability of Chinese brands to break into the prestige beauty segment is the expertise that many players (developers and suppliers)

acquired while working for western brands in China. Brands like Perfect Diary, Hedone, Marie Dalgar and Florasis offer high-quality products,



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with differentiated packaging concepts at significantly cheaper prices than their western counterparts. They also put greater emphasis on

Chinese cultural elements in a bid to attract Gen Z consumers, who are said to be more willing to support local players.

"The Chinese make-up brands are a real threat," comments Asia Cosme Lab founder Florence Bernardin. "The women who make themselves up daily to go to work are more interested in a sophisticated look and are more likely to use international brands. But the young women who make themselves up with incredible looks to share online enjoy using local products."

Social-media success

Central to the success of the new wave of local color brands has been their use of social media and e-commerce to gain market traction. Tan says entries of 'C-beauty' rose 116% year-on-year in the first half of 2019 on Little Red Book, with some five million users sharing positive reviews of C-beauty brands.

"One key factor for the rise of a group of cutting-edge local brands is to abandon traditional advertising strategies and transfer to social media," comments Tan. "Perfect Diary invested a lot in the content marketing on RED at an early stage to raise brand recognition and