

Luxury Industry Insights & Best Practices

November 2023



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☐ Luxury IndustryTrends

Luxury Brands Initiatives During Double 11 Shopping Extravaganza (D11) (1/3)



- Luxury giants LVMH, Richemont, Kering, Hermès, and Chanel launched 100,000 new products during this year's D11 shopping event¹.
- In the first hour of sales, consumer orders for luxury goods on Tmall surpassed last year's figures by 1.5 times.
- Top luxury brands like **Gucci, Burberry, Ralph Lauren, and Montblanc** saw significantly higher sales compared to the same period last year².

Luxury brands employed diverse campaigns to boost their D11 performance:

Elevating D11 Frenzy with Brand Ambassador

BALLY



*Source: Bally Official WeChat and Douyin

Bally collaborated with Global Brand Ambassador Roy Wang to create a D11 look to promote the brand's D11 event and inject an air of youthful vitality.

LANVIN



*Source: LANVIN Official Weibo and Tmall

LANVIN upgraded Cheng Yi to be the brand's first global brand ambassador ahead of D11, signifying the brand's emphasis on the Chinese market and careful planning of this D11 event.

VALENTINO





*Source: VALENTINO Official WeChat

Last year, Valentino made waves by inviting Brand Ambassador Guan Xiaotong to an event in Aranya. Building on this success, Valentino has once again enlisted Guan Xiaotong for the D11 special edition with creative copywriting.



Exclusive Offer and Interest-free Installment

Words such as **limited edition and exclusive** were also frequently used during D11, playing into consumer psychology.

GUCCI

Gucci made its first-ever appearance at Tmall Luxury D11, offering the option of up to 24 months of interest-free payment. The brand also provided packaging, product engraving, 3D shopping cards, and other customized gift services.



*Source: GUCCI Tmall Luxury





*Source: Burberry Tmall Luxury

Burberry

Burberry has collaborated with Tmall Luxury for nearly 10 years. This time, it offered a variety of gifts for customers during D11.

- Limited-edition cosmetic bags
- Brand stickers, customized mugs, and other gifts
- Interest-free installment

Applying Technology to Highlight Brand Image

Valentino, COACH, and Canada Goose partnered with Tmall to create Algenerated posters.



Ralph Lauren and **MCM** joined forces with Tmall to showcase their brand character through AIGC.



*Source: Tmall Weibo

Balmain, Weekend Max Mara, and Burberry teamed up with Miaoya Camera for virtual tryon and personalized digital polaroids.







*Source: Tmall Luxury Weibo



Opportunities

Luxury brands providing interest-free installments is a great way to provide practical consumer benefit during D11

A recent survey conducted by Bain regarding D11 revealed that 77% of respondents have either maintained or reduced their spending compared to the previous year¹. Offering interest-free installment payments could be an opportunity for luxury brands to seamlessly integrate into this extravaganza while alleviating customer pressures.

New selling models on RED

RED concentrated its efforts on the "Buyer E-commerce" model, with a strong focus on live-streaming sales. During **RED's 11.11 Buying Festival**, two RED Seeding Marketers achieved sales of over 100 million RMB, as of November 3². The **Buyer Plaza** helps brands select buyers that match their brand's image and style. Brands should closely monitor platform dynamics and explore innovative strategies to effectively adapt to evolving consumer behavior.

Multi-platform synergy drives traffic and increases exposure

Paul Smith strategically targeted beauty, trend, and quality-oriented audiences on Meitu Xiuxiu, Tencent video, NetEase News, and Netease Cloud Musi, etc. By leveraging different platforms through opening screen ads, banner ads and other placements, brands can increase exposure and lead traffic to the brands' D11 store.

Challenges

1 High return rate behind full reduction mechanism

RED observed numerous "reverse cumulative discount" posts during this year's D11. With the Tmall sales mechanisms that returns do not impact the discounted prices of other products (in the same basket) and the high prices of luxury brands, consumers add luxury products in their basket in order to meet the discount threshold, ensuring greater savings, and then later return the luxury products. Some luxury brands that previous got in trouble for handling sensitive topics in China were popular targets in the reverse-cumulative purchase lists. Therefore, Brands' impressive sales performance actually masked a high rate of returns.

2 Negative impact of excessive advertising

Multi-platform promotions and redirecting traffic present both opportunities and challenges. The redirecting model is facing increasing negativity from users who express frustration with constantly being redirected before accessing desired apps. Apple has already notified apps to remove "shake-to-redirect" ads for listing on their App Store. Brands need to carefully manage their promotional methods and ensure more accurate targeting to avoid consumer aversion caused by frequent and suboptimal reach.



Brands Gather Together at 6th CIIE

- The 6th China International Import Expo(CIIE) was held in Shanghai on November 5th, achieving a worth of 78.41 billion USD in tentative deals, up 6.7% from last year's session¹.
- Luxury groups and brands such as **LVMH**, **Kering**, **Richemont**, **Burberry**, **Tapestry**, and **Dolce&Gabbana** converged at the Expo, showcasing brand localization through their dedicated exhibition booths.
- CIIE has become an Influential stage for luxury brands to cultivate the Chinese market, shaping the brand image and expanding influence.



This year marked LVMH's fourth participation in CIIE, under the theme "Our Know-How, a Cultural Heritage". Ludovic Wantine-Arnault, a member of the LVMH family, presented 12 brands including Louis Vuitton, Dior, Bulgari, Fendi, TAG HEUER, and Tiffany & Co..



Themed "Celebrating a decade of Kering, envisioning a new future", **Kering** showcased brands including **Gucci**, **Saint Laurent**, **Bottega Veneta**, **Balenciaga**, and more. Kering also created a screening area to showcase "Women In Motion" and the Kering Generation Award, highlighting their recent endeavors in China.



Richemont made its fourth appearance at CIIE, showcasing their exhibition booth themed "Time. Witness Eternal Beauty." The participating brands consist of Cartier, Chloé, Jaeger-LeCoultre, Montblanc, Vacheron Constantin, Van Cleef & Arpels, and notably, A. Lange & Söhne, making its inaugural debut at CIIE.



Diversity of Intangible Cultural Heritage & Cultural Integration

- Culture serves as the key to unlocking the Chinese market and an abundant source of inspiration for continuous innovation.
- At the 6th CIIE, driven by the growing cultural confidence among Chinese consumers, luxury brands have embraced Chinese culture, tapping into its rich cultural heritage and narrating their profound affinity with China to **better connect with the local market**.



Dior

On display at the booth, hats were adorned with "Ronghua," which are intricate velvet flowers, representing a cultural craft from the Jiangsu Province. Furthermore, two outfits featured traditional fabrics sourced from the Dong ethnic group, showcasing the rich heritage of Guizhou Province in China.



Fendi

Fendi highlighted a special Baguette handbag, made in collaboration with inheritors of Yi ethnic embroidery and silverware, which was specially designed for the "Hand in Hand" exhibition in Beijing this year. The "Hand in Hand" project was launched globally in 2020, aiming to foster partnerships with local artisans.



LOEWE

LOEWE made its inaugural appearance at CIIE, joining the LVMH exhibition booth to captivate visitors with handbags from the Chinese Monochrome collection. In addition, they showcased a monochrome ceramic gold bowl crafted by Deng Xiping, an inheritor of national-level intangible cultural heritage.



Cartier

Cartier debuted the Tank Chinoise China limited edition watch and presented a Chinese-style cigarette case from Cartier Tradition. Furthermore, there is a "screening hall" in the exhibition hall, showcasing Chapter 10: A Dialogue with China of the "L'Odyssée de Cartier".



Adapting to Society and Technology

Sustainable developments, technological innovations, and exclusive premieres are new tactics employed by luxury brands to captivate consumers' attention while also keeping up with evolving trends.



Coach

In the pursuit of sustainability, luxury brands have taken a leading role in recent years. During their fifth consecutive participation in CIIE, Coach unveiled their new sub-brand, Coachtopia, which focuses on minimal use of new materials and zero environmental footprint. Marking its inaugural launch in China, Coachtopia exemplifies Coach's dedication to a circular and sustainable future.



Bulgari

Driven by advancements in artificial intelligence technology, there is immense potential for creating extraordinary customer experiences. Bulgari tapped into this potential by incorporating an immersive AI interactive experience area within their booth. This innovative setup captured users' brain waves and heartbeats and transformed their thoughts into distinct digital artworks.



Burberry

The Burberry Rose pop-up store debuted in Shanghai on October 20th before Burberry participated in CIIE. The store design harmoniously reflects the exhibition booth, inspired by the English rose. The pop-up store not only shaped the brand's image during the 6-day exhibition but also leveraged the overflow effect of CIIE's "6+365 Days" year-round offline exhibition service platform, thereby extending the brand's influence.



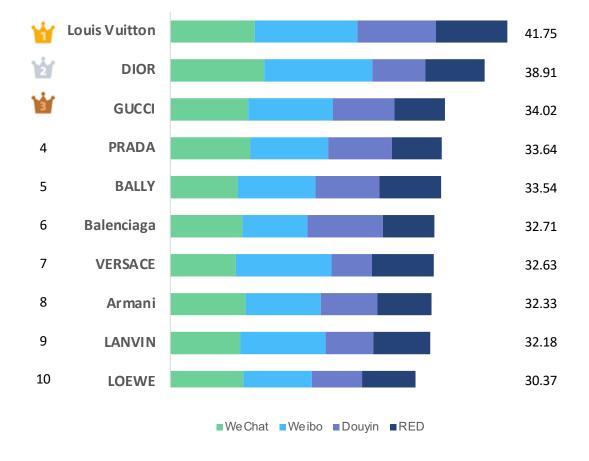
□ Brand Highlights

*Based on the Top 10 best performing brands of Luxury Industry Trends

Luxury Industry Trends

Curio Eye™ Brand Index: Top 10 best performing brands

*Powered by Curio Eye data, our **Curio Eye™ Brand Index** provides a comprehensive overview to quickly understand the brands' overall performance (fanbase growth, number of posts, and engagements) across major China social channels: WeChat, Weibo, Douyin, and RED.





The Top 3 best-performing brands in November were **Louis Vuitton**, **Dior**, and **GUCCI**, the same as last month.

Louis Vuitton's engaged brand ambassador Teens in Times to share the Art of Gifting collection, catering to Gen-Z preferences and generating a buzz among fans. Furthermore, Louis Vuitton garnered significant attention by strategically hosting the Men's Pre-Fall 2024 Show in Hong Kong SAR at the end of November.

Dior organized the ART'N DIOR exhibition in Shanghai with the debut of the "DIOR LADY ART # 8" artist collaboration series with brand ambassadors attending the opening ceremony. In addition, Dior held a lighting ceremony in the Shanghai Zhangyuan boutique to celebrate Christmas.

Gucci Flora launched the Alchemist's Garden pop-up in Shenzhen, and brand ambassador Lu Han was present. Celebrities dressed in GUCCI attended events and awards also drew attention from the public.

Armani, Versace, and **LOEWE** entered the Top 10 list in November. **Versace** has officially announced its global ambassador Rosy Zhao which attracted wide discussion. Similarly, **Bally's** ranking rose by 3 places thanks to the birthday of its brand ambassador, Roy Wang, and the promotional activities related to his styling for D11.



Art of Gifting – 15M+ engagements









Highlights:

Louis Vuitton collaborated with brand ambassador Teens in Times to promote the Art of Gifting, which encompasses Louis Vuitton's lifestyle art series, including classic trunks, accessories, home decor, toys, and collectibles.



• Men's Pre-Fall 2024 Show – 2M+ engagements







Highlights:

Louis Vuitton held its Men's Pre-Fall 2024 Show in Hong Kong. The show featured a beach theme, with the brand covering the runway with sand and creating a wave effect using LED screens on the ground, exuding a vacation atmosphere.









• ART'N DIOR Shanghai Exhibition – 15M+ engagements









Highlights:

Dior held the ART'N DIOR Exhibition at the Shanghai Exhibition Center from November 9th to 12th. Visitors will have the opportunity to appreciate a variety of pieces from the "DIOR LADY ART # 8" artist-limited collaboration series. Dior ambassadors Deng Wei, Yang Caiyu, Dilraba Dilmurat, and Zhou Ye attended the exhibition opening ceremony.

• Lighting Ceremony at Shanghai Zhangyuan – 7M+ engagements

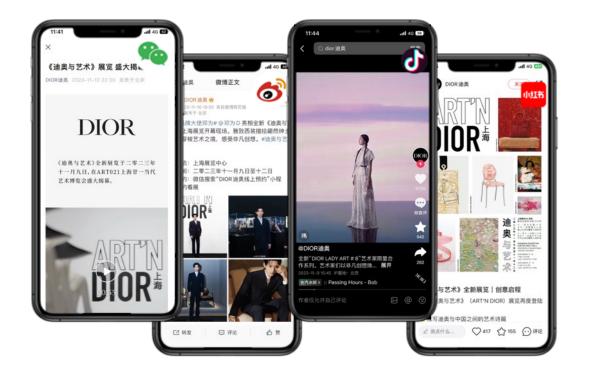






Highlights:

Dior organized a Christmas lighting ceremony at their pop-up boutique in Shanghai Zhangyuan and invited numerous celebrities to join in.











• Flora Alchemist's Garden Pop-Up - 1M+ engagements

6



Highlights:

Gucci Flora launched the Alchemist's Garden pop-up at Shenzhen MIXC World, featuring a design dominated by purple and adorned with the brand Flora pattern. The presence of brand ambassador Lu Han on the opening day sparked tremendous attention and buzz.





• Celebrities Rock Gucci at Awards – 631k+ engagements

6

Highlights:

In November, several celebrities donned Gucci attire to attend awards. Actor Chen Zheyuan made a grand entrance at the 2023 iQiyi Scream Night wearing a Gucci suit, garnering significant attention. At the 36th Golden Rooster Awards, actress Hui Yinghong, Wan Qian, and actor Lai Guanlin graced the event in Gucci outfits.



Holiday 2023 Collection – 249k+ engagements









Highlights:

Prada unveiled the Holiday 2023 collection and its campaign which captured four world-renowned stars — Maya Hawke, Damson Idris, Louis Partridge, and Kim Tae-Ri. Prada ambassador Li Xian made an appearance in this collection at ELLE Style Awards 2023, and actress Chen Duling adorned the same collection for the cover of the December issue of "SuperELLE" magazine, generating significant buzz and attention.



· "美自有力量" Series Video – 66k+ engagements





Highlights:

Partnering with Douyin, Prada engaged in a conversation with the Chinese women's national football team, inviting football players Chen Qiaozhu, Yang Lina, and Dou Jiaxing to wear FW23 women's collection and star in the "美自有力量 (The innate power of beauty)" video series. The collaboration aimed to showcase the strength of women and redefine beauty.





Birthday of Global Brand Ambassador Roy Wang – 312K+ engagements

Highlights:









On November 8th, Bally celebrated its global brand ambassador Roy Wang's 23rd birthday with a special party. As part of the celebration, Bally unveiled a limitededition calendar and exclusive mobile wallpapers featuring Roy. Bally's followers can obtain these special items through the official WeChat account.

• D11 Look of Roy Wang – 133K+ engagements







Highlights:

Bally collaborated with Global Brand Ambassador Roy Wang to create a D11 look to promote the brand's D11 event and to inject youthful vitality into the brand.















• Creative Videos on Douyin – 460K+ engagements



Highlights:

The release of creative videos from Balenciaga has always garnered attention on Douyin, which increased brand exposure, buzz, and attention from younger consumers.





• The Spring 2024 Collection – 50K+ engagements

Highlights:







The Spring 2024 collection of Balenciaga was performed by brand ambassadors Michelle Yeoh, PP Krit, and friends of the House Malgosia Bela, Soo Joo Park, and Khadim Sock. The collection utilizes unconventional materials and cuts in both clothing and accessories. The bath towel skirt among the new collections has aroused heated discussions on social media and brought attention to Balenciaga's new season launch.









• Global Brand Ambassador Annoucement – 2M+ engagements







Highlights:

Versace announced Rosy Zhao as a new Global Brand Ambassador, on the day of her 25th birthday. Creative director and vice president of Versace, Donatella Versace, defined Rosy as a powerful Versace Woman.







Holiday 2023 Collection – 886K+ engagements









Highlights:

Versace invited Brand Global Ambassador Stray Kid's Hyunjin to wear the Holiday 2023 Collection and participate in a campaign film to promote this collection. The film has sparked widespread discussion.





• Emporio Armani FW23 Collection – 138k+ engagements

1





Highlights:

In November, Emporio Armani global ambassador Jackson Yee showcased green fashion in the Emporio Armani FW23 sustainable collection, sparking significant attention and buzz. Additionally, actresses Zhang Xiaofei, Lin Yun, and Tang Wei, as well as actor Xu Weizhou, donned the FW23 collection.



• Giorgio Armani FW23 Collection – 76k+ engagements

Highlights:









Giorgio Armani unveiled the Neve FW23 collection, which was specifically designed for winter sports, and launched pop-up spaces in Beijing, Shanghai, Chengdu, and Nanjing, providing an immersive experience. Actor Yan Chengxu showcased the collection at the Chengdu pop-up. Additionally, numerous celebrities donned the Giorgio Armani FW23 collection.





SS24 Collection – 664K+ engagements







Highlights:

Lanvin invited brand global ambassador Cheng Yi to explore Lanvin's SS24 Collection with an emphasis on sophistication and modernity, which showcased inner elegance.







SS23 Collection – 467K+ engagements





Highlights:

LANVIN enlisted brand ambassador Cheng Yi and numerous celebrities, including actor Chen Zheyuan and Hou Wenyuan, for the SS23 collection campaign shoot. This star-studded lineup not only showcased the collection but also ignited excitement and inspired fashion enthusiasts with fresh ideas for their spring and summer outfits.









• Pre-Spring 2024 Collection – 91K+ engagements









Highlights:

• LOEWE enlisted global brand ambassadors Yang Mi and Taylor Russell and numerous celebrities, including model Sun Feifei, and singer Del Water Gap, for the Pre-Spring 2024 collection campaign shoot. Yang Mi completed the street snap with a Loewe Flamenco bag and a leather coat, showing the clean fit of the pre-spring collection. Also, Del Water Gap wore the LOEWE pre-spring collection to attend the GQ ceremony 2023, which also brought popularity to the launch of the LOEWE's new design.

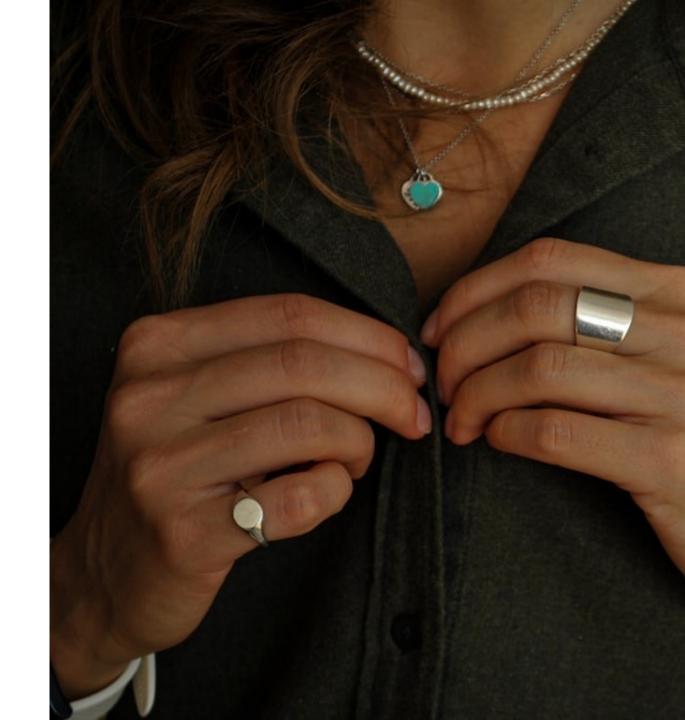








Campaign BestPractices



OVERVIEW

The Shanghai Marathon took place as scheduled on November 26, 2023, attracting over 30,000 passionate runners from China and abroad. Notably, it marked the first collaboration between Tiffany & Co. and the Shanghai Marathon. It's also Tiffany's **first endeavor in designing trophies and medals for a Chinese sports event.**

- Tiffany crafted trophies and medals for the top three male and female athletes, capturing the victorious posture of marathon runners as they sprint toward the finish line.
- Iconic Shanghai landmarks were depicted on the awards, including the Oriental Pearl
 Tower, Shanghai Tower, Shanghai Jinmao Awards, and World Financial Center, reflecting
 the local essence of the competition.



TIFFANY&CO. © Search... Iconic trophies and the legendary stones that accompany them, this Tiffany book is the ultimate collector's item. Learn More > Tiffany Trophies Decades of training. A relentless dedication to croft. An unwavering pursuit of perfection. Explore by Sport Basketball Baseball Tennis Espo



Image Source: Tiffany & Co. Official Website and Weibo

CURIOSITY SPOTLIGHT

Tiffany's Legacy in Sports Collaborations

- In 1860, the brand was commissioned by the Woodlawn Racing Association to create the prestigious Woodlawn Vase for horse racing.
- Tiffany has ventured into the world of e-sports to reach young generations, forging a long-term partnership with Riot Games for competitive gaming events.

Synergy through Collaboration

- The Shanghai Marathon presented Tiffany with a unique opportunity to engage with a
 diverse range of participants, including enthusiasts of all ages and skill levels.
- The presence of a luxury jewelry brand like Tiffany added an elegant touch to the event, creating a captivating atmosphere.

When Fashion Meets Sports

- A noticeable rise in public interest in sports and health in the post-COVID-19 era.
- Luxury brands are recognizing this trend and expanding their footprint in the sports industry. Balenciaga introduced a ski series, Chanel established ski pop-up stores, and Stuart Weitzman launched a new line of sneakers. These initiatives exemplify how luxury brands are embracing consumers' evolving lifestyles and attitudes.

Ami Paris Opening Party at Hanlin Academy



Ami Paris Emoji Pack "AMI PARIS Meets Beijing"

OVERVIEW

On November 10th, Ami Paris launched a pop-up store and café in Beijing's Sanlitun Taikoo Li, while it also landed in two other Chinese cities through collaborations with coffee shops: SUNSET +a:b in Shanghai and Invisi in Chengdu. These spaces will remain open until December 8.

- Inspired by the traditional Parisian café, the pop-up café in Beijing reproduced a miniature
 Haussmann-style building, transporting visitors to the streets of Paris with French elements
 like cobblestones and bistro chairs. The limited spots for experiencing the pop-up stores can
 be reserved through the official Ami Mini-P.
- To celebrate the grand opening, Ami Paris hosted a party at Hanlin Academy, where celebrities like actress Yeung Chin-wah, actor Xu Guanghan, and singer Yu Jingtian attended. Adorned with French elements, the party also incorporated Chinese elements such as sugar-coated hawthorn art experiences and pipa performances.
- Ami Paris also launched exclusive WeChat emojis called "AMI PARIS Meets Beijing", blending the cultural essence of Paris and Beijing.

CURIOSITY SPOTLIGHT

"High-fashion cafés" have popped up across China in recent years, utilizing the concept of "brand lifestyle" to connect with consumers, share brand stories, and promote brand culture. In 2023 alone, renowned luxury brands such as Maison Margiela, Louis Vuitton, and Burberry have opened pop-up cafés in major cities like Beijing, Chengdu, Shanghai, and Shenzhen.

Cultural integration played a significant role in the Ami Paris brand narrative. As it expanded into China, Ami Paris embraced the local cultural elements of different Chinese cities. The opening party merged the essence of Beijing style with a French design. The design of the brand's other two stores in Suzhou and Guangzhou (upcoming) also incorporate local culture: the fan and the tile.

Young consumers, particularly Gen-Z, are a new focus for luxury brands for their enormous potential. Ami Paris unveiled emoji packs, serving to captivate Chinese young consumers and integrate the brand into their daily lives.







□ Curiosity Showcases



Summary:

• The brand launched its winter campaign to promote the new collection by bridging the essence of the brand's intrinsic mountain DNA with consumers' winter lifestyle, building up a desirable snow experience by showcasing the brand's iconic footwear. The campaign included collaboration with 4 RED KOLs, interactive WeChat posts, and 2 creative lucky draws on both RED and WeChat











▲ 点击图片探索山系DNA



Summary:

- Stone Island launched the 2023 Ice Jacket Campaign on Nov 22nd. The component includes a WeChat Mini-P game, Red UCG activity, and media buy advertising (WeChat/ Weibo/ Red).
- Mini-P game landing page gained 32k PV and 18k UV. The campaign achieved 8,577 times of wallpaper downloads.

download

- The Red UGC activity post achieved 17K views and 245 engagements. And the topic # StoneIsland 温感实验室 achieved 34k views.
- The media buy investment total got 5.5M impressions and 57K engagements, which contributed a portion of the Mini-P traffic.

WeChat Mini-P Game



detail page

Red UCG Activity



#StoneIsland 温感 实验室 topic page

Media Buy



WeChat moment ads

Red feed ads Weibo feed ads

Red



WHAT WE DO

We support our clients' market entry strategy and provide 360-degree integrated digital solutions with commercial consulting expertise.

- Digital Strategy & Social Listening
 Branding/Content/Platform/KOL Strategy/Intelligence Services
- Brand Creative Content
 Engage with the Chinese luxury fashion audience across social channels
- Social Commerce & SCRM
 Ecommerce solution on TMALL/ JD/ WeChat Mini-Program
- Media Buy & Event

 Media buy for branding- and performance-driven event planning & execution



Scan our WeChat QR code to connect!

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If you have ever wondered how to expand your business in China, how to engage with Millennials in China through an omni-channel approach, or needed insight through social listening and get to know more about how industry players are doing in China, get in touch with us via Email (curiositychinabyfarfetch@farfetch.com) or WeChat account for more conversations!

Industry & Retail

- Sales boomed on the opening day of the extended Singles Day shopping extravaganza
- A record 78.41 billion USD worth of tentative deals were reached at the 6th China International Import Expo (CIIE)
- Taikoo Li across mainland China has shown a positive growth trend
- This year's Double 12 event will be canceled

Social & EC & Technology & Innovation

- Apple requires apps to cancel the function of shaking and jumping advertisements
- Baidu has made it onto Fortune's 50 Al Innovators list
- SF Express Group and Louis Vuitton signed a letter of intent for the "Full-Link Logistics Carbon Footprint System and Carbon Footprint Management"
- PDD stock surged after reported third-quarter earnings and sales
- Popular social media platforms simultaneously announced policies to display the real names of influencers

Key Players

- Louis Vuitton has unveiled its first store in Sanya
- Chanel showcased its Cruise 2024 collection in Shenzhen
- <u>Tiffany & Co. became the official trophy partner of the Shanghai Marathon</u>
- Hermès held 'On the Wings of Hermès', a poetic and cinematic performance
- Bulgari launched its Mediterranea High Jewelry and High-end Watches collection in Shanghai
- AMI opened a limited-time store and French classic cafe in Beijing



THANK YOU!

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