

The *Chinification* of the cosmetics and beauty sector



ACADEMY

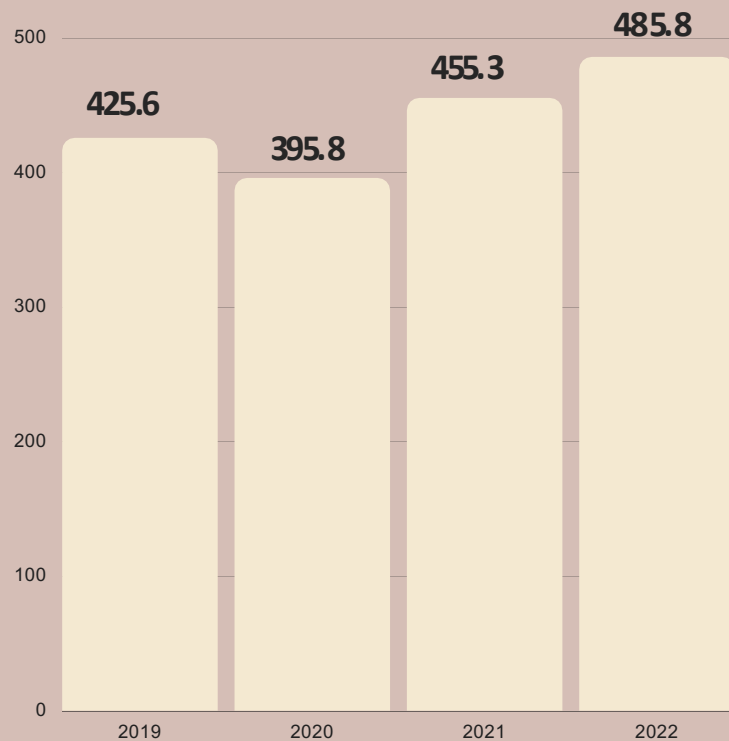
Francesco Boggio Ferraris
ICCF | Academy Director

China's Cosmetics Market

THE SIZE OF THE MARKET IN BILLIONS OF RMB (2019 - 2023)

According to the latest data from Statista, in **2021**, the size of the cosmetics market in China reached **455.3 billion RMB**, up from **395.8 billion RMB** the previous year.

In fact, following the pandemic, the market suffered a **decline** for the first time, recovering the following year; in **2023** it is expected to reach **RMB 516.9 billion**.



Source: Statista





Sunscreen market in in China in 2021

8.2%

YOY GROWTH RATE

From a global point of view, sunscreen cosmetics are still in early development stage and the room for growth is huge in both components of protection: **outdoor and indoor.**

According to [Mintel trend analysis](#), the sales growth rate of sunscreen [cosmetics in China](#) will remain at the annual growth rate of **10%** in the next 5 years.

How to sell cosmetics in China

- During the pandemic, the revenues of the cosmetics market were mainly obtained through **eCommerce** and **social platforms** to find recommendations and to complete their purchases.
- With **cross-border e-commerce (CBEC)**, products are shipped directly from foreign manufacturers/distributors to consumers. The most important cross-border platforms in China are **Tmall** and **JD.COM**





Z Gen

WHO ARE THEY?

Born in the **second half of the 90s**, today they represent about **16% of the overall population** (over 226 million).

Z Generation is the **driving force** behind the beauty market and most of them rely on **KOL** and **KOC**, user reviews to decide which products to buy.

LINGLINGHOU

RETAILTAINMENT

The message they receive is: the world is FUN and entertainment is a very important part of life everyday.

High-end Chinese consumers are younger than their European and American counterparts, averaging just 33 years.

In the next 3 years the market will be dominated by even younger consumers:

25 YEARS

3 MARKETING TRENDS

1. KOL



China's Biggest Influencer Pushes a New Message: Buy Chinese

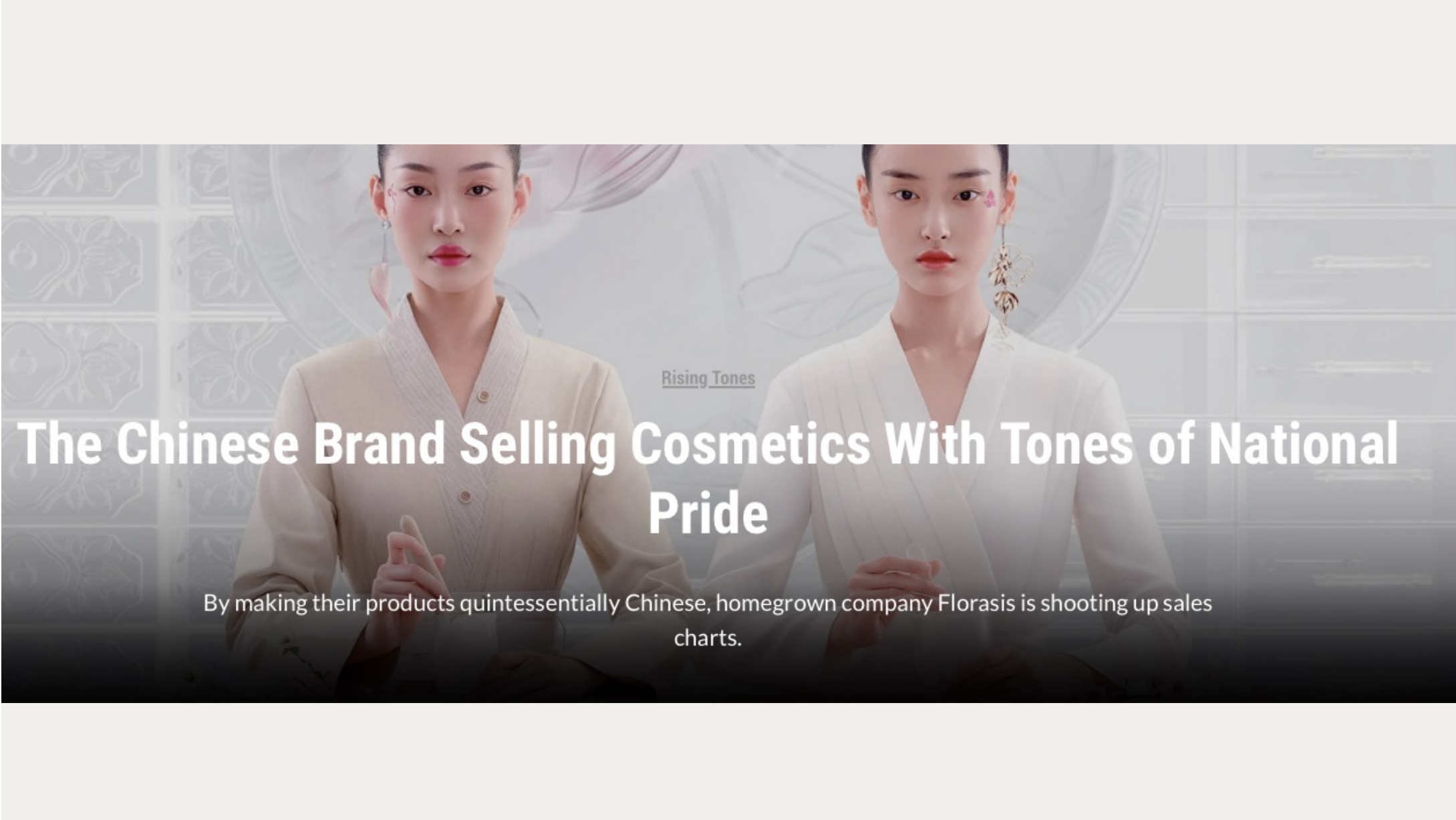
Li "The Lipstick King" Jiaqi has risen to become China's most powerful livestreamer. Now, he's jumping on a new trend: an upsurge in Chinese patriotism.

2. VIRTUAL IDOLS

AYAYI, the most popular virtual influencer has just reached the stunning number of 12 mln followers on Little Red Book, where she's brand ambassador for L'Oréal, Louis Vuitton and Prada.

The Virtual idols market in China is expect to grow on a 70% rate YOY in the next few years.





Rising Tones

The Chinese Brand Selling Cosmetics With Tones of National Pride

By making their products quintessentially Chinese, homegrown company Florasis is shooting up sales charts.

3. GUOCHAO

国潮

Guó

NATIONAL

Cháo

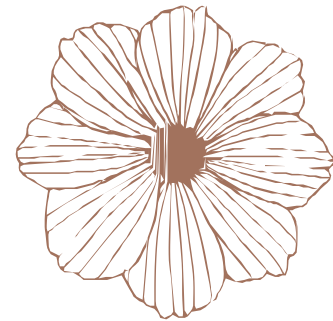
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CONTACTS



ACADEMY



Website

www.scuolafondazioneitaliacina.it

Mail

boggioferraris@italychina.org

Location

Via Clerici, 5, 20121
Milano (MI)

