

Beauty Retailing - China - April 2021

Report Price: £3695 | \$4995 | €4400

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This report looks at the following areas:

- Provide immersive shopping experience
- What's next for live e-commerce?
- From 'new retail' to 'smart beauty retail'

Although hit by the COVID-19 in the beginning of 2020, the beauty retailing market rebounded soon after the lockdown period. Beauty retailing led the growth in China's total retail market, at a rate of 13.6%. Online channels received a boost in 2020, while niche and special beauty retailers such as HARMAY, THE COLOURIST have taken some share from traditional beauty retailers.

Consumers choose to purchase in physical stores because they value their quality and experience; they choose online channels due to the competitive prices and wider products range. Live streaming channels enjoyed rapid growth from the surge in online shopping, but still carry an image of being 'cheap' in consumers' perceptions. In-store education elements such as product demonstrations and ingredient knowledge continue to be a key driver of footfall.



"Consumers are continuously shifting towards online in the wake of COVID-19, but the differential in the perceived quality of products and prices between online and offline channels are marked. Physical stores need an educational and experiential offering to connect with consumers, while online platforms need to team up with brand activities and become their partners."

– Vicky Zhou, Research Analyst

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