Published online: 6 December 2024 DOI: 10.54254/2753-7102/13/2024123

Luxury Brand Localization on Chinese Social Media

Enxi Fan

RCF Experimental School, Chaoyang District, Beijing, China

fanenxi@rdfzcygj.cn

Abstract. This paper explores the localization strategies employed by global luxury brands on Chinese social media platforms. As China becomes the largest luxury market in the world, brands such as Gucci, Louis Vuitton, and Burberry have adapted their marketing strategies to better resonate with Chinese consumers' cultural preferences and digital behaviors. Platforms like WeChat, Douyin, and Weibo have become essential for brands to connect with local audiences through personalized content, collaborations with Key Opinion Leaders (KOLs), and culturally tailored campaigns. Through case studies, this research highlights how these brands successfully integrate global prestige with localized digital strategies to enhance brand awareness, foster consumer loyalty, and drive sales in China. Additionally, the study examines the influence of cultural factors, such as collectivism and the importance of social status, on Chinese consumers' attitudes towards luxury goods. These insights shed light on the evolving landscape of luxury brand marketing in China's dynamic digital ecosystem and offer perspectives on future trends.

Keywords: Luxury Brand Marketing, Localization Strategies, Chinese social media

1. Introduction

In recent years, the Chinese market has become one of the most lucrative areas for global luxury brands. As China's middle class expands and the younger generation's purchasing power grows, brands like Gucci, Louis Vuitton, and Burberry have increasingly shifted their focus towards adapting their marketing strategies to cater specifically to Chinese consumers. This strategic localization on social media has become a crucial component of luxury brands' success in China.

Localization is not mere translation of a campaign but involves an invitation of thoughts on how to reshape the brand identity concerning the local culture, values, and social behaviors of a specific region. China's unique digital ecosystem drives an exceptional marketing environment for global brands, dominated by platforms like WeChat, Weibo, Xiaohongshu and Douyin. While traditional Western social media platforms like Facebook and Instagram have established global reach, they are largely absent in China. This forces brands to adopt a more customized approach to marketing in the region. Social media has now become the key medium through which consumers are contacted.

The primary drivers for this localization are multifaceted. First, China is now the largest luxury goods market in the world, expected to account for nearly half of the global luxury market by 2025 [1]. Chinese consumers, especially millennials and Generation Z, are redefining what it means to own luxury items. Unlike Western consumers, who often focus on exclusivity and heritage, Chinese luxury consumers are drawn to brands that align with local cultural values and offer personalized, immersive digital experiences [2]. It demands deep insight into Chinese cultural norms and social preferences to nurture the loyalty of their brand. Second, cultural differences between the West and China require global brands to rethink their marketing strategies. According to Hofstede's theory of cultural dimensions, individualistic Western societies differ relatively from the more collectivist culture of China [3]. For example, there is collectivism in the social status and family that are paramount in Chinese society, where luxury goods are not just a form of personal expression but also a marker of social prestige. It helps brands understand such subtleties and build messages which are more culturally relevant. Finally, the rapid evolution of China's social media landscape has revolutionized how luxury brands communicate with their audience. Platforms like WeChat and Douyin are not just communication tools but comprehensive ecosystems where users can shop, engage with influencers, and share content. This rise of Key Opinion Leaders (KOLs) and user-generated content (UGC) has transformed luxury marketing. Brands are increasingly relying on KOL partnerships to bridge the gap between their global identity and local market preferences, making social media a critical part of their localization strategies [4].

In this paper, I will examine why luxury brands are increasingly turning to social media to localize their marketing efforts in China. Through case studies of major brands, I will explore how they are adapting their content, engaging with local influencers,

and fostering consumer interaction. Finally, I will assess the effectiveness of these strategies, highlighting their proven impact on brand awareness, customer loyalty, and sales growth in the Chinese market.

2. Literature Review

2.1. Globalization vs. Localization in Luxury Marketing

The debate between globalization and localization strategies has been central to luxury marketing for decades. In the early years, theorists such as Levitt [5] supported the idea of a standardized global marketing strategy with the emphasis that the world is becoming homogenized. However, recent outlooks propose a balance between global consistency and local adaptation [6]. The so-called luxury brands need to balance globalization and localization. While they seek to preserve their globally recognized identity on one hand, they equally try to adapt the native culture and market forces of regions with which they operate to keep them relevant.

This necessity for localization in luxury branding is most pronounced in the culturally unique market of China. Hofstede's cultural dimensions theory shows that the cultural distance between Western individualistic societies and China's collectivist culture is wide. In such a so-called high-context, collectivist society as China, the consumption of luxury is not an individual choice but a social and symbolic act through which social status and group membership are communicated [7]. This cultural difference demands that even luxury brands must adjust their marketing strategies, accordingly, considering local cultural values and social behaviors. Therefore, while the global image of a luxury brand is important, the localized marketing of these brands needs to click with the cultural preference of Chinese consumers [8].

2.2. Luxury Brand Communication on Social Media

The rise of digital media has drastically changed how luxury brands communicate with their audiences, particularly in China, where platforms like WeChat, Weibo, and Douyin dominate the digital ecosystem. It allows brands to talk directly with consumers in a way that is not possible with traditional advertising through social media. According to Kaplan and Haenlein [9], social media has created opportunities for brands to foster a deeper connection with consumers through interactive content, targeted advertisements, and real-time engagement. These platforms are integral to luxury brands' efforts to create personalized, immersive experiences for consumers in China [10].

One critical aspect of luxury brand communication on Chinese social media is the use of Key Opinion Leaders (KOLs). Jin and Ryu [4] highlight KOLs are effective in filling the gap that exists between the brand and the native consumers. They help brands translate their global message into culturally relevant content that resonates with Chinese consumers. This strategy has been particularly effective for luxury brands, which rely on the aspirational value and symbolic meanings of their products to connect with consumers [11].

2.3. Brand-Celebrity Image Congruence and Consumer Responses

Celebrity endorsements have always been a staple in luxury marketing. The effectiveness of such endorsements, however, depends heavily on the image congruence between the celebrity and the brand [12]. The Match-Up Hypothesis suggests that consumers are more likely to respond positively to an endorsement when the celebrity's persona aligns with the brand's image [13]. This theory is particularly relevant in luxury branding, where the celebrity often embodies the lifestyle and values that the brand seeks to promote [14].

Self-brand congruence also plays a significant role in how consumers engage with luxury brands on social media. Research by Escalas and Bettman [15] shows that consumers are more likely to engage with brands that they perceive as an extension of their self-concept. This self-brand connection is even stronger when the brand is endorsed by a celebrity who embodies the values and aspirations of the consumer [16]. In the context of Chinese luxury marketing, this means that luxury brands must carefully select influencers and celebrities who not only fit the brand's image but also resonate with the local culture and consumer aspirations [4].

2.4. Localization Strategies in China: Cultural and Social Factors

Localization strategies in China often involve the incorporation of cultural symbols and local festivals into luxury marketing campaigns. For instance, Zhou and Belk [17] describe how luxury brands leverage Chinese New Year, Qixi Festival, and other culturally significant events to create exclusive collections and tailored marketing messages that appeal to local consumers. This strategy aligns with the findings of Wang and Qiu [17], who argue that the emotional and symbolic significance of such events provides a natural platform for luxury brands to engage with Chinese consumers on a deeper cultural level.

The digital ecosystem in China also plays a significant role in shaping localization strategies. WeChat, for example, is not only a social media platform but also a multifunctional ecosystem that includes e-commerce, payment systems, and customer service

channels. Godey et al. [12] point out that luxury brands must tailor their digital strategies to fit the unique functionalities of these platforms, creating seamless, integrated experiences that go beyond simple advertising.

2.5. Consumer Engagement and Brand Loyalty in Luxury Marketing

Consumer engagement is consequently an important factor for luxury brands that have ambitions to achieve long-term loyalty in the Chinese market. Creating strong emotional bonds with consumers has increasingly taken on a life of its own with social media engagement in the digital age [18]. In fact, Wallace, Buil, and Chernatony [19] suggested that the more active and participating consumers show towards the social media content of the brand, the more it leads to brand loyalty, which in turn will be associated with a higher purchase intention.

In the luxury sector, self-brand connections are especially important for driving consumer engagement. Dwivedi, Johnson, and McDonald [20] argue that consumers who view luxury brands as an extension of their self-concept are more likely to engage with the brand on social media and become loyal customers. This is particularly relevant in the context of luxury brand localization, where the goal is not only to attract consumers but also to create lasting, meaningful relationships with them through culturally relevant marketing strategies [2].

3. Case Study

Each brand has taken a unique approach to localizing their luxury marketing in China. Luxury brands effectively utilized localized content, visual storytelling, and social media interactivity to connect with consumers. They receive tangible results in terms of brand visibility, consumer loyalty, and market performance in China. I exam three major brands to illustrate their localized marketing campaigns and the public feedback.

3.1. Case one: Gucci

Gucci has always been one of the most successful luxury brands in China because it has been able to relate better with the young generation of Chinese consumers. The brand has successfully been able to localize the content and marketing strategies on key Chinese platforms including WeChat, Douyin, and Xiaohongshu, among others, aligning messaging with local tastes and moments in culture.

A standout example of Gucci's localization efforts is their 2021 Qixi Festival (Chinese Valentine's Day) campaign. Gucci introduced an exclusive capsule collection featuring apple motifs with the playful slogan "I Apple U." This campaign not only showcased Gucci's understanding of local traditions but also demonstrated their ability to creatively adapt their global image for the Chinese market [21, 22].

Gucci ran the Qixi campaign on WeChat and Douyin. It published animated content on WeChat to communicate the special collection by mixing storytelling and product showcases that could engage users. Meanwhile, on Douyin, Gucci launched behind-the-scenes videos, leveraging this popular short-form video platform full of younger audiences. Gucci also partnered with KOLs on Xiaohongshu to allow them to share how the new collection can be integrated into daily fashion.

The Qixi campaign received remarkably high engagement: there were more than 16.7 million views of the campaign videos on Douyin [22]. This shows Gucci's ability to localize both product design and messaging, allowing the brand to strengthen its bond with Chinese consumers—particularly millennials and Gen Z—who demand both luxury and personalization. Additionally, the campaign led to a rise in followers and engagement across social media platforms to support broader brand awareness in line with Gucci's long-term growth strategy in China.

3.2. Case Two: Louis Vuitton

Louis Vuitton (LV), one of the most iconic luxury brands globally, has also focused on the Chinese market. It does numerous collaborations with local influencers and celebrities; it engages in some significant cultural festivals in China. All of these align the brand with key cultural moments. Louis Vuitton has made great use of KOLs and local celebrity endorsements at the heart of its localization strategy. Of all, in 2020, LV collaborated with Chinese actress Zhou Dongyu in its Spring/Summer campaign, and it really resonated well with the local audience. LV partnered with KOLs across platforms such as Weibo and Douyin to drive the campaign, blending high fashion with the relatable appeal of Zhou Dongyu, who represents modern Chinese femininity [22].

The strategy focused on localized, aspirational storytelling. The brand released teaser content on Weibo to create hype. On Douyin, the brand published several short-form videos showcasing behind-the-scenes footage and product launches. Weibo's trending topics feature helped the campaign go viral. Engagement increased significantly through Weibo and Douyin. LV saw a 20% rise in Weibo followers during the campaign, and the hashtag for the collaboration (#LouisVuittonxZhouDongyu) garnered over 50 million views. This illustrates how cultural resonance and localized celebrity endorsements can build brand relevance among Chinese consumers [22].

3.3. Case Three: Burberry

Burberry, a British luxury brand, has consistently worked on localizing its content for the Chinese market. Burberry has always incorporated elements of Chinese culture into its local approach, particularly during key festivals such as Chinese New Year. Burberry frequently adapts its collections and marketing to celebrate Chinese traditions. For example, during the 2020 Chinese New Year, Burberry designed a special collection in red tones with traditional Chinese motifs for good fortune. This collection was highly publicized on WeChat and Weibo, where Burberry used interactive content and exclusive consumer experiences.

On WeChat, Burberry ran a campaign allowing users to send digital red packets—a traditional Chinese New Year gift—within the app. Burberry utilized the mini-program feature within WeChat to allow shopping directly within the app. On Weibo, Burberry shared celebratory messages, photos of the collection, and videos featuring top Chinese celebrities. The campaign delivered strong results, with Burberry's 2020 Chinese New Year campaign seeing a 15% increase in traffic to its WeChat mini-application. The Weibo posts gained millions of views and thousands of comments, showcasing the success of a well-timed, interactive campaign. This effort significantly boosted brand awareness and strengthened Burberry's cultural relevance in China during a key shopping period [22].

In summary, Gucci succeeded by leveraging cultural festivals and creating tailor-made content on Douyin to engage younger consumers. Louis Vuitton, on the other hand, used high-profile KOLs and celebrities to tap into aspirational desires, particularly through platforms like Weibo and Douyin. Burberry combined traditional Chinese cultural symbols with digital innovation on WeChat, creating an interactive experience for Chinese New Year.

4. Conclusion

The study of the localized strategy of luxury brands on Chinese social media brought into focus one thing. In China's luxury market, success is increasingly foregrounded by how well the brand can adapt to the local cultural nuances while capitalizing on the country's unique digital ecosystem. Powerful brands like Gucci, Louis Vuitton, and Burberry have shown the way in mixing 'global prestige' with 'local content' and 'digital strategies' for securing emotional connections with Chinese consumers, particularly the young generation hooked on social engagement, cultural relevance, and digital convenience.

These case studies illustrate a few common themes, from cultural alignment to KOLs' driving role in localized luxury marketing and the importance of platform-specific strategies. Though the approach may differ for each brand, the goal remains the same: to create relevant, resonant experiences that deepen consumer loyalty and drive engagement in today's hypercompetitive luxury market. As luxury brands continue to expand in China, it is those that transparently work out the complexities of localization, all while maintaining their global brand essence, that will fare best.

In the future, luxury marketing in China will be even more integrated with localized content and technology as brands continue striving to meet the evolving expectations of consumers. Indeed, by embracing unique opportunities afforded by China's social media landscape, luxury brands can drive not only market share growth but also long-term relevance in one of the world's most important luxury markets.

References

- [1] Kapferer, J.-N., & Bastien, V. (2017). The Specificity of Luxury Management: Turning Marketing Upside Down. *Advances in Luxury Brand Management*, 65–84. https://doi.org/10.1007/978-3-319-51127-6_5
- [2] Silverstein, M. J., Fiske, N., & Butman, J. (2003). Trading up: the new American luxury. Portfolio.
- [3] Hofstede, G. (1980). Culture's consequences: International Differences in Work-related Values. Sage Publications.
- [4] Jin, S. V., & Ryu, E. (2019). Celebrity fashion brand endorsement in Facebook viral marketing and social commerce. *Journal of Fashion Marketing and Management: An International Journal*, 23(1), 104–123.
- [5] Levitt, T. (1983). The Globalization of Markets. Harvard Business Review; Harvard Business Review. https://hbr.org/1983/05/the-globalization-of-markets
- [6] Douglas, S. P., & Craig, C. S. (2010). Global Marketing Strategy: Perspectives and Approaches. Wiley International Encyclopedia of Marketing. https://doi.org/10.1002/9781444316568.wiem06013
- [7] De Mooij, M. (2019). CONSUMER BEHAVIOR AND CULTURE: consequences for global marketing and advertising. (3rd ed.). Sage Publications Inc.
- [8] Zhou, N., & Belk, R. W. (2004). CHINESE CONSUMER READINGS OF GLOBAL AND LOCAL ADVERTISING APPEALS. Journal of Advertising, 33(3), 63–76. https://doi.org/10.1080/00913367.2004.10639169
- [9] Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of social media. *Business Horizons*, 53(1), 59-68. https://doi.org/10.1016/j.bushor.2009.093
- [10] Chu, S.-C., Kamal, S., & Kim, Y. (2019). Re-examining of consumers' responses toward social media advertising and purchase intention toward luxury products from 2013 to 2018: A retrospective commentary. *Journal of Global Fashion Marketing*, 10(1), 81–92. https://doi.org/10.1080/20932685.2018.1550008
- [11] Godey, B., Manthiou, A., Pederzoli, D., Rokka, J., Aiello, G., Donvito, R., & Singh, R. (2016). Social media marketing efforts of luxury brands: Influence on brand equity and consumer behavior. *Journal of Business Research*, 69(12), 5833-5841. https://doi.org/10.1016/j.jbusres.2016.04.181

- [12] Erdogan, B. Z. (1999). Celebrity endorsement: A literature review. *Journal of Marketing Management*, 15(4), 291-314. https://doi.org/10.1362/026725799784870379
- [13] Kamins, M. A. (1990). An Investigation into the "Match-up" Hypothesis in Celebrity Advertising: When Beauty May Be Only Skin Deep. *Journal of Advertising*, 19(1), 4–13.
- [14] McCracken, G. (1989). Who is the celebrity endorser? Cultural foundations of the endorsement process. *Journal of Consumer Research*, 16(3), 310-321. https://doi.org/10.1086/209217
- [15] Escalas, J. E., & Bettman, J. R. (2005). Self-construal, reference groups, and brand meaning. *Journal of Consumer Research*, 32(3), 378-389. https://doi.org/10.1086/497549
- [16] Choi, S. M., & Rifon, N. J. (2012). It is a match: The impact of congruence between celebrity image and consumer self-concept on celebrity endorsement. *Journal of Psychology & Marketing*, 29(9), 639-650. https://doi.org/10.1002/mar.20550
- [17] Wang, Y., & Qiao, F. (2020). The symbolic meaning of luxury-lite fashion brands among younger Chinese consumers. *Journal of Fashion Marketing and Management: An International Journal*, 24(1), 83–98. DOI:10.1108/JFMM-09-2019-0204
- [18] Aaker, D. A. (1991). Managing brand equity: Capitalizing on the value of a brand name. The Free Press.
- [19] Wallace, E., Buil, I., & Chernatony, L. (2014). Consumer engagement with self-expressive brands: Brand love and WOM outcomes. Journal of Product & Brand Management, 23(1), 33-42. https://doi.org/10.1108/JPBM-06-2013-0326
- [20] Dwivedi, A., Johnson, L. W., & McDonald, R. (2015). Celebrity endorsements, self-brand connection and relationship quality. International Journal of Advertising, 35(3), 486–503. https://doi.org/10.1080/02650487.2015.1041632
- [21] Yi, K. (2020, October 20). Case Study: How Gucci Won Qixi. China Marketing Insights. https://chinamktginsights.com/case-study-how-gucci-won-qixi/
- [22] William, G. (2020). Gucci launches on Douyin in play to reach Chinese millennials and Gen Z. *Luxury Daily*. https://www.luxurydaily.com/gucci-launches-on-douyin-in-play-to-reach-chinese-millennials-and-gen-z/