Decoding Luxury Marketing Milestones in China 2024: *520*

Given the current headwind facing China's luxury market, is 520 still a relevant milestone for luxury and premium brands?

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Introduction

In a Challenging 2024, What Does 520 Imply.

Following a robust 12% rebound in 2023, China's luxury market is only expected to grow by a low-single-digit in 2024, confirmed by the Q1 earnings of most luxury companies. Consequentially, except for a few very well positioned *maisons*, **growth in China from most luxury brands has begun to stagnate and made the revenue peak of 520 even more critical.**

Coming on the heels of Lunar New Year and Valentine's Day, the 520 festival traditionally is one of the biggest revenue peaks in the year along with Chinese Valentine's Day. The date, which sounds like 'I love you' in Mandarin, was initially regarded as the 'Chinese Internet Valentine's Day.' Nowadays, **it has become an omnichannel romantic festival and an important marketing occasion, for brands to launch 520 marketing campaigns and a significant e-commerce focus, including on marketplaces like Tmall.**

This year's 520, however, was quieter than usual, as a result of Tmall's effort to prioritise and extend the 618 shopping festival from 20th May. Therefore, brands had to significant reduce their 520 marketing budget. Among our sample of 103 brands, 520 was a focus on WeChat for 73 of them. A significant number of brands launched dedicated festival campaigns, exclusive collections, and innovative experience to celebrate this milestone.

Another challenge for brands is the evolving significance of 520 for young consumers. With declining birth rates and marriage registrations in China, the concept of 'romantic love' might not resonate as universally as before. Today, with three Valentine's Days (520, Western Valentine's Day, and Chinese Valentine's Day), consumers are becoming weary of the recurring theme. Thus, **brands have been broadening the concept of 'love' to include couples, families, and friends, in an attempt stand out and expand their relevance.**

This year's 520 not only carried the expectation of driving brand revenue after a sluggish Q1, but also challenged brands to stand out despite generally reduced budgets. How did luxury and premium brands fare? Who were the best performing brands? What were the most effective campaigns? DLG (Digital Luxury Group) and Re-Hub have studied over 100 luxury and premium brands during this year's 520 festival. This report delves into whether this festival is relevant in the the current luxury market through six major rankings and a series of case studies.

Methodology.

About the Study

This study includes a representative sample of luxury and premium brands across Fashion, Footwear, Watches and Jewellery to demonstrate how **103 brands** were faring **on major Chinese e-commerce and social platforms during the 520 festival in 2024, by comparing their performance during other milestones** (including 520, 618, Chinese Valentine's Day, Singles' Day). It also takes into consideration brand presence on the platform, and activity levels, with outliers excluded from the sample.

Data Period

520 of 2024: 17th April 2024 — 18th May 2024

520 of 2023: 20th April — 21st May 2023

618: 31st May — 20th June 2023

Chinese Valentine's Day (*Qixi*): 22nd July — 22nd August 2023

Singles' Day: 24th October — 11th November 2023

Lunar New Year: 15th January — 15th February 2024

Channel Coverage

Social Media:

- WeChat
- RED
- Weibo
- Douyin

E-commerce:

- Tmall
  - Flagship store
  - Tmall Outlet[1]
  - Tmall Global[2]

(1). 8 Tmall Outlet stores were included in the sample; (2). 1 Tmall Global store was included in the sample

Sample of Brands

103

Luxury and Premium Brands

Fashion:

67.0%

Watches & Jewellery:

22.3%

Footwear:

10.7%

Data Scope.

Based on the data collected from the four major Chinese social media platforms (WeChat, Weibo, RED, and Douyin), as well as from the brand-owned stores on Tmall, Re-Hub has identified several key metrics to measure **the uplift and success of 103 luxury and premium brands during the 520 festival of 2024.**

Share of Voice: Re-Hub measures the share of voice by tracking user-generated content (UGC) related to specific brands on RED, by using a combination of brand keywords, including Chinese names, English names, and nicknames, to ensure accuracy. The total amount of user-generated content is calculated to determine the brand's share of voice.

Social Engagements: Re-Hub calculates social engagements by aggregating the number of engagements across all engagement types (excluding the number of reads) from brand-generated content (BGC) on the four platforms. This metric provides insights into the level of interaction and engagement driven by the brand's content.

E-commerce Sales Uplift: Re-Hub analyses the daily net revenue of brand-owned stores on Tmall for the 103 luxury brands. Net revenue is calculated by multiplying the daily units sold (excluding returns, refunds, and cancellations) by the final unit price of each product.

Discount Levels and Promotions: Re-Hub tracks product price changes and compares the discount levels during the 520 festival of 2024 with other milestones. This information helps identify brands that have offered attractive discounts and promotions during the festival.

Overall, Re-Hub provides insights into the performance of luxury brands during the 520 festival in 2024 in China, considering factors such as share of voice, social engagements, e-commerce sales uplift, discount levels by category.

Note: All ranking and insights of this study are based on the period of data extracted from Re-Hub, and may vary from the brand's actual performance across the platforms.

02.

Performance Overview

Overall Performance.

BGC

Overall engagement of BGC during 520 decreased by 31.1% vs. last year.

UGC

Brand-related UGC volume on RED during 520 increased by 36.5% vs. last year.

E-Commerce

E-commerce revenue on Tmall during 520 increased by 0.2% vs. last year.

% of Annual Revenue by Milestones.

	Festivals			Shopping Events			
	2023 CVD	2024 CNY	2024 520	2023 618	2023 Single's Day	Total Revenue from Milestones (%)	Total Annual Revenue (RMB)
Fashion	8.8%	10.1%	7.7%	11.4%	15.6%	53.6%	7.4 billion
Footwear	6.8%	9.0%	7.9%	14.2%	15.8%	53.7%	0.5 billion
Watches & Jewellery	13.9%	12.5%	9.9%	8.4%	8.6%	53.4%	1.5 billion

Note: Data is collected from 19th May 2023 to 18th May 2024, and only 99 brands with full-year Tmall revenue are included.

Key Takeaways.

Milestone Activations

- Chinese consumers tend to shop around major marketing milestones, a habit that shapes **the marketing calendar** for brands in China.
- Despite the varied revenue distribution across different categories during shopping festivals, **over 50% of annual revenue** for Fashion, Footwear, and Watches and Jewellery is generated during five major marketing milestones.

Local Celebrations

- Occasions such as **520 and Chinese Valentine's Day**, which are centred around gift-giving, contribute significantly to the annual revenue of the **Watches and Jewellery** sector.
- The **Lunar New Year** remains the most critical festival for brands to focus on, with notable revenue increases across **all categories**. This festival is not only a time for **gift-giving** but also a important occasion for **self-purchasing**.

Shopping Events

- Shopping festivals like **618 and Singles' Day** are typically associated with discounts. Categories with seasonal sales — **Fashion and Footwear** — benefit the most from these shopping sprees.
- **Singles' Day** is particularly crucial for these two categories, accounting for **nearly 16%** of their annual performance. However, for the Watches & Jewellery category, it represents only 8.6%.

Most Discussed Brands.

(By Share of Voice)

1	GUCCI	7.9%
2	SAINT LAURENT	6.6%
3	MIU MIU	5.4%
4	BALENCIAGA	4.6%
5	MARNI	4.1%

Note: The percentages shown above indicate brands' share of voice by brand-related UGC on RED from 17th April to 18th May.

Leading brands dominate

Typically, **the most discussed brands on RED are luxury powerhouses,** representing the most coveted labels in the market. **Fashion brands tend to boast higher SOV** compared to other categories, due to their broader target audience.

Long-term reputation over short-term exposure

On RED, a brand's SOV is usually based on long-term brand building. Unlike Weibo, where campaigns and celebrity endorsements can drive SOV overnight through innumerable reposts, **it is more challenging to impact UGC on RED, which is primarily focused on reviews and feedback.**

Subject to fashion trends

Share of voice on RED can be swayed by fashion trends. For instance, Miu Miu has gained significant traction not only internationally but also in China in recent years. Of course, **upsurgings in social media usually drives significant increase in brand revenue.**

How to Run an Impactful Campaign on RED.

Case study: Loewe

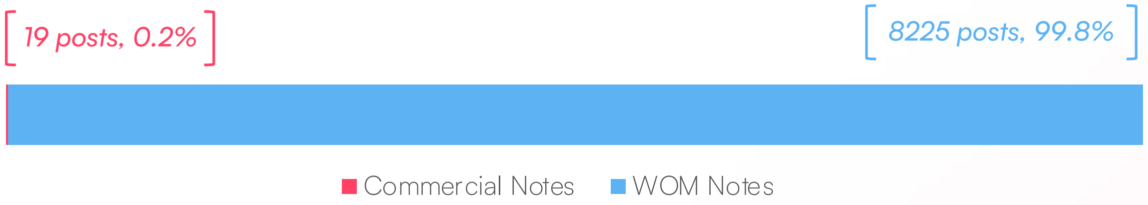
On 2nd May, Loewe released its 520 campaign, introducing an exclusive pink Flamenco Purse and Mini Flamenco Purse. **This campaign depicted not only romantic love but also the relationship, between mothers and daughters.** It feautured singer Edward Chen, actress Yuxiao Lu, and model Majie. The brand also collaborated with KOLs on social media to showcase beautiful relationships between couples, friends, and parents and children, promoting the Flamenco bags and including the brand-owned hashtags #LOEWE520 and #LOEWE福袋.

Hashtag Page

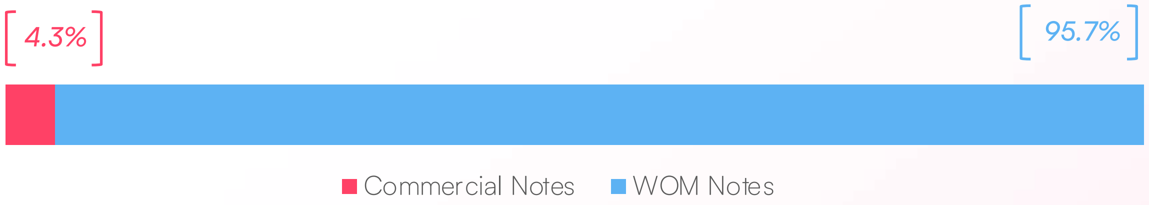
Brand Post

KOL Post

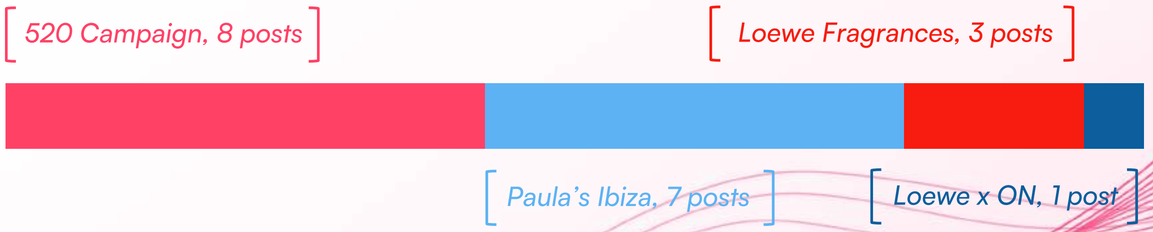
Volume of Posts



Volume of Engagement (Like, favourite, and comment)



Collection/ campaign promoted



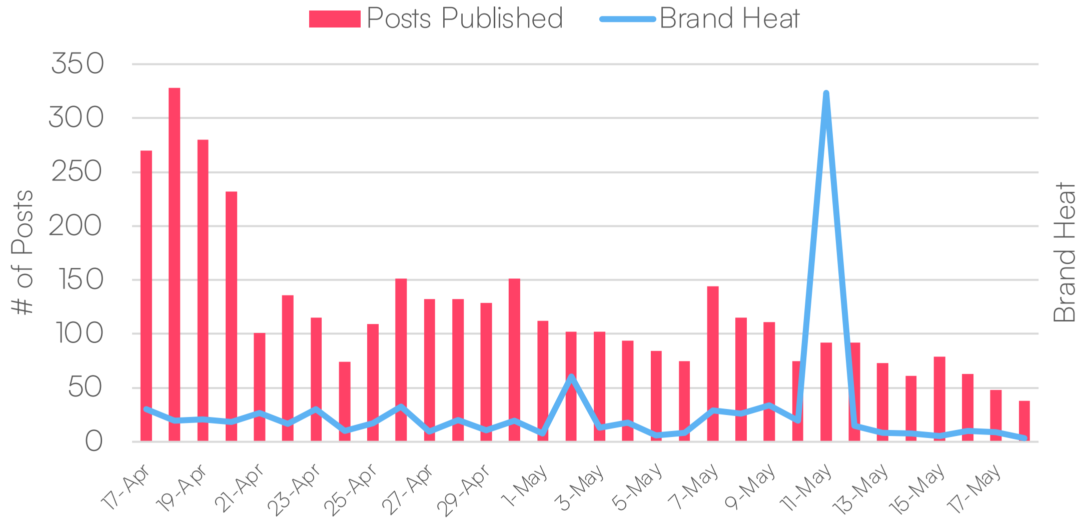
(1). KOL posts only refer to brand-sponsored KOL notes facilitated through or reported on *Pugongying*

**Data period: 17th April - 18th May; Data source: Xinhong*

How to Run an Impactful Campaign on RED.

Case study: Loewe

Brand Heat



From 17th April to 18th May, Loewe experienced two peaks in brand heat on RED, both stemming from non-sponsored user-generated posts:

- On the brand's creative director Jonathan Anderson (published on 2nd May)
- On the brand's presence at the Met Gala (published on 12th May)

Like: 12K+
Favourite: 2.3K+
Comment: 100+

Like: 67K+
Favourite: 8.5K+
Comment: 400+

Note: Data period: 17th April ~ 18th May; Data source: Xinhong

3,900+
New Posts generated during this period

Top 9%
Trending search keyword on RED

How to drive SOV on RED?

- **Word-of-mouth (WOM):** During 520, only 0.2% of all notes about Loewe were paid content, yet they accounted for 4.3% of total engagement. This shows that **the brand's direct influence on RED is limited.** The top ten most engaged notes covered various topics, including the Met Gala, 520, and iconic products. Brands should recognise that content on RED has a long lifecycle, **with activities over several months continuously contributing to the brand's SOV during this period.**
- **Commercial Notes:** During this 520, Loewe invested in 19 commercial notes on RED, but **only eight were related to the brand's 520 campaign.** The brand also promoted its latest Paula's Ibiza collection and the Loewe x ON collection. Loewe's take on RED suggests that brands should allocate resources wisely during milestones, collaborating with **various types of KOLs to support different product launches and initiatives.** This approach helps reach diverse audiences and optimise search algorithms across different categories.

Best Selling Brands.

(by Tmall Revenue)

1 GUCCI

2 Cartier

3 COACH

4 RALPH LAUREN

5 SAINT LAURENT

Fashion brands excel

Handbags have consistently been the best-selling category online, **making brands like Gucci, Coach, and Saint Laurent stand out.** Gucci, in particular, maintains the top spot across past marketing milestones due to its iconic top-selling handbags. **Cartier is the top performer in the Watches & Jewellery category.** Both of these luxury brands are able to **reach different segments of local consumers through a multi-layered product mix.**

The favoured new accessible luxury

Brands like Coach and Ralph Lauren have gained significant traction in the local market in recent years. This is not only **due to their agile promotional tactics** during festivals and shopping events, but **also because their renewed brand image and product strategies** resonate well with the new generation of Chinese consumers.

Note: The ranking is determined by the brands' Tmall revenue from 17th April to 18th May, 2024.

How to Prioritise Key Milestones.

Case Study: Cartier

Milestone	520: 15th — 20th May	1st Wave of 618: 21st -28th May	2nd Wave of 618: 31st May — 20th June
PDP			
Listing Price	47,000	47,000	47,000
Interest-free Payment	Yes, up to 6M	No	Yes, up to 6M
GWP	Perfume Sample	No	No
Customisation	Box engraving	No	Gift Card

#2 Best-selling luxury brand on Tmall

#2 best-selling novelty on Tmall

How to proritise key milestones

- **Novelty Launch:** Cartier launched the Trinity Cushion Necklace, a mainland China-exclusive product, on 18th April ahead of 520. However, no new products were introduced around the 618 shopping festival.
- **Tiered promotions**Cartier places more emphasis on 520, a gift-giving occasion, than on618. For 520, Cartier provided additional GWP and box engraving services with each purchase.
- **Find the right marketing cadence:** Cartier's marketing timeline does not completely align with Tmall's events. While Tmall's 520 event ends on 18th May, Cartier extended its activities until the 20th (the first day of 618), and did not participate in the first wave of 618 activities.

Brand-generated Content Uplift.

(vs. 2023's 520)

1	FURLA	+3,120%
2	MAISON KITSUNÉ PARIS	+2,233%
3	Roger Vivier PARIS	+1,302%
4	TASAKI	+1,255%
5	CHAUMET PARIS	+1,001%

Note: The percentages shown above indicate the uplift in average daily engagement of brand-generated content during the 520 in 2024 (17th April — 18th May) compared to the 520 in 2023. 4 brands without BGC performance during 2023 were excluded.

Top male celebrities rule

Partnering with the most popular idols and celebrities remains the most impactful formula to significantly boost brand content visibility and engagement. Star-studded content can achieve massive engagement on social media, especially on Weibo. These five brands saw more than **1,000% growth** in brand-generated content engagement during this year's 520 festival, all driven by content featuring male celebrities and idols.

Furla

Wang Junkai
Weibo: 83.2M

Maison Kitsuné

Wei Daxun
Weibo: 28.5M

Roger Vivier

Zhang Linghe
Weibo: 9.5M

Tasaki

Ren Jialun
Weibo: 25.3M

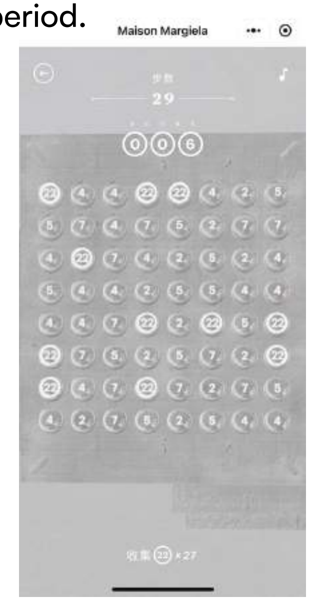
Chaumet

Yu Shi
Weibo: 3.7M

How to Build Brand Relevant Digital Activations.

Case Study: Maison Margiela

Maison Margiela's 520 campaign named ***Numerical Code***, and featured actor Wen Junhui, singer Amber Kuo, and model Hua Yilan. Content featuring actor **Wen Junhui received innumerable engagement across social media, resulting in an 808.1% uplift in the brand's BGC performance.** The brand also introduced a WeChat mini game alongside the campaign, inviting users to play and participate in a tote bag giveaway, **thereby attracting new users into the brand's private domain. Maison Margiela also released a limited-edition T-shirt, which ranked 6th among the best-selling novelties during this 520 period.**



Gameplay

Brand story

Greeting card

How can brands create engaging and brand-aligned Mini Games amidst a plethora of 'innovative experiences'?

Basic but addictive: A simple, addictive tile-matching game was introduced, allowing users to match tiles by moving blocks with the same numerical value. This game had the benefit of being intuitive, easy to play, and entertaining.

Align with the brand story: The campaign was based on the brand's famous number labelling system, introduced in 1997. Each number represents a category series of the brand, such as Womenswear, Fragrances, and Artisanal colellections. After each game, the meaning behind each number was revealed, echoing the brand's history of craftsmanship and further introducing the brand universe.

Shareability: 520 is a festival about expressing love and affection. The Mini Program invited users to combine their collected numbers and share them with friends in a personalised order. Friends could view the greeting card and also play the game themselves.

E-commerce Uplift.

(vs. 2023's 520)

1	THOM BROWNE. NEW YORK	+412%
2	PRADA	+237%
3	self-portrait	+216%
4	miu miu	+196%
5	WEEKEND MaxMara	+175%

Note: The percentages shown above indicate the uplift in average daily revenue generated on Tmall during the 520 in 2024 (17th April — 18th May) compared to the 520 in 2023. 4 brands without Tmall performance during 2023 were excluded.

Success through flexible pricing strategy

Although 520 is more significant for Watches & Jewellery, fashion brands **managed to boost sales during this festival through seasonal novelties and targeted campaigns.** The top five brands with the highest e-commerce uplift during 520 were all fashion brands.

Effective discounting strategy

Self-Portrait and Weekend MaxMara achieved growth rates of 237.2% and 174.6% respectively, during the 520 festival, **both advancing their seasonal sales to boost revenue.**

Interest-free instalments

Discounts do not necessarily suit every luxury brand, **but interest-free instalments in China can stimulate purchases without undermining prestige and brand equity.** These five brands all introduced interest-free instalment plans during 520.

Discounting: *case study.*

	THOM BROWNE. NEW YORK	PRADA	self-portrait	MIU MIU	WEEKEND MaxMara	MaxMara	JIL SANDER	FERRAGAMO	ICICLE	AMIRI
Tmall Revenue Uplift	411.8%	237.2%	216.2%	195.9%	174.6%	153.0%	127.5%	117.5%	110.5%	105.7%
% of Products on Discount	0.1%	N/A	14.1%	N/A	98.2%	92.0%	41.0%	11.5%	83.1%	55.2%
Average % of Price Reduction	-40.0%	N/A	-7.1%	N/A	25.6%	-24.3%	-39.7%	-46.8%	-19.8%	-39.8%
Interest-free Payment (IFP)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
% of Products on IFP	99.5%	60.1%	100%	57.4%	100%	100%	91.32%	100%	0.44%	100%
Longest IFP period	24 Months	24 Months	3 Months	24 Months	12 Months	24 Months	24 Months	24 Months	3 Months	24 Months

Note: Data is collected from 17th April — 18th May 2024

Promotion: *case study.*

Non-price Promotions

Interest-Free Instalments:

- Interest-free instalments have now been widely adopted by luxury brands to encourage purchasing decisions **without offering discounts.**
- The top ten brands with highest e-commerce uplifts **all leveraged this tactical lever.**
- Brands can offer **different instalment plans** based on product price ranges. Interestingly, MaxMara offered a **24-month interest-free instalment plan for all products** during 520, Icontributing to their 153.0% uplift.

Gift with Purchase:

- Brands can offer **tiered gifts** for purchases at different price points, but need to exercise restraint to avoid the appearance of discount.
- Additionally, established **membership programmes** can provide additional benefits for repurchases or first-time purchases for their members.

Discounts

Direct Discounts:

- **Eight out of the top ten brands** offered discounted products during this year's 520.
- Although discounting is an effective promotional tool, **brands must consider the width and depth of on marketplaces as visible as Tmall**, which unpacks brand perception and cannibalises revenue from 618 and mid-year seasonal sales.

88VIP Voucher:

- By joining Tmall's 88VIP membership programme, **consumers can redeem discount vouchers during 618 and Singles' Day.** These vouchers apply to most Tmall products, **with the discount cost borne by the platform.**

Best Performing Products.

Best Selling Products[1]

1 **Van Cleef & Arpels**
Vintage Alhambra Pendant, 18K Yellow Gold, Carnelian

Total # of SKU: 1

2 **Van Cleef & Arpels**
Vintage Alhambra Bracelet, 18K Yellow Gold, Mother-of-pearl

Total # of SKU: 1

3 **Gucci**
Horsebit 1955 Small Bag

Total # of SKU: 3

4 **Van Cleef & Arpels**
Vintage Alhambra Bracelet, 18K Yellow Gold, Carnelian

Total # of SKU: 1

5 **Gucci**
GG Marmont Mini Bag

Total # of SKU: 2

Best Selling Novelties[2]

1 **Saint Laurent**
Jamie 4.3 Pochon in Lambskin

Total # of SKU: 1

2 **Cartier**
China-Exclusive Trinity Cushion Necklace

Total # of SKU: 2

3 **Rimowa**
Essential Trunk Plus, Mint & Papaya Collection

Total # of SKU: 2

4 **Rimowa**
Essential Cabin, Mint & Papaya Collection

Total # of SKU: 2

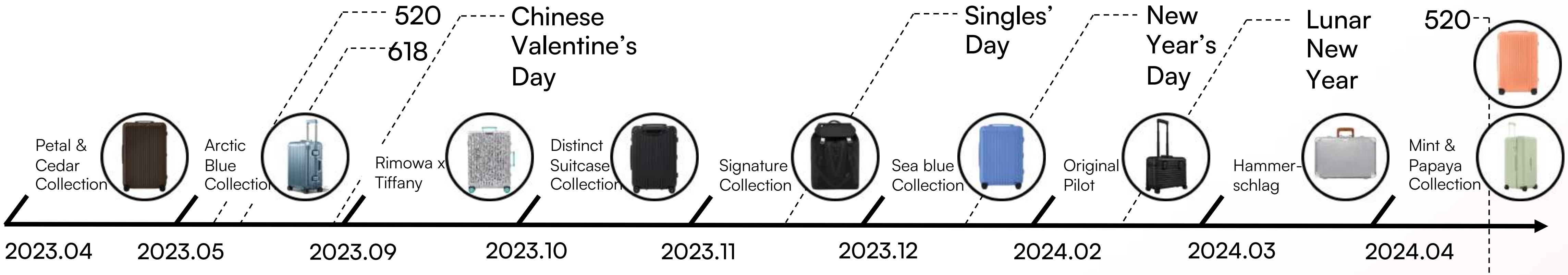
5 **Montblanc**
Iced Sea Automatic Date

Total # of SKU: 1

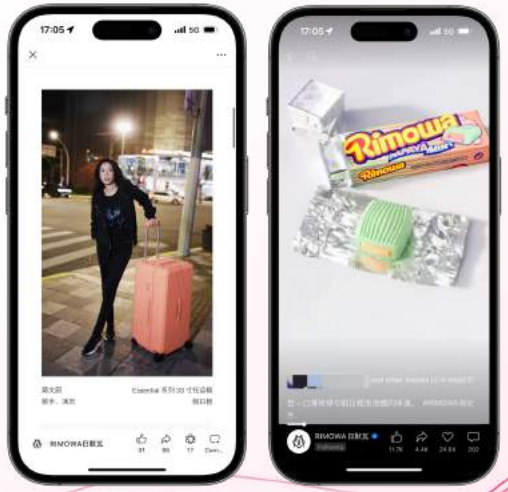
Note: (1) The ranking is determined by the total revenue generated by the product on Tmall from April 17th to May 18th, 2024; (2) The ranking is determined by the total revenue generated by the product on Tmall from April 17th to May 18th, 2024. Only products listed since April 2024 are included.

How to Create Excitement throughout the Year.

Case study: Rimowa



Thanks to the travel revival and an effective product strategy, Rimowa's newly launched Mint & Papaya collection secured third and fourth place among the best-selling novelties during the 2024's 520.



Seasonal variation:
Although luggage are not on a traditional fashion calendar, Rimowa continuously introduces new colourways for its classic series, a head of key milestones including 520 and Singles' Day, such as Essential and Original.

Exceptional product drops:
In addition to variations of its iconic suitcases, Rimowa collaborates with other brands such as Tiffany & Co. and Aimé Leon Dore, and releases special models like the Hammerschlag line, inspired by its Hand-Carry Case from 1966.

Creative asset:
Rimowa created a bubblegum-themed CGI animation for its latest novelty launch, garnering nearly 25,000 favourites and 11,700 likes, and making it one of the most beloved videos on Rimowa's WeChat Channel.

03.

Conclusion

Conclusion.

01 Increased Relevant

- This year, brands increased overall **UGC performance and maintained overall Tmall revenue** during the 520 festival.
- 520 and CVD remain significant for Watches & Jewellery brands, **which account for a quarter of their annual revenue.**
- Some **Fashion and Footwear** brands were able to achieve significant growth due to innovative marketing activations, and while others relied on promotions.

02 Diverse Narratives

- Most brands continued to leverage China's three 'Valentine's Days' in their marketing calendar, and **create differentiated narratives about this love milestones.**
- With 520 adjacent to Mother's Day, **more brands have expanded their 520 storytelling beyond romantic love** to broaden their audience.

03 Novelty Launch

- Brands like Maison Margiela and Miu Miu dropped **dedicated products and collections** for 520. However, **fewer brands launched products exclusively for this festival** compared to traditional holidays like the Lunar New Year.
- Given the popularity of the milestone, it remains **an opportune time to introduce new products, with novelty driving purchases** more than the festival theme itself.

04 Promotional Strategy

- While discounts can boost sales, they undeniably affect brand perception, particularly since **520 is not traditionally a discount season.**
- Brands still have many non-discount-related options, such as **GWP and interest-free instalments.** However, luxury brands need to remain vigilant about the impact of promotions on brand image.

About Us

DLG (Digital Luxury Group) is the leading independent digital agency for luxury brands, and offers consulting, social media, e-commerce, creative and CRM services. With offices in Geneva, Shanghai and New York, it has developed a unique expertise in defining and implementing impactful digital strategies that target sophisticated consumers through a combination of technological know-how, creativity and luxury savoir-faire.

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About Us

Re-Hub helps luxury and premium brands in China to generate online growth opportunities at speed. Through COMPASS, our proprietary data and AI platform, we deliver actionable insights to help brands gain clarity, alignment, and direction on their digital strategy. We focus on answering key business questions across the 3 pillars of e-commerce, merchandising and marketing, covering the full spectrum of China digital ecosystem.

We help brands to:
Benchmark your performance against competitors across channels
Identify performance gaps and opportunities to prioritize
Generate new growth opportunities at speed

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