



Climbing the Wall to Success: How We Conquered China's Platform Economy

Launching Our Business in China

- 2020

Partnered with a local agency to launch on Tmall, China's largest e-commerce platform

- 2021

Experienced high levels of customer engagement through live-streaming and platform-specific promotions

- First 6 months

Sales exceeded initial projections by 20%

- End of 2021

Realized the agency approach limited direct customer engagement and brand control

In-house Operations: Disadvantages

Fixed Payroll Costs

Committing to full-time salaries increased our fixed expenses.

Operational Complexity

Managing all aspects internally—from product uploads to customer service—added layers of complexity.

Knowledge Gaps

We needed to build expertise from the ground up, without the broad insights an agency working with multiple brands might offer.

Coverage Concerns

Ensuring consistent operations during staff absences like sick leave or holidays was a significant concern.

Recruitment and Training

Finding and nurturing the right talent in a competitive market.

Language Barriers

Integrating our global systems with local Chinese platforms presented communication challenges.

Overcoming Obstacles: Why We Inhoused Our Platform Business

Brand Control

Maintaining full control over our brand representation and customer interactions, ensuring a consistent and authentic brand experience.

Agility

Developing the ability to respond swiftly to market trends and consumer demands, enabling us to stay ahead of the competition.

Cost Efficiency

Reducing long-term expenses by eliminating agency fees and streamlining our operations, leading to a more sustainable business model.

Customer Proximity

Gaining direct, unfiltered insights into customer needs and feedback, allowing us to tailor our offerings and services more effectively.

Competitive Edge

Believing that in-housing the platform business could give us a unique advantage in a fast-moving market, enabling us to outpace our competitors.

Overcoming Significant Challenges

Addressing Internal Resistance

The company empowered team members, fostering a sense of ownership and autonomy in decision-making. Targeted training built their skills and confidence, aligning everyone's efforts with strategic objectives. This energetic approach addressed initial skepticism about matching the agency's performance.

Risk Management

Our team cross-trained to handle multiple roles, ensuring seamless operations during absences. We automated processes to reduce the need for constant oversight and cultivated a strong team culture where everyone eagerly supported one another. This dynamic approach mitigated risks and ensured continuous, efficient operations.

Overcoming Language and Technical Barriers

Our team seamlessly integrated the company's systems in a new language, overcoming a major challenge. By collaborating closely with local partners and equipping our staff with bilingual expertise, we successfully bridged this gap. This not only boosted our operational efficiency but also enhanced data precision.

Achieving Remarkable Results

Financial Milestones

- Achieved **break-even within less than one year.**
- **More than doubled profitability** compared to the agency model.
- Remarkable **45% revenue growth in 2023**; by September 2024, matched the total revenue of 2023 and on track to **double it by year-end**

Operational Efficiency

- **Reduced Turnover Costs:** Streamlined operations led to significant savings
- **Expanded Platform Presence:** Successfully launched on all major platforms for consistent brand representation
- **TikTok Success Story:** Became one of the first luxury brands to thrive on TikTok in China, turning our presence into a celebrated case study

Key Learnings



Direct Customer Engagement Enhances Experience

Receiving feedback firsthand allowed for quick issue resolution and improved customer satisfaction. Response times improved due to direct communication.



Empowered Teams Drive Success

Ownership and autonomy fostered responsibility and innovation within the team. Collaboration and diverse perspectives led to team growth and learning.



Efficiency Through Automation

Automated processes reduced the need for 24/7 involvement, allowing the team to focus on strategic initiatives rather than routine tasks.

Taking control of our operations has allowed us to navigate the intricacies of the Chinese market with expertise, paving the way for ongoing success and innovation.

Future Plans



Optimize Operations

Further streamline roles and processes based on learnings to enhance efficiency



Expand Geographically

Prepare to extend success beyond mainland China into other Asian markets, leveraging the robust foundation



Drive Innovation

Continue exploring new platforms and technologies to stay ahead of market trends

By focusing on these key initiatives, we are well-positioned to capitalize on future growth opportunities and maintain our success.

An aerial, black and white photograph of the Great Wall of China. The wall snakes across a series of rugged, mountainous peaks and valleys. The perspective is from a high vantage point, looking down and across the landscape. The wall's structure is clearly visible as it follows the natural contours of the terrain. In the distance, more mountain ranges are visible under a clear sky. The overall mood is majestic and serene.

THANK YOU