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**Consulting Project China Management  
Design for Mibelle Group**

# Entering the Chinese Skin Care Market

At first blush, the beauty industry in China could be thought to serve only the glamorous and wealthy. However, the diversity of people is remarkable and the market potential is substantial. Therefore, Mibelle Group is considering tapping into this prosperous, progressively evolving market.

## Mibelle Group

Mibelle Group is part of M-Industry and a subsidiary of the Federation of Migros Co-operatives. The company employs 1'200 people and manufactures its products in 4 facilities in Switzerland, France, and the United Kingdom. With an annual revenue of approximately CHF 484 million, the company is one of the leading European private-label manufacturers in the fields of Personal Care, Home Care, Nutrition, and Biochemistry.

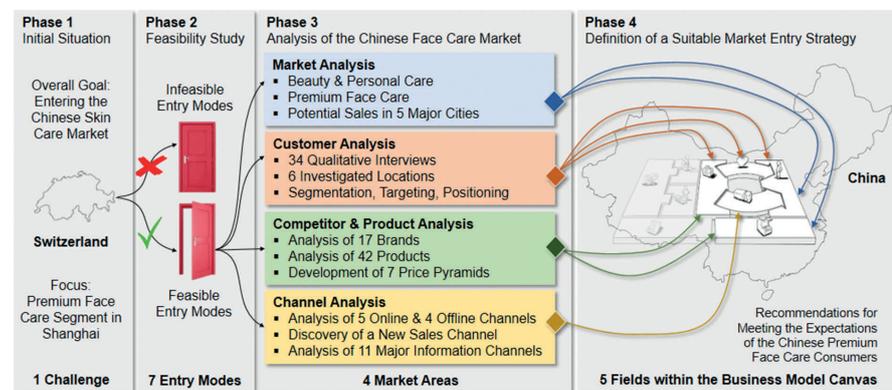
## Proceeding

To start with, the client's specific conditions were determined and different market entry modes were evaluated regarding their feasibility. In China, the team performed an in-depth investigation into the needs of Chinese consumers by consulting potential customers and industry experts. Moreover, detailed knowledge about the competitive environment was established by analysing 42 products from 17 brands. A market and channel analysis complemented the research. Based on the results, a market entry strategy for China was elaborated along the market-oriented fields of the Business Model Canvas.

## Results

Firstly, different ways of importing cosmetics into China were evaluated. The research conducted in Shanghai resulted in valuable findings about the beauty routine and buying behavior of potential customers. In addition, it unveiled the Chinese understanding of a premium face care product. Secondly, the enormous market potential was deduced to the relevant sub-segments. Afterwards, the expected revenue of Mibelle in 5 major cities was forecasted. Moreover, the competitive environment was assessed by conducting 4P analyses of the major brands and their products. After analysing the predominant online and offline sales and information channels, the findings were collected and processed. With all synthesized results, the team eventually developed a promising market entry strategy and gave recommendations regarding the product design, prices, target segments, sales channels, and more.

[www.fhsg.ch/praxisprojekte](http://www.fhsg.ch/praxisprojekte)



Project Model.

Source: own illustration.

## CHINA (JCSP) CONSULTING PROJECT

Market Research & Management Design 2017

### Project team (f. l. t. r.)

Man Zhang (Manuel), China  
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### Client

Mibelle Group, Buchs AG  
Sandra Dragone, Key Account Manager  
International Sales  
[www.mibellegroup.com](http://www.mibellegroup.com)



It was impressive to see how keen the students were to understand the Chinese cosmetics business and how they dug into this subject. Their insights are very valuable to us. They had a structured approach, were never put off by hindrances and were extremely determined to find the most promising market entry strategy.

### FHS coach

Prof. Andreas Löhrer

### SHU coach

Hui Yan, Ph.D.



With big efforts, the team worked out valuable and complex market and customer evaluations which give an excellent and structured insight into the Chinese cosmetics market. Based on the conclusions, the team was able to give dedicated recommendations for the market entrance.