**Executive Summary**

From athleisure and streetwear to yoga, running and outdoor sports, China’s activewear market is booming thanks to a range of rapidly growing customer segments. In the battle for market share, activewear brands are zeroing in to target specific consumer groups that use digital tools across platforms. These include content tailored to different consumer interests and demographics across social platforms like Weibo, RED and Douyin, community-building initiatives like niche fitness app partnerships or brand-owned mobile apps and WeChat Mini Programs. Additionally, loyalty programs keep users engaged with the brand. When it comes to loyalty program functionality, market giants NIKE and adidas lead in sophistication with lesser-adopted features, including exclusive or early product access. They provide the ability to earn points across WeChat, Tmall and site, offering a richer branded experience, incentivized purchases and engagement, and more opportunities to collect data.

**Key Findings**

- Celebrity content makes up 75% of Weibo engagement for activewear brands, with adidas earning 34% of total share of engagement through promotions featuring China’s top celebrities.

- Capitalizing on buzz surrounding fashion-related topics, lifestyle brands including Puma, Fila and Skechers saw an increase of 1-2% in their share of mentions on social shopping app RED, eating into the share of adidas and NIKE, which declined between 1-3%.

- NIKE and Air Jordan are the most popular brands on streetwear app Dewu (known in English as Poizon), leading in search discoverability and collectively accounting for 78% of views on brand hashtags.

**Key Recommendations**

- **Find the Right Niche:** Use of digital tools to target specific customer groups is key, including brand-owned apps, partnerships with niche apps like fitness app Keep or streetwear app Poizon, or multiple brand social accounts for different sports interests and user groups.

- **Build Communities:** Brands should look at the long-term value of the consumer and better target audience groups for more sustainable marketing. They can use digital community-building tools like lululemon’s cultivation of ambassadors or the NIKE Run Club app’s offline events and partnerships with local running clubs.

- **Focus on Fashion:** As the rise of fashion trends like athleisure and streetwear are making apparel a growing share of brands’ sales, brands are tapping into collaborations with Chinese fashion brands and digitally led fashion and lifestyle initiatives.

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**Activewear China: Cross-Channel Loyalty Functionality**

**July 2019**

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- **Promotion:** 71% Incentives on Brand Site, 35% Incentives on WeChat
- **Structure:** 78% Cell-Phone Binding, 65% Tiered Loyalty, 17% Synchronized Across Platforms
- **Benefits:** 65% Exclusive Offline Events, 30% Member Discounts, 20% Early Access to Products, 20% Members-Only Products

n = 23 Index brands

Source: Gartner Insight Report, Activewear China 2020
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