



The Rise of Chinese Brands in Southeast Asia

(and how Trump's Tariffs are helping them)

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Blackbox Research

*Presentation for the Malaysian Dutch
Business Council | 26 August 2025*





find clarity in complexity.

Blackbox is Southeast Asia's leading market research and insights company, helping governments, businesses, and agencies around the world navigate change through smarter, faster intelligence.

With over two decades of international experience, we combine strategic research design, innovative data tools, and full in-house delivery to uncover what truly drives behaviour – and turn insight into action.

25

years in business

1500+

studies completed

25

countries worked in

2.5m+

interviews conducted

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Our strategies are tailored to help you navigate competitive landscapes and politically sensitive markets with confidence.



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We translate our data-driven insights into powerful advocacy and communications, so you can engage stakeholders credibly.

at the frontier of change.

With over 100 studies delivered annually, we work with governments, leading brands, and institutions on the defining issues of our time — from health and finance to digital trust and the future of work.



- + E-Commerce and Consumer Futures**
We've worked with global e-commerce leaders and Asian challengers to test campaigns, shape advocacy, and understand how consumer loyalties are shifting in West vs East brand battles.

Finance and Investment



Our work with prestige banks (DBS, UOB, Bangkok Bank, Maybank) and investment houses (Temasek Holdings, Fullerton Fund Management) has sharpened digital touchpoints, product design, and communication strategies — from traditional institutions to disruptive fintech entrants.

Technology and AI

From testing citizen trust in AI tools to advising on digital adoption strategies, our recent studies have given both government agencies and private platforms clarity on how AI is reshaping daily life.



- + Public Health & Insurance**
With the Ministry of Health, we helped Singapore shape its national health strategy (2024–2025) and have guided leading insurers like FWD, Great Eastern and Prudential in navigating an ageing society and competitive market pressures.

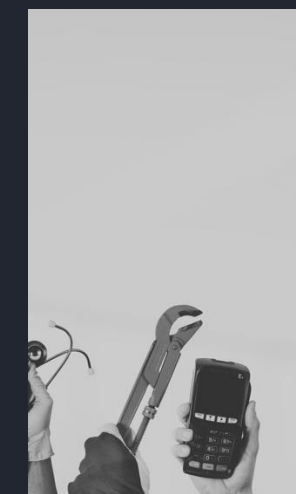


Cybersecurity and Digital Trust

Working with CSA and IMDA, we've stress-tested Singapore's cyber resilience and strategised to improve national cyber defence posture. We also help brands strengthen their UX and CX to combat scams and secure customer trust.



- + Public Sentiment & Society**
Through our long-term and frequent commissions from the Singapore government, and our proprietary tracker SensingSG, we provide unparalleled intelligence on national mood, trust, and policy reception.



Workforce Transformation

We have advised governments (SkillsFuture, Workforce Development Singapore) and numerous brand sector leaders on redesigning jobs and reskilling talent, helping employers prepare for the shifting demands of the modern workforce.

Is this the Future?

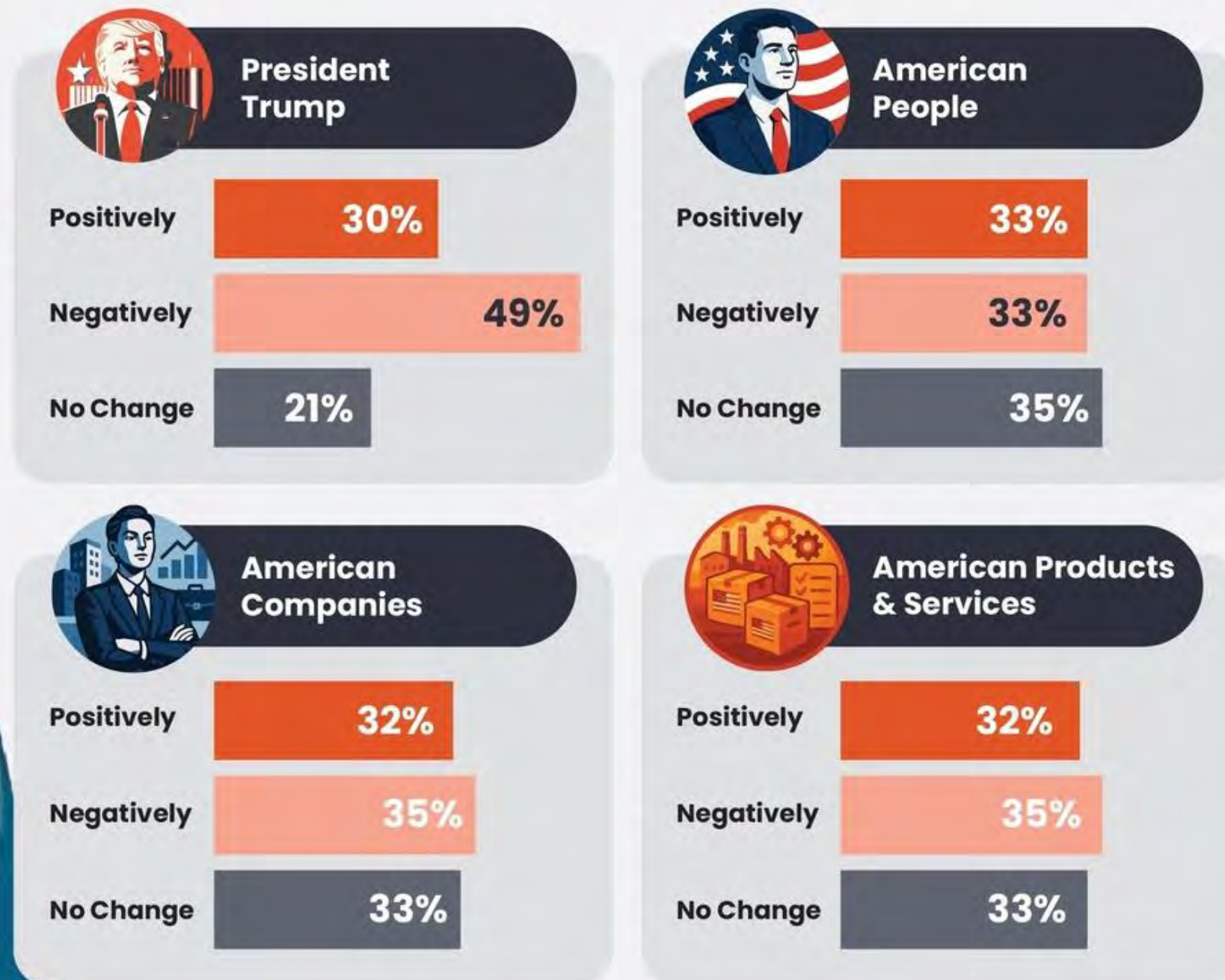
'...European, Asian, and even Brazilian and Turkish brands will likely gain market share at American companies' expense, while technical standards for products such as automobiles and financial services technologies will increasingly diverge from U.S. norms. Many of these phenomena will be self-reinforcing, making them hard to reverse even after Trump leaves the White House.

As the song goes, you don't know what you've got till it's gone. The Trump administration has paved paradise and put up a casino, with what will soon be an empty parking lot.'

(Adam S. Posen, 'The New Economic Geography' essay published in Foreign Affairs, 19 August 2025)

Thanksgiving to Thanksfor~~nothing~~

What are the wider implications of Trump Tariffs on Southeast Asia?



- Initial reactions by Singaporeans in early 2025 to new Trump administration were largely positive.
- But 49% now view Trump tariffs negatively (July 2025) in wake of tariff announcements
- Also, 33% now think less favourably of Americans; 35% less of US brands
- **1 in 3 say they have reduced US product spending; 44% intend to avoid US goods**

Rising Preference for Chinese Brands

BYD the top-selling car brand in first half of 2025; parallel-import registrations continue to slide

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- Blackbox SG polling shows Chinese brands are favoured over American ones in many categories including household appliances (+9pts) and vehicles (+6pts)
- BYD dethroned Toyota as #1 car brand in Singapore (2025) and now dominates
- Shift is **cultural**, not just price-driven: Chinese brands are actively evolving away from their native branding and positioning in China to better compete elsewhere
- Quicker entry now for Chinese brands via **online platforms** such as Lazada, Shopee etc and live streaming on TikTok

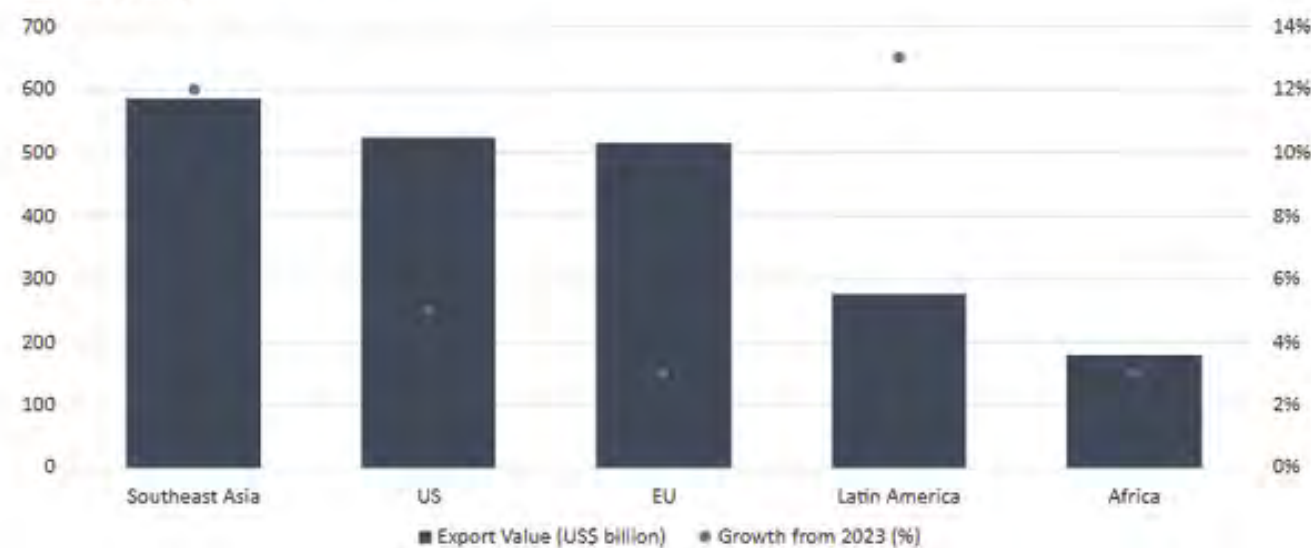


Chinese Brands on the Rise

- 70% of Chinese companies in SE Asia planning market expansion
- Dominant in EVs, electronics, appliances; growing across FMCG, beauty etc.
- Moving beyond “cheap”—innovation, quality, cultural resonance in sharper focus
- Our ‘China Chic’ report highlights how Singapore women have changed their views of Chinese brands in recent times

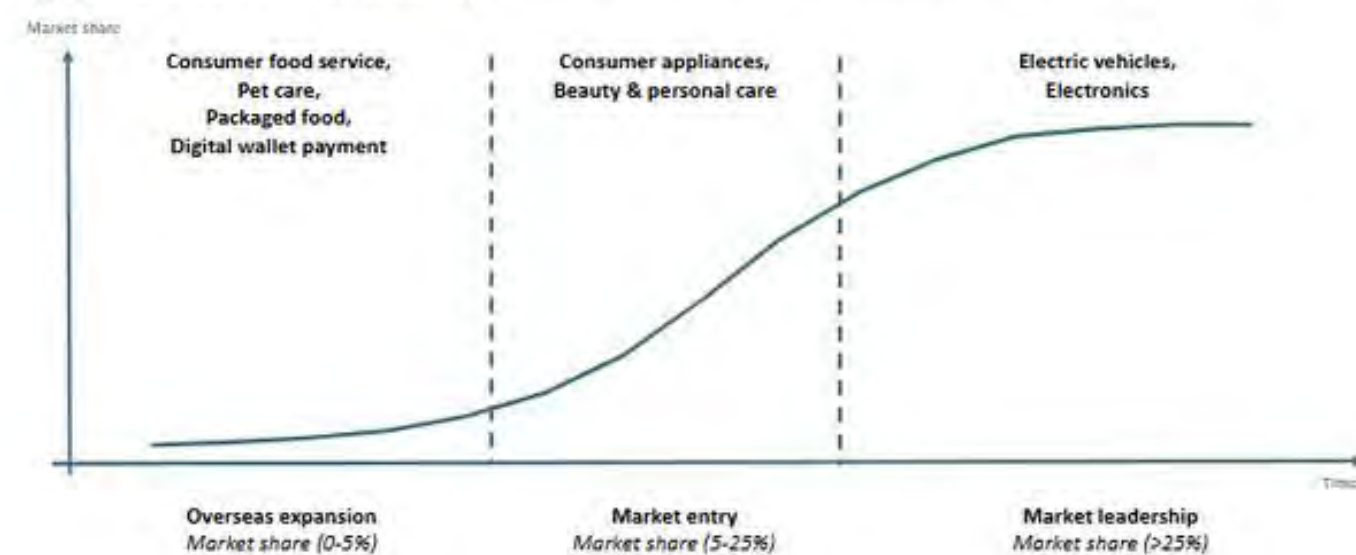
Chinese Exports to Key Regions 2024

USD billion, y-o-y growth



Growth Stage of Chinese Companies in Selected Industries in Southeast Asia 2024

Aggregate market shares of Chinese companies, %



短

duǎn

Short

平

píng

Flat

快

kuài

Fast

Chinese Business, Reframed

- Shorthand in China for the “modern way of doing business” – fast rollouts, low-cost models, quick wins, much like the tech sector playbook.
- But backlash is growing: critics say this mindset sacrifices deeper innovation, long-term talent development, and sustained progress.
- **The old copy-and-repeat approach is now giving way to international marketing practices, stronger brand building, and smarter product innovation** – especially as Chinese companies compete on other stages, including Southeast Asia.

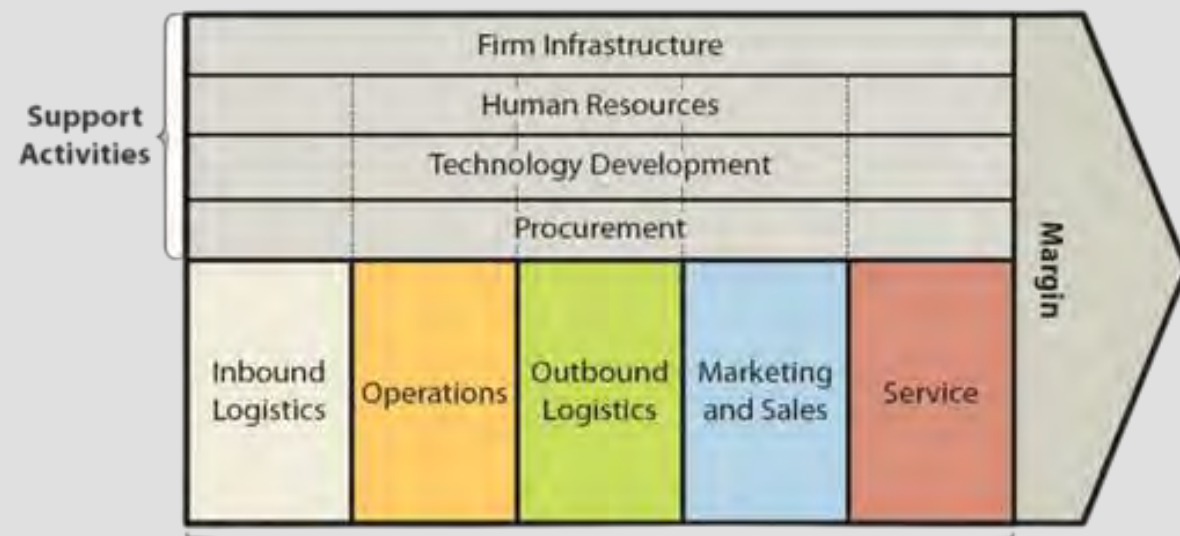
Case Study #1: Haier's Quality Revolution



- Chinese have not just appeared on the scene – far from being an overnight success
- 1985: CEO Zhang Ruimin destroyed 76 defective refrigerators
- Radical focus on quality transformed Haier into global leader
- Top-ranked appliances brand by Euromonitor for 16 years

Case Study #2: BYD the Real EV Champion

- 2023: BYD surpasses Tesla globally
- Affordable & premium models, advanced in self-driving tech
- Leading EV brand in SE Asian markets; #1 car brand in Singapore



Where Else Will We See Growing Chinese Impact in SE Asia?

You can scan across almost every consumer and industrial category and see the growing influence of Chinese companies in SE Asia.



+ **Luxury Goods**

Shang Xia in fashion and jewelry brand Chai Tai Fook are expanding fast in SE Asia, hastened by slowing market in China; \$20billion market in SE Asia with growing preference for Asian vs western brands. Growing opportunity for Chinese brands.

+ **Construction Sector**

\$600 billion market in SE Asia (CAGR of 6% 2024-28); China State Construction now build one in every twenty homes in Singapore + other developments in public hospitals, infrastructure; Chindata also relying on China State Construction for data centres in Malaysia.

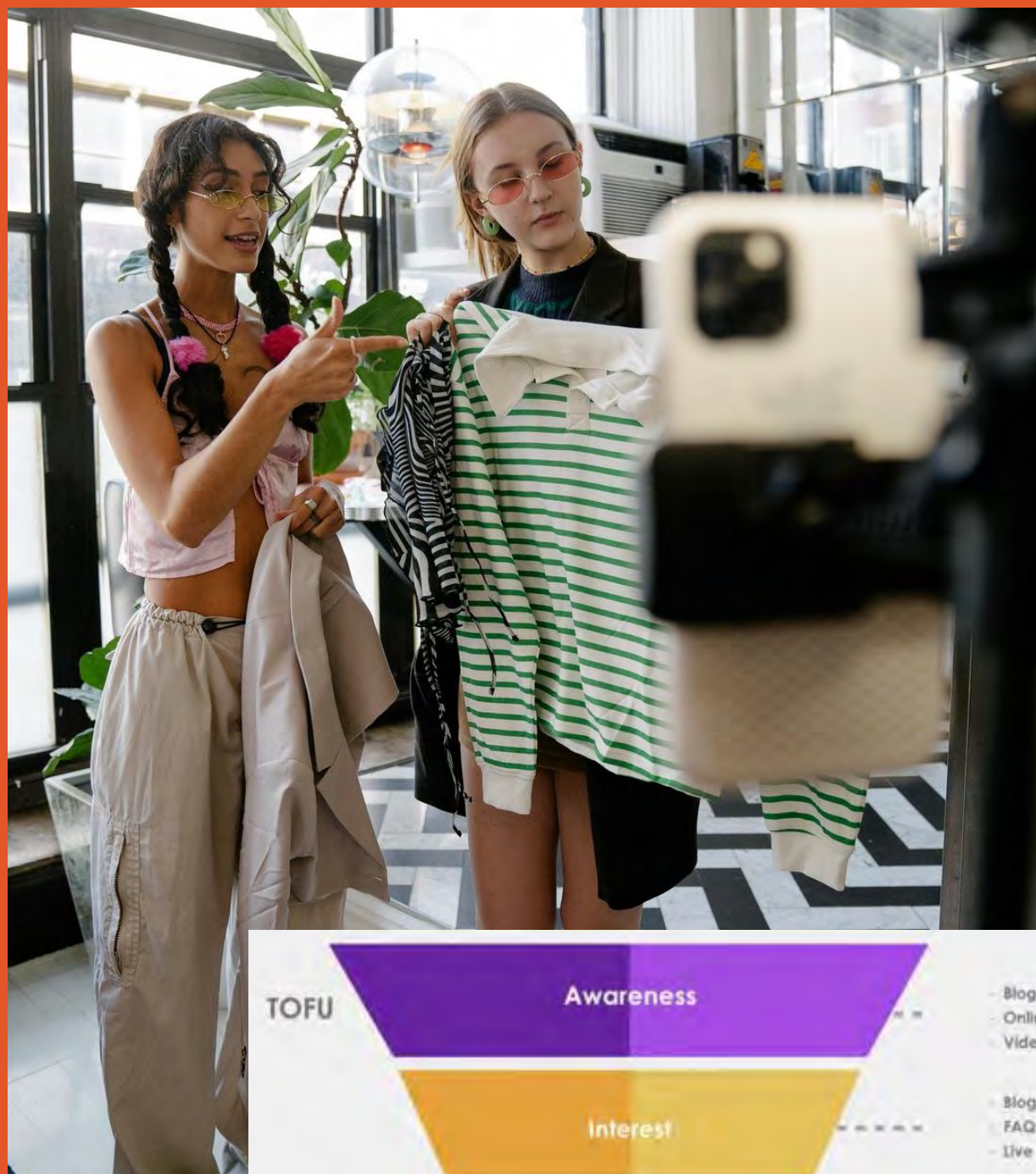


+ **Financial Services**

Big inroads by Ant Financial (Alipay) and Binance in the crypto space; other digital players from China making inroads. Crypto is growing by 8-10% per year in SE Asia – Chinese entrepreneurs choosing Singapore as preferred base.

+ **Solar Panels**

Chinese solar manufacturers account for about 55% of the photovoltaic (PV) manufacturing capacity in Southeast Asia.



Young Consumers Shunning Western Influence

- Trump tariffs maybe represent a 'fork in the road' not only for US-Asia but also 'TheWest'-Asia
- Pre-Covid – SE Asian consumer trends were already leaning towards China, but pandemic was an interruption. China now rebounding + boosted by Trump tariffs
- SE Asian Millennials & Gen Z care less about Western origin today – more confident and more connected/engaged with Asian branding via social media
- Peer recommendations & influencers > traditional brand loyalty
- Modern marketing works best when authentic, local, and digitally native



Risks for Western Brands in Southeast Asia



- “Western brands” often lumped with US brands negatively impacted by tariffs
- Blackbox data shows buying intention drop off for western brands/products this year as they get caught up in the Trump tariff noise
- Consumer risk of turning off US brands altogether with western brands potentially caught up in the cross winds
- Non-US western brands should be rethinking brand identity and market approach to remain in the mix

Strategic Detachment from “Brand America” Now Essential

Important now that Western brands:

1. **Localise** messaging & product content
2. **Avoid** US marketing symbols, clichés and common cultural reference points
3. Rely more on **local influencers and partners**
4. Create **transparent** brand communities with purpose-driven narratives (e.g. Danone, Heineken, AgroFair/Oke)
5. Showcase **unique** non-US origins (e.g., German engineering, Scandinavian digital nativity, Italian quality)
6. Explore **shared** values and omni-channel emotional engagement



Chinese a Step Ahead in E-Commerce Strategy



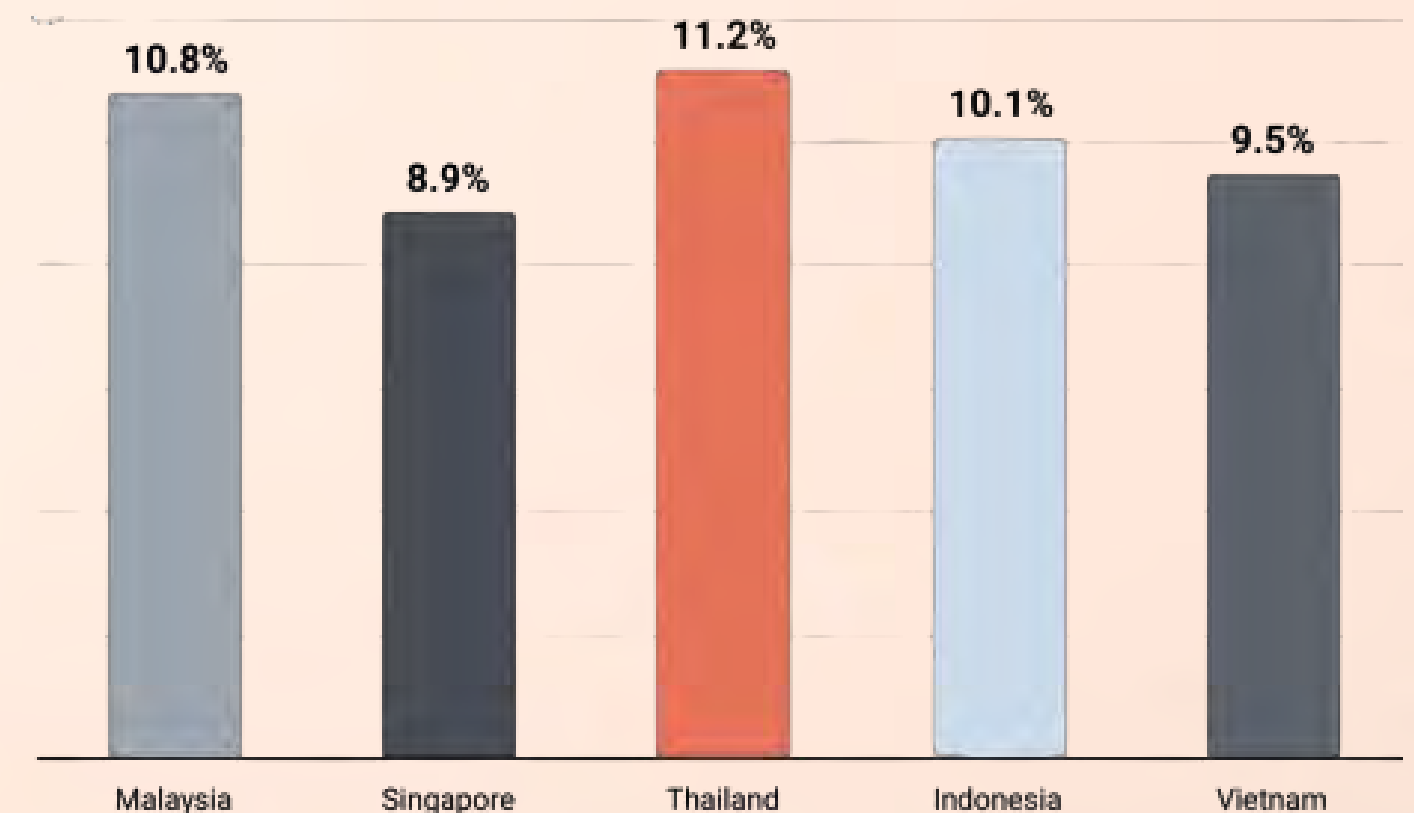
- Chinese brands excel in market-specific product design, pricing, and digital marketing
- E-commerce platforms like Shopee, Lazada, TikTok empower growth
- Multi-account TikTok strategies for maximum reach and engagement

Beauty Sector Localisation

- Chinese brands like Focallure and Hebe Beauty grow at 100%+ CAGR
- Affordable pricing, wide product range targeting Gen Z and younger
- Digital marketplace dominance challenges legacy brands who find it hard to break free from rigid/centralised brand mandates

Forecast C-Beauty Growth in Southeast Asia (2025-2035)

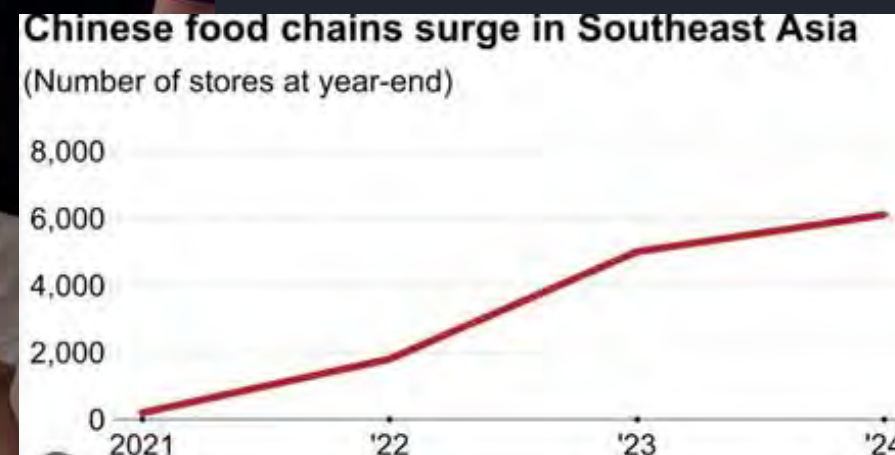
Credit: Future Market Insights





Southeast Asia Hungry for Chinese Food Brands

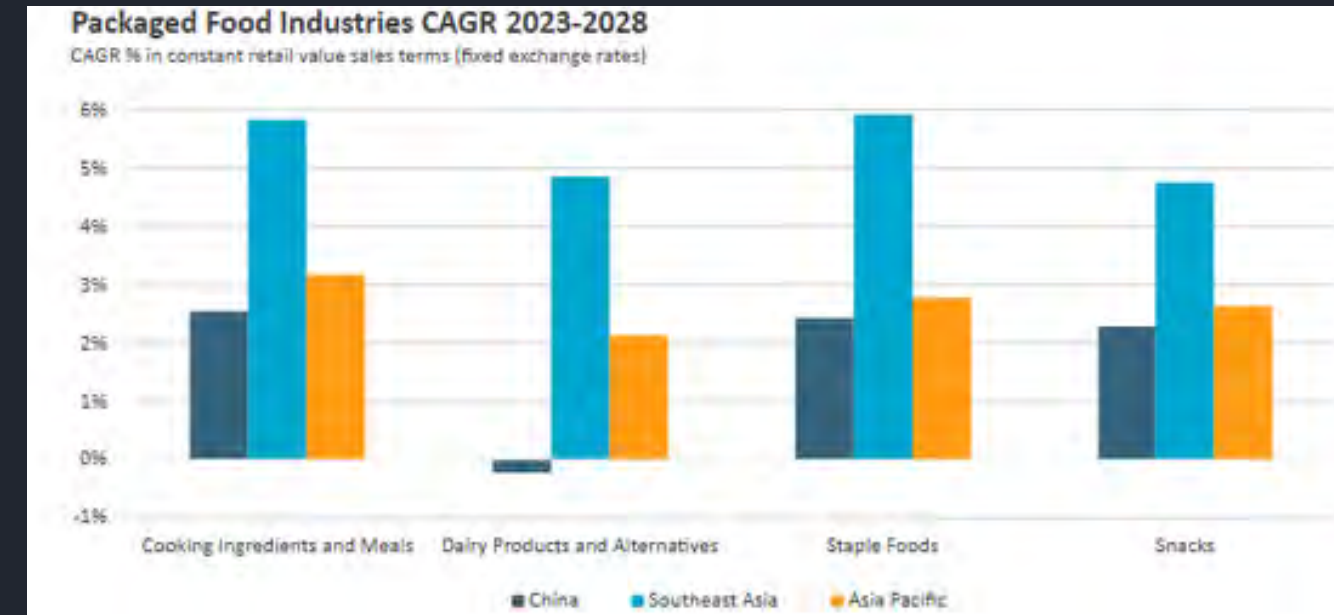
- Chinese chains (Luckin Coffee, Chagee, Mixue) expanding rapidly in SE Asia
- Low-cost outlet models, mobile ordering, localised offerings
- Competing with local brands through innovation, price and retail match up
- Chagee – 60% store growth YOY globally, monthly store GMV in Singapore close to \$SGD400,000 (average in SG malls is closer to \$250,000)



Credit: Momentum Works

Packaged Food: Still A Hurdle For China (for now)

- Lower Chinese market share in SE Asia due to well established local preferences and **food safety** legacy (potential ongoing advantage for European, Japanese and Australian brands considered to be more “food safe”)
- Growth in snacks and dairy with brands like Mengniu who have also purchased Aussie brand Bellamy Organic (note: – their attempt to buy Lion Dairy & Drinks was blocked by Australian Government)
- SE Asia – China FMCG success relies on localisation and strategic M&A; Chinese FMCG players are also leveraging new retail formats and digital platforms aggressively, including livestreaming and community group buying



Credit: Euromonitor International

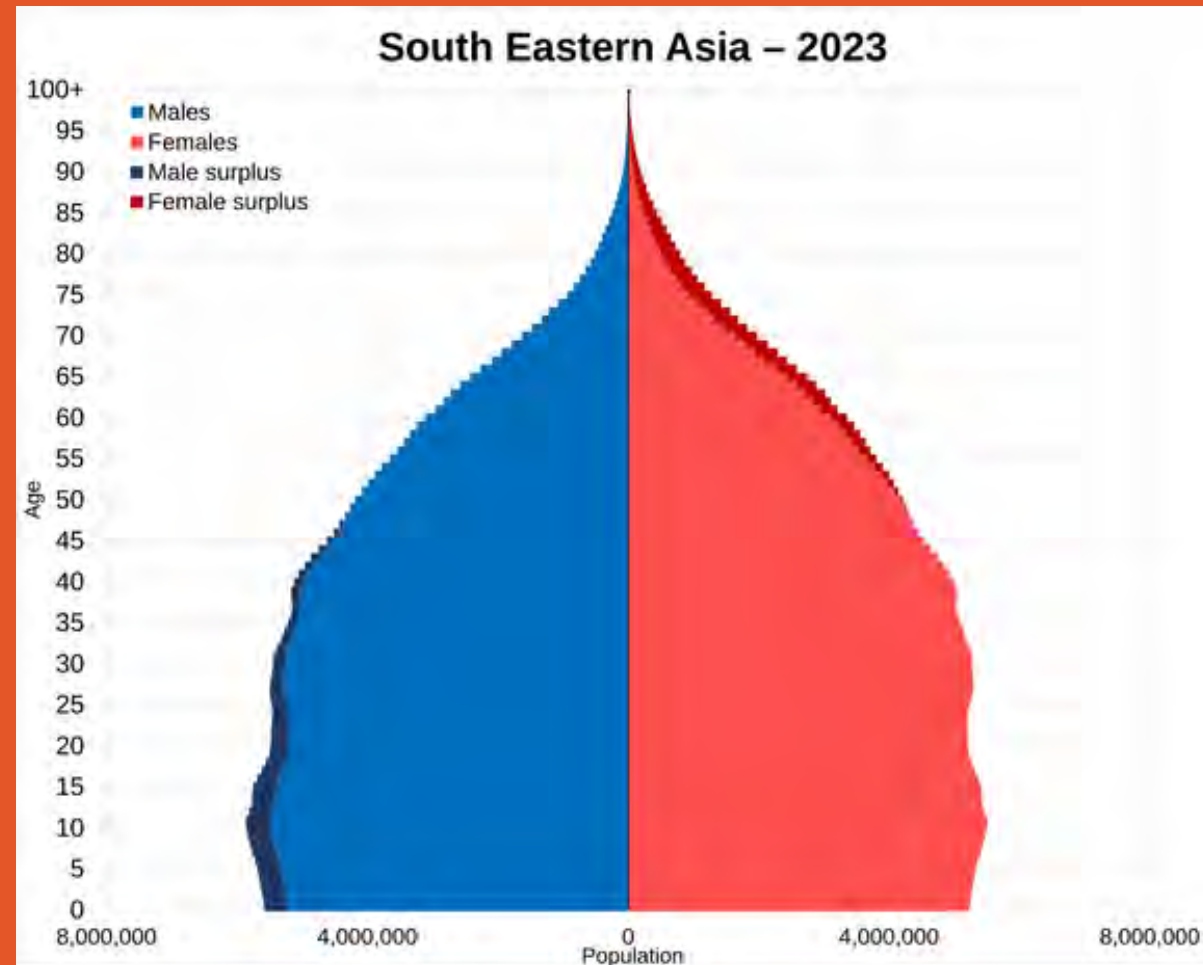


Challenges and Risks for Chinese Companies



Challenge	Business Implication
Vulnerability to business practice accusations including dumping, legal circumvention, labour practices etc	Reputational damage and loss of consumer trust; increased regulatory and media scrutiny; potential boycotts or penalties
Regulatory, logistical, and cultural barriers across ASEAN (with Western brands enjoying entrenched advantages)	Slower market entry and expansion; higher operational costs; difficulty in building local consumer loyalty
Rising tariffs and protectionism across supply chains	Increased costs of production and distribution; reduced competitiveness on price; risk of supply chain disruptions
Intensifying competition from established global and local brands in 'survival' mode	Difficulty gaining market share; pressure to differentiate through price, innovation, or brand positioning
Ongoing scrutiny over consumer health, safety, and sustainability practices	Continuous need for compliance investment; risk of negative publicity; challenge to demonstrate long-term credibility

Opportunities for Western Brands in Southeast Asia



- Youthful, digital-savvy population under 40 (63%) – can drive new narratives in the right places if savvy
- E-commerce and digital payments are growth drivers – but need to catch the Chinese who excel
- US brand vulnerability may only be in phase one – regional media, competitors and social media are progressively coming down harder

Key Takeaways



Trump tariffs
accelerating
recent shift
towards
Chinese
brands in
Asia



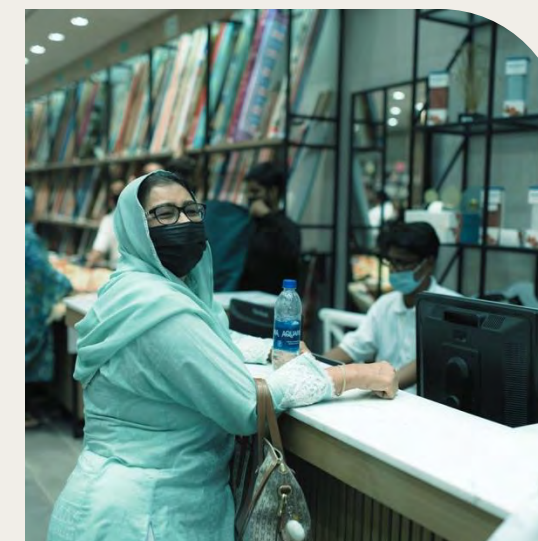
Chinese brands
evolving
beyond low-
cost to
innovation
leaders

+

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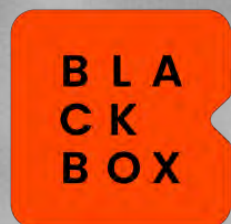
Western
brands must
localise and
disconnect
from 'Brand
America'
purposefully



Success in SE
Asia requires
agility, cultural
fluency, and
authentic
engagement



Q&A and Discussion



Thank you!

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