



Worldview Vietnam's Crackdown on Counterfeit Luxury Goods

This week's round-up of global markets fashion business news also features Indian cosmetics giant Nykaa, overseas Chinese shoppers and Jumia's push to counter Temu in Nigeria.



Saigon Square shopping mall in Vietnam's commercial capital Ho Chi Minh City. (Shutterstock)

By Robb Young 03 June 2025

Vietnamese authorities crack down on counterfeit luxury goods. A major raid at Saigon Square shopping mall in Vietnam's commercial capital Ho Chi Minh City has resulted in the seizure of fakes from Prada, Gucci, Louis Vuitton, Rolex, Longines, Dior and Hermès. The raid follows threats of severe tariffs by the United States which describes Vietnam as a major hub for illegal activities such as counterfeiting, smuggling and digital piracy. Sales assistants at the targeted mall, which is on a US Trade Representative [USTR] list of "notorious markets for counterfeiting," said that at least some counterfeit fashion items sold there are imported from China. In addition to luxury goods, other products now subject to more frequent authenticity inspections at Vietnam's borders include personal care items sold by Procter & Gamble and Johnson and Johnson, Samsung and Google electronic devices and toys from Mattel and Lego. But imported fakes are not the only concern. "As more brands have shifted production from China to Vietnam, stakeholders report that Vietnam has become a key manufacturer of counterfeit products," maintains a recent USTR report. [*Reuters, Vietnam Economic Times*]

Pan-African e-tailer Jumia ramps up Chinese merchants to counter Temu. The online retailer, which sells everything from fashion and beauty to electronics and food, has "significantly strengthened our relationships with international sellers especially from China... [where our] vendor base is scaling rapidly and the supply pipeline is more robust than ever," said Jumia CEO Francis Dufay. The move aims to counter Temu, which launched in Nigeria in November, and Shein, which he calls "non-resident Chinese platforms" with cross-border models selling directly into African markets, unlike Jumia which has established operations across the continent. According to Semafor's Olumuyiwa Olowogboyega, "the timing [of increased competition] is especially difficult for Jumia [which]... has a liquidity position of around \$100 million on annual losses of around \$50 million, and [a] market capitalization [that] has tumbled to around \$400 million from around \$1.5 billion in less than three years." After exiting South Africa and Tunisia last year, Jumia reduced its footprint to Algeria, Egypt, Ghana, Côte d'Ivoire, Kenya, Morocco, Nigeria, Senegal and Uganda. [*Semafor*]

Indian beauty and fashion retailer Nykaa doubles quarterly profit. FSN E-Commerce Ventures, the Mumbai-based listed company that operates digital-first multi-brand retailer Nykaa, has reported net profit of 19 crore rupees (\$2.2 million) for the fourth quarter ended March 2025, marking a 110 percent year over year increase. Revenue during the period reached 2062 crore rupees (\$240 million), up 24 percent. "In Q4, we delivered a 9.6 percent EBITA margin in beauty, the highest in the last eight quarters," said Ankit Nayar, executive director and CEO of Nykaa Beauty. "This is the result of improved gross margins and cost efficiency,





not just scale.” The company founded by Falguni Nayar in 2012 recently demerged its online B2B unit, Superstore by Nykaa, into Nykaa E-Retail. [*Economic Times*]

LVMH warns Chinese overseas shoppers are still “buying less.” The French luxury giant’s deputy chief executive officer Stephane Bianchi told French lawmakers in a hearing last week that, “for the past three months, Chinese tourists have been traveling less and buying less” when out of the country, adding that the firm has noticed Chinese consumers taking a greater interest in local brands, especially those in the booming Chinese jewellery market. The remarks suggest that the slump in demand for luxury goods in the key market is not over yet. Shares of LVMH are down more than 20 percent this year, though they rose nearly 3 percent in early trading in Paris on Thursday amid a wider rally following a US court blocking President Donald Trump’s ‘reciprocal’ tariff strategy. [*Bloomberg*]

