The Influence of Marketing Strategy on Consumer Behavior in The Cosmetics Industry

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Abstract. The cosmetics market is a rapidly developing market, which has been widely known and recognized by the public. The competition in the cosmetics industry has become more and more intense, and it is necessary for merchants to design and implement effective marketing strategies. At the same time, the rights and interests of consumers need to be protected, but many consumers are not familiar with the real effects of these marketing strategies. Therefore, the influence of various marketing strategies created in the industry on consumer behavior deserves to be understood and analyzed, and the topic of this paper is also focused on this. This paper will introduce marketing strategy and consumer behavior respectively, providing simple examples from real life to help readers understand the real purpose of different marketing strategies and the benefits and disadvantages of these strategies. Then this paper will analyze consumer behavior comprehensively from multiple factors. Finally, this paper will analyze how marketing strategies affect consumer behavior from the correlation between the two. The research results show that different marketing strategies will affect consumer behavior from different factors, and all these marketing strategies have advantages and disadvantages.

Keywords: Consumer behaviors; market; strategies.

1. Introduction

Nowadays, the cosmetics industry plays an extremely important role in people's lives. However, the beauty industry was humble at first, and even the products sold were widely considered an affront to public morality in the past. Today, consumers around the world spend $330 billion a year on perfumes, cosmetics and toiletries.[1] The beauty industry has gradually become an essential product for people's daily lives. Beauty products are now accepted and recognized by most people, and its audience is becoming more and more extensive. In the past, many people thought that only young women were the audience for cosmetics. However, in fact, more and more groups of different age groups are starting to use different kinds of cosmetics, including teenagers and even the elderly. There are also some male consumers, who use male cosmetics to make their appearance more clean and well-looking. In this way, the cosmetics industry is a very profitable, innovative and fast-paced industry. [2] This has brought more attention and awareness to the cosmetics industry, and countless cosmetics brands arise from it. With the development of the cosmetics industry, more and more cosmetics brands appear at the same time and develop rapidly. For the same kind of product, such as foundations, there are countless brands to develop their own products, which leads to intense competition in the cosmetics industry. Therefore, in order to better promote sales and make their products stand out in countless other brands of the same kind of products, it is necessary for merchants to adopt effective marketing strategies. These endless marketing strategies will have a certain impact on consumers' consumption behavior. Do these marketing strategies do better than harm or vice versa? It is particularly important to evaluate these marketing strategies, which are not unfamiliar to consumers, or even very common, and exist in consumers' daily purchasing life almost all the time. Moreover, since the audience of the cosmetics industry is getting more and more extensive, these marketing strategies will affect a large amount of people's consumption behaviors on a large scale. In order to protect the rights and interests of consumers, so that most consumers can objectively understand how their consumer psychology is formed, this paper will truly introduce and critically evaluate these marketing strategies. Help most people understand the hidden truth behind consumer

behavior and these marketing strategies and consume more rationally. It also allows the cosmetics industry merchants to choose the most effective and beneficial marketing strategies objectively and rationally by understanding the pros and cons of various marketing strategies.

This paper will briefly introduce several common marketing strategies in cosmetic industry. It will mainly introduce how the marketing strategies, like promotion, is implemented, and gives some simple and easy to understand examples. Secondly, this paper will introduce consumer behavior, analyze from the perspective of psychology, come up with the preferences of consumers, so that readers can more frankly understand what kind of psychological causes their usual consumption behavior may be. After that, this paper will connect marketing strategy with consumer behaviors, so that consumers can more directly and objectively understand how marketing strategy will affect their purchasing patterns, and what are some factors that may cause the changes in consumer behavior. Finally, this paper will analyze the advantages and disadvantages of these different marketing strategies and consider the feasibility of these marketing strategies from various aspects, so that businesses can make more rational choices, and consumers can make rational judgments and choices in the face of different marketing strategies.

2. Marketing Strategies

2.1. Discount

Discount is a strategy that implement by reducing the price of the original sale price, so that the final sale price becomes cheaper. Simply speaking, it is the price discount provided by the producer to the customer. The calculation of discount is the original price multiplied by the discount. For example, a 50% discount can be calculated by original price of the product multiplied by 50%, which is equivalent to half the original price, consumers are easy to be attracted by its preferential price, so as to consume. Therefore, discount is a marketing strategy that many cosmetics industry merchants often adopt. This is both effective and not too costly, because sales volume will rise, even if the unit price falls, the total profit is likely to rise.

2.2. Sales Promotion

Promotion is a marketing strategy in which many cosmetic merchants use price favourable and engaging events to increase customer interest in or demand for a product or service. [3] The main reason for merchants to choose promotion is to promote sales, by persuading or attracting consumers to buy their products, in order to increase the sales of products. Promotion can also be regarded as a process of information transmission; merchants send out a variety of information to stimulate consumption and pass the information to the target audience to influence their attitudes and behaviors. Commonly used methods of promotion in cosmetic industry are buying one and getting one free, adding little price for one more item, prize draw and flash sale etc.

2.3. Co-branded

Co-branding is an extremely attractive activity that many cosmetics brands like to launch, and it is also an extremely effective marketing strategy. Beauty brands often partner with well-known IPs in the form of launching co-branded product, flash MOBS, offline check-in, etc. The Intellectual Property (IP) selected by the brand is mainly film and television IP. At the same time, these IPs are usually well known or loved by the public, and have higher popularity on social media, which can bring higher profits to cosmetics merchants.

2.4. Cosmetics Gift Set

Most cosmetics brands do not only make one type of product, for example, but a brand famous for lipstick will also introduce other types of products at the same time. Even if the brand is not good at making other types of goods, the quality of the goods is far from the quality of the brand's lipstick.

Therefore, in order to be able to maximize the sale of other types of goods, many businesses will use the form of gift boxes to form a set of many different types of goods and bundle them for sale. Such an approach would allow less popular goods to be sold, effectively increasing the profits of making such products.

3. Consumer Preferences

Consumer preference can be defined as the subjective taste of individual consumers, which can be measured by the satisfaction of consumers with these products after purchasing them. Consumption preference is determined by many factors, such as personal taste, culture and so on. [4] In this way, when it comes to product quality, price, status, features, packaging, consumers will have different buying patterns. This changing preference affects their buying patterns. In the cosmetics market, consumers' consumption of cosmetics usually depends on different attributes such as price, quality, brand name, brand loyalty, and labeling. All these attributes are now emerging as new trends in the market. Nowadays, many people prefer high-quality, branded, inexpensive cosmetic products. [5] Consumer preferences have a certain impact on whether consumers decide to buy or not and choose products they are more willing to buy. Therefore, identifying a series of factors that affect consumers' preference for cosmetics and conducting effective analysis of these factors can help cosmetics brands better understand the types of products that consumers are more likely to buy. In this way, businesses can make timely and adequate decisions to further develop their own brand of cosmetics, provide competitive advantages for products, and plan sales strategies. Understanding consumer preferences is particularly important for cosmetics businesses, because the competition is too strong, if you can get to know the type of products consumers are more inclined to buy in advance, to produce and launch new products according to this standard, you will be able to stand out among many cosmetics brands. Consumer preferences can greatly influence consumer buying behavior, and research has found that different consumer groups may have different preferred beauty destinations or preferred product types. For example, American teens have different preferences when it comes to buying beauty products, for example, higher-income American teens say they prefer brands such as Sephora and Ulta for their beauty needs. In terms of cosmetics brands, MAC is the most popular cosmetics brand among high-income teens in the United States, followed by Maybelline and Urban Decay. MAC is also the most popular cosmetics brand among middle income teens in the United States [6].

4. Consumer Behaviors

4.1. Definition

Consumer behavior refers to the various actions taken by consumers during the purchase process and the decision-making processes that precede and determine these actions. Consumer behavior is dynamic, which involves the interaction of perception, cognition, behavior and environmental factors, as well as the process of transaction. Consumer behavior can be influenced by a variety of factors or forces [7].

4.2. Factors that May Influence Consumer Behaviors

The purchasing behavior of consumers is susceptible to many internal or psychological factors, or in other words, the motivation and perception of consumption is particularly important. [7] One kind of psychological factor is the consumption motivation. Motivation is a need that is pressing enough that it can drive a person to take action to satisfy a personal need. [7] For a product, if the consumer's desire for this product is strong enough, the possibility of consumption will be greatly increased. As a simple example, if a girl has a blemish on her face, then her need for concealer makeup, such as liquid foundation, will be stimulated. At this time, the blemish on the girl's face became her motivation to buy concealer products. And the girl is highly likely to buy concealer products under

the drive of motivation, because she desperately needs this product. Therefore, motivation has become one of the internal factors affecting consumer behavior.

The second type is perception. Human perception of things also has an impact on consumer behavior. The brain is constantly receiving the information that humans perceive from the outside world and provide to the brain, and the information collected by the brain is seriously excessive. As a result, the brain makes choices to weed out irrelevant information and only reserve essential information. [7] This innate human ability helps people to make choices among a large number of similar products and influences the choices and judgments consumers make when making purchases. The information entering the brain does not provide a complete view of the world. And when an individual builds a cognitive map to follow, there are many factors that may affect people's perception of things, such as expectation, selectivity, experience. For example, consumers who perceive things from past experience can cause them to interpret later experiences in terms of what they already know. [8] If a consumer has purchased and used a brand of lipstick, and this lipstick makes her very uncomfortable to use, and even causes allergic phenomenon. When the consumer sees any product of this brand again, she will most likely not buy the product of this brand again. Economic level is also a factor affecting consumer buying behavior. The traditional demand-supply model shows that the higher the price, the lower the quantity demand. In contrast, the lower the price, the higher the quantity demand. Indeed, for low-consumption groups, the more cost-effective goods are usually more attractive, that is, low-income people are usually more willing to buy more affordable goods. However, for high-income groups, considering the quality of goods, they may be more inclined to buy products with high prices in order to obtain product quality assurance. The same price for people holding different wealth, they will treat it differently. For example, a $200 eyeshadow may be expensive for a low-income person, but a high-spending person will think it is nothing. This is because the $200 accounts for a different share of the total wealth of the two groups. For low-income people, $200 is high. And that same $200 is a very small share of the total wealth of people with high incomes. This wealth gap makes it very likely that people with higher incomes will buy the eyeshadow, if other factors besides money are not considered. Low-income people are more likely not to buy. In this case, it can be seen that people with different consumption levels will have a big difference in consumption behavior. Human behavior is largely the result of a learning process in which individuals grow up learning a set of values, concepts, preferences, and patterns of behavior. From this, people developed a set of values that largely determine and drive patterns of behavior that people now call culture. [7] Different cultures will make consumers' consumption preferences vary to some extent in various aspects. Therefore, culture is an important factor influencing consumer behavior. Cultural factors include three aspects, which can be subdivided into culture, subculture and social class. In terms of culture, people in different cultures share different values and beliefs, which will lead to great differences in their consumption behaviors. For example, some cultures are more focused on short term happiness, and may not care much about rising prices. Some cultures are more focused on the long-term future and may save their money. It can be seen that different values and concepts will affect people's consumer behavior. A subculture is a set of rules, beliefs, and behaviors shared by a smaller group within a dominant culture. [7] That is to say, even in the same culture, people are subdivided into smaller groups, and there are different behaviors and norms in different groups. The characteristics shared by such a small group and some of their common preferences will also affect their consumption behavior. The behavior of consumers is also determined by the social class to which they belong. Social class is usually composed of a variety of factors, such as income, occupation, education, property, lifestyle and so on. [7] An entrepreneur, for example, may pay more attention to the relationship between the benefits and costs of a product than to the price. For another example, when a woman with higher education background buys cosmetics, she will pay more attention to the ingredients list of cosmetics, so as to determine the quality of the product. Humans are social animals. [7] Therefore, in many cases, people’s behavior patterns are heavily influenced by those around people. Because humans have an instinct to seek a sense of belonging, this is also a concept that could explain some herd behavior. people want to seek the approval of those around us,

so people can easily be influenced by the society in which they live. Social factors that affect consumer behavior include family, social environment, reference group, role and status, etc.

Consumer behavior can be influenced by their motivation, personality, family, and family members. [8] When people spend time with their families, they buy what they need not only from themselves perspective, but also from the perspective of other family members. If a teenage girl wants to buy a skin care product, her parents' attitudes and preferences about skin care products will also influence her final decision. In terms of the role and status of consumers in society. People who belong to different organizations, groups or clubs, as well as people in families, all play different roles. The roles and positions they hold also influence consumer behavior.

5. Impacts of Marketing Strategies on Consumer Behaviors

5.1. Discount Explanation and Evaluation

A discount is when a business lowers the price of a product to attract consumers. Changes in prices will affect consumers' consumption behavior. As mentioned in this paper, economic factors are also an important factor affecting consumer behavior. When the price of a product is lower than the previous price, consumers will think that the price is more affordable, so the probability of buying will be greatly increased. At the same time, discounts are attractive to people of all economic levels. From the perspective of low-income people, when the price of goods decreases, their demand for goods will inevitably increase, because it allows them to spend less money to get goods. For high-income people who pursue higher quality, even if the price is reduced after discount, the original initial price will still be displayed, which may make high-income people still more assured about the quality of the product, and the possibility of purchase will increase.

For cosmetics brands, even if the unit price of the product is reduced, the total sales volume of the product will increase significantly. In the case of constant costs, the profit is likely to far exceed the profit before the discount price. For consumers, they can spend less to get the same goods as before the price reduction, such conditions are very attractive, can help consumers save a lot of money. However, for consumers who do not have enough self-control ability, the price reduction of goods may stimulate their consumption and make them engage in some irrational consumer behavior, because price is a factor that can greatly affect consumer behavior.

5.2. Sales Promotion Explanation and Evaluation

There are a variety of ways to promote sales, each of which may influence consumer behavior from different factors. Promotion is mainly through some benefits and consumers can actually get benefits, from the psychological aspect of consumer behavior. For example, buy one get one free activity, even if the goods themselves did not occur price reduction, but the free gift of the business will make the consumer to have a kind of "such goods are more valuable" feeling. These promotion methods stimulate the psychology of consumers by releasing attractive information, so that they have the impulse to consume. As mentioned in this paper, it can motivate consumers to buy, giving them a sense that if they miss out on this product, they will also miss out on other gifts. This will make consumers more eager to consume, so as to change their consumer behavior to some extent.

Promotion now develops more and more diversified, cosmetics brands plan to design their own unique promotion programs and win in the fierce market competition. When advertising on traditional media becomes less effective, communication through promotions can be more effective in getting consumers to make purchasing decisions. [9] These increasingly rich and varied means of promotion are beneficial to the development of the whole market, consumers can get more benefits, and merchants can sell more goods without increasing the cost too much. However, too many promotional means are easy to make consumers dazzled and difficult to choose. More and more false claims are also emerging.

5.3. Co-branded Explanation and Evaluation

Products launched by cosmetics brands in cooperation with popular IP will be attractive, which can be explained by consumers' personal preferences. If the IP that the brand works with is very popular, the audience that likes this IP will also be interested in this cosmetics brand, and thus make a purchase, which is also the way that some people support their favorite IP. In terms of social factors, when this well-known IP is loved and discussed by many people around the consumer, in order to better integrate into the group around them, consumers are likely to choose to buy cosmetics products co-branded with this IP. For example, the co-branding of Miniso and Barbie movie in 2023, because Barbie's movie was hot and had gained a large wave of fans' attention, Miniso's co-branded cosmetics with Barbie were also selling very hot. Co-branding is a win-win marketing strategy, both companies can have higher profits. Companies should gain a detailed understanding of consumer perceptions of product and brand fit with partner brands and establish positive associations before utilizing the brand as a co-branded product. By marketing to brand-conscious consumers, companies can increase the willingness to buy co-branded products and increase the fame of co-branded IP. [10] For consumers, co-branded products that both meet their daily needs and support their own favorite things will make the consumer’s purchasing experience become very good. It can also help consumers better integrate into society, which can explain why co-branding affects consumers' consumption behavior.

5.4. Cosmetics Gift Set Explanation and Evaluation

The introduction of cosmetic gift boxes has greatly increased the revenue of businesses, and sometimes it is also attractive to consumers. Consumers can buy their favorite cosmetics all at once, and usually the price of the set will be much more favorable than the combined price of each product. This convenient, fast and preferential way of buying will make consumers have great interest. Of course, consumers' attitude towards gift boxes and purchasing behavior may also be affected by different cultures. Under the cultural environment that emphasizes saving, consumers may not choose to buy a large number of goods at a large price at one time. Gift boxes for cosmetics are advantageous for merchants, who can sell a large number of products at once and can also sell hot products with less popular products, but this is sometimes a bundle sale. If you want to buy one product, you have to buy another product at same time, which is not favorable for consumers. Many consumers are not satisfied with this way of buying, that will even affect the brand images.

6. Conclusion

The research focuses on the cosmetics market, introduces a variety of marketing strategies and consumer behaviors, and determines how marketing strategies affect consumer behaviors through the analysis of their correlations. The research finds that consumer behavior needs to be analyzed from multiple perspectives, and there are many different factors that can affect consumer behavior. And various marketing strategies are from different factors to affect consumer behavior, so as to achieve the purpose of promoting sales. Discounting mainly affects consumer behavior from an economic perspective, promotions are influence the psychological factors to change consumer behavior, and gift boxes and co-branding are influenced from a social and cultural perspective. Of course, every marketing strategy that affects one factor has the potential to affect several others. In the end, consumer behavior will change because of the influence of these factors. Through the explanation and analysis of the four marketing strategies, this paper provides the advantages and disadvantages of different strategies for merchants and enables consumers to have a deeper understanding of these strategies, helping consumers to control their consumption behavior more rationally, so as to have a positive impact. For cosmetics such a rapid development of the industry, in the future, there will be more marketing strategies designed and implemented. Such a development is conducive to merchants to increase sales, and also to expand the entire market, the market prospects are very considerable. But more and more marketing strategies also need consumers to judge the real purpose of these marketing strategies and analyze the advantages and disadvantages from an objective and rational

perspective. Therefore, in the future, the development of marketing strategies is favorable and will certainly continue. The best way for consumers to maximize their benefits is to maintain rational consumption behaviors and not be affected by malicious marketing strategies to have impulsive consumer behaviors.

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