

Analysis on Consumer Behavior of Domestic Skin Care Products

Yuanfei Lv

Department of business administration, Anhui University of Finance and Economics, Anhui, China

Abstract: With the rapid development of China's economy and the improvement of people's living standards, skin care products have gradually become one of the most frequently used products in daily life. Consumer awareness rising skin care products market competition has become increasingly fierce, high-end market by foreign brands to seize skin care products become an indisputable fact. Under the impact of fierce market competition and international brands, how to develop domestic skin care products sustainably and healthily is a problem that many domestic skin care brands need to pay attention to. By combing the relevant literature of domestic skin care products, this paper makes a SWOT analysis of the domestic skin care industry, and analyzes the process of purchasing decisions of domestic skin care products by female consumers aged 18-25, so as to summarize the marketing strategies of domestic skin care products, retain old customers and attract new customers for domestic skin care products, and promote domestic skin care products to occupy more shares in the whole skin care market. Provide advice and inspiration, and provide some reference for the future development of local skin care product companies.

Keywords: Domestic skin care products, Consumers, Consumer demand, Marketing.

1. Reseakground

China has a long history and splendid culture. It is one of the earliest nations to understand and use cosmetics. Driven by a series of factors such as the continuous improvement of residents' disposable income, the improvement of Chinese people's external image requirements and cognition, and the changes in the structure of core consumer groups, the domestic skin care industry has maintained steady growth in recent years. Especially in the past two years, the domestic skin care market demand has grown rapidly, and the growth rate of the industry market size has been increasing. Even under the impact of the epidemic in 2020, the market size of the domestic skin care industry still reached \$ 41.23 billion, an increase of 10.1 % year-on-year, accounting for 56.32 % of the cosmetics market, showing a high anti-risk ability of the industry. Euromonitor predicts that the average growth rate of China's skin care market in the next five years is 12.86 %. The market size is expected to reach USD 76.808 billion in 2025, and the market size of China's skin care products is expected to exceed USD 85 billion in 2026.

But China's skin care industry is still mainly based on international brands, especially high-end skin care market, basically monopolized by international brands, international brands brand advantage, product quality and marketing means to domestic skin care products caused greater competitive pressure. Although China's skin care market is basically dominated by overseas brands, domestic skin care brands have continued to exert their strength in recent years by virtue of geographical and cultural advantages, and have occupied a certain position in the domestic skin care market. At present, China's domestic skin care market, Shanghai Shangmei has the highest market share, followed by Baiqueling, Jialan, Shanghai Jiahua and other enterprises. The market share is between 2 % and 5 %. Domestic skin care enterprises have gradually determined their applicable marketing strategies, determined their appropriate brand positioning, and laid a future position.

Consumers are becoming more and more rational when

purchasing skin care products. Consumers first consider the quality of products when purchasing, and give priority to comparing the cost performance of skin care products. It can be said that nowadays Chinese people's consumption choices for skin care products are more rational. The quality and efficacy of products have become the primary criteria for consumers to buy. Consumers will increasingly choose skin care products with high cost performance, good quality and suitable for their own skin, rather than blindly follow the trend to buy skin care products according to various advertisements. Consumers' consumption of skin care products has also been gradually upgraded, the weight of price in consumers' purchase of products has decreased, and the sales of high-end skin care products are also very optimistic. Another development trend of China's skin care market is that consumers' demand for skin care products is more detailed. The refinement of consumers' demand for skin care products is not only the refinement of skin care brand, the refinement of skin care category and the refinement of skin care effect, but also the refinement according to consumers' consumption psychology and consumption habits. Enterprises should pay attention to consumers' consumption psychology and consumption habits and the requirements of personalized differentiation of products. Enterprises should refine their products according to the needs of consumers to meet the increasingly refined needs of consumers.

2. Literature Review

2.1. Domestic Research on Skin Care Products

Since foreign skin care brands entered China in 1982, they have occupied high-end and low-end markets with domestic skin care brands respectively. Until 2002, multinational brand sales extended to the low-end, domestic brands broke through to the high-end, and the fierce competition between domestic skin care products and international skin care products really began. The fierce competition makes it more difficult for domestic brands to break through the dilemma of low profits. The research on domestic skin care products has gradually

become an important topic in academic research, and the research on this has begun to enrich.

Yin Jianzhong and Li Ping (2005) put forward the idea of shaping the corporate image and establishing the brand concept through the study of the skin care market. In view of the defects of backward management, low technology and low price competition in domestic skin care products, they put forward suggestions such as innovative management, developing characteristics and improving product quality. The research of Lv Zhimei (2010) and Miao Dan (2013) affirmed the importance of brand image in skin care industry. The difference is that Lv Zhimei's research also explores the multiple effects between brand sensitivity and brand personality, customer perceived quality and face psychology, and believes that brand sensitivity has a positive impact on brand loyalty. Miao Dan's research shows that brand cognition has a significant positive impact on brand personality, brand image, brand trust and brand perceived risk. Brand awareness affects brand preference, and perceived risk will affect consumer buying behavior. Enterprises should pay attention to the generation of positive attitudes of consumers and the maintenance of brand image and service image. Luo (2014) concluded that the quality and professionalism of online word-of-mouth have a positive impact on the emotional trust of skin care products consumers, and cognitive trust and emotional trust of consumers have a significant impact on purchase intention. The number of online word-of-mouth also has a significant impact on skin care consumers due to the mediating effect of consumer emotional trust. Du (2015) emphasized the importance of domestic cosmetics brands in improving customer satisfaction, arguing that customer expectations are difficult to predict, and that customer needs vary widely and easily. Customer satisfaction can be improved through the following ways: establish customer first service concept, authorized to front-line staff, pay attention to training and establish an effective platform for customer feedback. This is one of the few skin care products research emphasis on service and customer feedback mechanism. Chen Xiaoqin (2017) conducted a study on the market of infant skin care products, taking into account the characteristics of the purchasing group, and believed that product characteristics, reference groups, corporate behavior, and consumers' age, occupation, and family monthly income have a significant impact on consumer purchase behavior, and proposed to implement differentiated marketing, strengthen skin care product research and development, enhance brand image, improve product reputation, and create word-of-mouth strength. Liu Qing et al. (2017) believe that the understanding of customer psychology helps to transform the potential market into actual purchasing power. Skin care products should be packaged simply and focus on research and development. Marketing can use the network platform and pay attention to the star effect. The price should be strict, fair and flexible. Yuan Longteng (2018) clarified its advantages, disadvantages, opportunities and threats by analyzing the macro environment and market competition situation faced by Baicaoji brand. Insight into user needs, enhance brand awareness, strengthen communication and enhance the user experience is the marketing optimization strategy. Based on a female perspective, Li and Chen (2018) found that appropriate skin care packaging can stimulate customers' desire to buy and convey the company's brand culture.

In summary, China's research on skin care products is

mostly focused on two aspects. On the one hand, it is the research on the shortcomings and improvement measures of skin care products or their sales strategies. The related strategies are mostly focused on improving brand image, differentiated marketing, innovative management and emphasis on services. On the other hand, from the perspective of customer psychological perception, this paper studies the psychological factors that may affect the purchase behavior of skin care consumers, such as product attention, quality and emotional trust. The attention to the degree of care, customer loyalty and related factors in the skin care industry is low.

2.2. Foreign Research on Skin Care Products

Foreign research on skin care products focused on the purchase behavior and influencing factors of skin care products.

Weber J.M. (2002) studied the differences in purchase behavior in the cosmetics market between the United States and France. The results showed that the differences were due to psychological factors, social influences and purchase status. Due to cultural differences, customers have different motivations and personalities for the purchase of skin care products, and then the purchase behavior is different. Rungruangkul (2006) analyzed the purchase behavior of Chinese herbal cosmetics in Thailand and its influencing factors, and believed that the product itself, product price, promotion activities and sales channels had a certain impact on the purchase behavior of Chinese herbal skin care products. Among them, consumers are most concerned about the safety of products, product quality and ease of purchase. Khan Taufique et al. (2015) explored the factors affecting consumers' motivation to purchase herbal skin care products by establishing structural equations. The study found that consumers' motivation to purchase herbal skin care products is directly affected by consumer values and indirectly affected by marketing mix factors (product, price, channel and promotion). Velly Anatasia et al. (2016) studied the influence of advertising strategy of skin care products on consumer trust with the four elements of advertising spokesperson, brand, product attribute and third-party certification as the research object. It is concluded that the four elements have a significant impact on the trust of skin care advertising, among which brand has the greatest impact. Dawid Szutowski et al. (2017) believed that the global cosmetics industry is characterized by regular growth and high competitiveness. The product innovation of L'Oreal, Estee Lauder and Shiseido was analyzed. It was emphasized that product innovation was a key factor influencing the competitive advantage of cosmetics. Kelsey M. Vella (2017) analyzed consumers' purchasing behavior and concluded that the primary reason consumers buy cosmetics is their 'self-image,' and they want to buy cosmetics that are high-quality, affordable, durable, and safe in composition. Although consumers prefer to shop in physical stores, a large number of consumers actually choose to shop online because their favorite cosmetic brands cannot be found locally. In addition, consumers believe that the most credible sources of information are 'video reviews', 'social media' and 'word of mouth'. Sun-HeeJeong (2018) conducted a survey in areas such as Seoul, South Korea and found that respondents prefer to buy cosmetics online, believing that the purchase channel is reasonably priced. By age, people in their 20s prefer to buy cosmetics in stores, while people in their 30s and 50s prefer online stores. From the distribution channel preference,

reliability, satisfaction and loyalty, the online store is the best choice for preference and reliability, and department store customers are the most satisfied and most loyal.

In the related research on skin care products abroad, the research perspectives and methods are different. Many factors such as product innovation, brand image, sales activities and personal preferences have an important impact on the purchase behavior of skin care products. However, few studies have been conducted from the perspective of customer satisfaction and loyalty. This paper will carry out relevant research from the perspective of customer satisfaction and loyalty.

3. SWOT Analysis of Domestic Skin Care Industry

This paper uses SWOT analysis principle to analyze the four strategic elements of strength, weakness, opportunity and threat of China's skin care industry.

3.1. Internal Advantages

The gradual rise of national self-confidence, the rise of the national tide to create opportunities for the development of local skin care group. While going international, local brands are also tapping the markets of third- and fourth-tier cities and rural areas. Local brand enterprises are more capable of understanding China's national conditions and history, the Chinese culture into the aesthetic concept of cosmetics, into different regions at different levels of consumer experience. The trend of the increasingly strong, 42 % of consumers have bias on domestic brands, nearly 90 % of consumers said they will buy domestic skin care products again in the future. Chinese local brands are superior in cultural advantages and create Chinese aesthetic concepts.

3.2. Internal Disadvantages

At present, R & D, management, management personnel gap is serious, China's skin care industry is facing the problem of attracting talent. In recent years, the rise of the local brand Peraiya cosmetics company, has its own production line, there are only more than one hundred researchers. High-grade cosmetics belong to high-level process, and the key raw materials of high-level process are highly dependent on foreign manufacturers. China's skin care products market is huge, early on the market of enterprises is uneven, product safety accidents continue to appear, such as illegal to add raw materials, packaging and label unqualified events, fake flood, false advertising, product safety and other issues, cosmetics industry laws and regulations need to be further improved.

3.3. External Opportunities

By the end of 2018, China's Internet users reached 829 million, and the Internet penetration rate reached 59.6 %. With the rapid development of the Internet and the vigorous promotion of e-commerce platforms, online sales have become the mainstream way for consumers to purchase skin care products and increase the penetration rate of the skin care market. 'Face value economy' and 'his economy' the arrival of consumer awareness of skin care. The society's ability to accept skin care products has improved, the face value economy has exploded, the audience of skin care products has become wider and wider, the male skin care consciousness has begun to awaken, and the male customers after 95 are

mostly male. The arrival of 'other economy' has brought more market opportunities to China's skin care market.

3.4. External Threats

With the development of science and technology, the understanding of the concept of green environmental protection, nature and healthy life has been continuously improved. Various alternative products have emerged in the skin care industry, such as home beauty instrument, home beauty instrument, beauty salon, sports beauty and so on. Most of China's raw material suppliers can produce basic raw materials for water emulsion, but the process of high-end skin care raw materials is temporarily backward. Compared with foreign raw material suppliers, the overall strength is weak, and the level of technology research and development needs to be improved.

4. Domestic Skin Care Products Consumer Decision-Making Process Analysis

The decision-making process of consumers is actually the process of solving problems. Consumer decision-making refers to the process in which consumers carefully evaluate the attributes of a product, brand or service and make rational choices in order to obtain a product or service that meets a specific need with the least effort. Women pay more and more attention to their skin and external image, so skin care products are essential for women. They use skin care products on weekdays to evaluate their effects and have a certain degree of understanding and selection criteria for products. Therefore, skin care consumers generally belong to nominal decision-making and limited decision-making in the purchase process. Consumers' purchase decision-making process refers to the process in which consumers carefully evaluate the attributes of a product, brand or service and select and purchase products that meet a specific need. In complex purchases, the consumer purchase decision-making process generally consists of the following five stages.

4.1. Understanding Needs

This is the starting point of consumers' purchase decision-making process. When consumers feel that their skin has problems in real life and want to buy skin care products with related effects such as water replenishment and whitening, they have the idea of wanting to buy. In this case, consumers will clear up and confirm the needs and desires in their minds to decide whether to take and how to take action. For consumer awareness of this stage of the problem, we should strengthen the stimulation of consumers to stimulate consumer motivation and desire. One way is to influence consumers' understanding of the reality by increasing the advertising or other promotional means of domestic skin care products, so that they have the idea of purchasing skin care products.

4.2. Information Gathering

After consumers realize the existence of demand problems, they will seek ways to meet demand, that is, solutions to problems. At this time they will begin to collect the required information, including the type of goods to meet the demand, price, quality, brand and so on. For the stage of consumer information collection, the key to marketing is to grasp what methods consumers will use when collecting information :

from the time level of obtaining information, there are memory information extraction and external instant information utilization ; from the perspective of information sources, there are mainly interpersonal sources, public sources, business sources and experience sources. Among them, interpersonal sources have the greatest impact on consumers ' purchase decisions. Public sources mainly refer to television, newspapers, magazines, etc., which are objective and authoritative. Commercial sources are exhibitions, salesmen, advertisements, etc. This part of the information is very large. The source of experience mainly refers to the experience of consumers in purchasing and using goods. This part of the information plays a decisive role in making the final purchase decision. Therefore, we need to make domestic skin care products in the information activation domain of consumers.

4.3. Pre-purchase Evaluation

After collecting the appropriate information, consumers will evaluate different brands of skin care products. The evaluation is mainly carried out from the aspects of customer perceived value and product attributes. Generally, in the evaluation process, consumers of domestic skin care products generally adopt compensatory selection rules, and they often consider many factors. We need to understand the importance of consumers in the evaluation of factors to consider, optimize themselves, so as to gain more favor from consumers.

4.4. Purchase Process

After consumers evaluate the alternative brand skin care products, consumers will make the decision of which brand to buy and take the purchase action. The process is also often influenced by others ' attitudes and unexpected factors. For example, consumers will take the initiative to ask their neighbors about their attitudes towards domestic skin care products. If they all feel that they are good at using them, they will actively buy and try to use them. If they go to the store to buy, the service attitude of the service personnel is not good and not professional enough, then we will have doubts about the reliability of the brand and hesitate to buy the domestic brand skin care products or continue to use the previous brand. We should seize these characteristics, to meet customer needs, to ensure customer satisfaction, and thus expand word-of-mouth marketing efforts, and in the store hire those who are better at communicating services, effectively guide consumers to purchase decisions.

4.5. Post-purchase Behavior

Consumers may be satisfied with the product after purchase, which also encourages him to repeat purchase or recommend the brand to relatives and friends in the future ; if you feel dissatisfied, there will be many different practices, some may require return, exchange, some may abandon, some will complain to friends and relatives in private to vent their dissatisfaction, and discourage them from buying the brand 's products. And dissatisfied consumers have a greater impact on our brand than satisfaction. If not handled properly, it will affect the reputation of domestic skin care products. Therefore, domestic skin care products companies should strictly control the quality of production for consumers of different skin different needs of products.

5. Domestic Skin Care Marketing Strategy Recommendations

5.1. Product Innovation, Focusing on Component Safety

With many skin care companies being exposed to harmful ingredients, the safety of skin care ingredients has become the focus of current consumers. Safe and non-irritating natural herbal skin care products are increasingly sought after in the market. Manufacturers should not use too many chemical drugs that have side effects on the human body in order to achieve immediate whitening and anti-wrinkle effects, but should pay more attention to the safety of the product itself, and develop more ingredient-safe herbal skin care products to benefit customers in long-term use.

5.2. Exquisite Packaging, Easy to Carry

In the external packaging, manufacturers should be combined with the product positioning of skin care products and the characteristics of the audience to be designed, such as for young women 's water whitening products, the packaging can be designed for simple and stylish white, give people a pure and bright visual effects, can also be added to the design of brand-related cultural elements to achieve the effect of promoting corporate culture. In the design of inner packaging, more attention should be paid to practicality and portability. The design of inner packaging should be easy to use and transport, isolate light and ultraviolet rays, and prevent product deterioration.

5.3. Personality Publicity, Differential Marketing

Skin care products have different audience groups, men and women have different concerns about skin care products, and care products. There are also significant differences in the choice of skin care products among people of different ages. Therefore, the publicity of skin care products and the choice of spokespersons should be in line with the audience 's cognition and aesthetics of the product. Product introduction should focus on the main efficacy and product characteristics of the product and highlight the competitive advantage. Each brand of skin care products should have their own core products as the focus of brand promotion, through a product, drive a brand into the public view and gain customer trust, domestic skin care products at this point to do the relative lack of positioning core products, personality promotion, is the direction of domestic skin care needs to work hard.

5.4. Broaden Sales Channels, Improve After-sales Service

At present, the convenience of domestic skin care products to buy is still relatively low, many good use of domestic products because of the lack of channels leading to little people know. Therefore, the sales channels of domestic skin care products should develop towards a multi-channel and multi-platform model, increase the promotion of the ' e-commerce + live broadcast ' model, and sell offline in beauty salons and skin care counters. It is necessary to highlight the advantages of different brands and products to facilitate customers ' personalized purchase. In addition, the research shows that when buying the same product at the same price, good after-sales service can often make customers have higher perceived value, which can not only improve customer

satisfaction, but also promote customer loyalty and repurchase. After the sale of skin care products, counters or franchised stores can strengthen communication with customers and increase customer stickiness by providing free skin tests, professional skin care, and teaching skin care knowledge.

5.5. Training Sales Staff to Improve Professionalism

Perceived quality is not only the customer's perception of the product itself, but also its perception of related services. Professional sales staff can form customer satisfaction and loyalty by improving the perceived quality of customers, and it is also more conducive to meeting customers' personalized needs for skin care products. Therefore, for sales personnel, regular or irregular sales knowledge training, skills assessment, etc., urge sales personnel to learn skin care knowledge, master skin care skills and communication skills, so that in the sales process, they can use professional knowledge and enthusiastic services to enhance the customer's shopping experience.

5.6. Shaping Brand Culture, Establish A Good Image

The image of domestic skin care products has different degrees of indirect impact on customer satisfaction and customer loyalty. Establishing a good image plays a vital role in enhancing customer satisfaction and loyalty. The establishment of the image can start with the shaping of the brand culture. For example, the Baiqueling brand is a time-honored brand in China. The skin care products of Pien Tze Huang originated from the court formula in 1955, which is a national intangible cultural heritage. We can dig out many moving brand stories from it. With the help of the good opportunity of the hot broadcast of the current ancient costume drama, we take how to protect the skin of the court concubines as an entry point, convey the skin care concept of domestic skin care, make good publicity for domestic skin care products, and arouse customers' attention to domestic skin care brands. In addition, we can also take more social responsibilities and establish a good image by participating in public welfare undertakings and charitable activities.

Acknowledgment

Anhui University of Finance and Economics Graduate Research Innovation Fund Project "Empirical Study on the Influencing Factors of Domestic Female Skin Care Consumption Demand: Based on 18-25 Years Old Sample" (ACYC2020327).

References

- [1] Yongshu Villa. Markov prediction of the impact of product promotion on consumers' purchase intention [J].Statistics and decision-making, 2019,35 (09) : 78-80.
- [2] Yin Jianzhong, Li Ping. Study on the Countermeasures to Enhance the Competitiveness of Chinese Skin Care Enterprises [J]. Technical Economy, 2005 (10) : 62-64.
- [3] Lu Zhimei. An Empirical Study on the Influencing Factors of Brand Sensitivity and Its Impact on Brand Loyalty - A Study Based on Skin Care Products [D]. Nanjing University of Finance and Economics, 2010.
- [4] Miao Dan. A Study on Cosmetic Purchase Behavior Preference - A Case Study of L'Oreal Skincare [D]. Bohai University, 2013.
- [5] Luo Leilei. The impact of online word-of-mouth on consumers' purchase intention of skin care products [D].East China University of Technology, 2014.
- [6] Du Hongyan. Importance of Improving Customer Satisfaction in Domestic Cosmetics Enterprises [J]. Brand Marketing, 2015.06.007.
- [7] Chen Xiaoqin. Study on influencing factors of purchasing behavior of domestic infant skin care products [D]. Changchun University, 2017.
- [8] Liu Qing, Chang Kexin. Research on Marketing Strategy of Skin Care Enterprises Based on Female College Students' Consumption Psychology [J]. Computer Knowledge and Technology (E-commerce and Government), 2017 (26) : 251-253.
- [9] Yuan Longteng. Research on Social Media Marketing Strategy Optimization of Baicaoji [D]. Shanghai International Studies University, 2018.
- [10] Li Yichen, Chen Xin. Research on Packaging Design of Skin Care Products from the Perspective of Female Consumption - Taking Zhangzhou Pien Tze Huang Skin Care Product Packaging as an Example [J]. Audiovisual Advertising Forum, 2018 (10) : 200-201.
- [11] Weber J.M. and de Villebonne, J.C. Differences in purchase behaviour between France and the USA: the cosmetic industry[J].Journal of Fashion Marketing and Management, 2002,Vol.6 No. 4:396-407.
- [12] Khan Taufique, Muzakkerul Huda, Parves Sultan.Buying motives of herbal skin care products: a study on Dhaka city consumers[J]. December 2011.
- [13] Velly Anatasia, Sunitarya Sunitarya, Vinda Adriana. The Effects of Advertising Strategies on Consumer Trust: A Case of Skin Care Products in Taiwan[J].Binus Business Review,7(2), August 2016, 125-130.
- [14] Dawid Szutowski, Julia Szulczynska. Product innovation in cosmetic industry-case study of major cosmetic companies [J]. January 2017.
- [15] Kelsey Vella.A study of the buying behaviour of consumers in the local cosmetic market[J]. BA (Hons) Business Enterprise Thesis. June 2017.
- [16] Sun-HeeJeong. Purchasing Behavior for Skin Care Products by Distribution Channel[J]. Asian J Beauty Cosmetol 2018;16(4):545-554.