

The Research of Beauty Refrigerator Marketing

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Abstract: The purpose of this essay is to help people recognize the women market. According to a lot of research that explains the women economy has an enormous potential in the future, one of popular products that beauty refrigerators are taking up the market in recent years. Effective increasing of this kind of products demonstrate an understanding of needs for women. This proposal aims to explain and analyze the condition and environment which result in it increasing and popular in China market and its potential market.

1. Introduction

The luxury cosmetics industry generates billions of dollars worldwide each year and continues to grow from \$260 billion in 2018 to \$280 billion (about \$860 per person in the US) in 2019. Current trends are in vogue in recent years, especially thanks to digitalization. New techniques of makeup or product preservation for example are multiplying around the world thanks to social networks. European consumers are following Asian trends, and vice versa. In the case we are working on, it is a question of focusing on a means of preserving cosmetic products in the refrigerator. Indeed, beauty refrigerators is a newly created company that produces refrigerators specially, which designed for the preservation of cosmetic products. At a temperature lower than room temperature and higher than that of kitchen refrigerators. In full expansion, the company plans to expand its business worldwide and is also considering new means of distribution. Our study will therefore answer the company's questions, while finding adequate solutions. Several research was conducted and the study focused on several regions in China. To do so, a detailed study of the needs of luxury consumers in each country were carried out. In addition, a survey of more than 14 hotels around the world was carried out, allowing us to gather as much information as possible. The responses received allowed us to deploy a strategic plan by adapting the needs of consumers to the needs of luxury hotels around the world. Also, prices were reviewed, and a recruitment action plan was put in place.

2. Strategy Analysis

SWOT (Strengths Weaknesses Opportunities Threats) analysis

Strengthen:

High technology provides a stable environment to cosmetics.

Luxury and high technology products which demand the customers pursuing the phenomenon.

It would increase the competition of luxury hotels, which means that the products have an

immense potential market.

An independent refrigerator could separate the cosmetics from the food.

Weakness:

The high price for the product might discourage people from buying.

Not all the cosmetics needed to be taken in the refrigerators.

Large size of the cooler makes it difficult to adjust.

Opportunity:

The awareness of using beauty refrigerators is increasing gradually.

Growth in the natural luxury cosmetics market.

Low competition

Growing challenge in finding innovative ways to attract consumers for hotels.

Threat:

The current cooler market has products that cost in the range of 100-1000\$

Asian market provides a threat of cheaper alternatives.

Big brands will try to enter the market with less costly alternative and bigger marketing.

Limited Finances

Local challenges to penetrate in the International market.

3. Luxury Cosmetics Background

3.1 The Cosmetics Marketing in China.

With the continuous development of the national economy, the per capita disposable income and per capita consumption expenditure of residents have increased year by year, and many retail industries other than daily necessities have developed rapidly. From 2015 to 2019, the total retail sales of cosmetics in my country increased from 204.9 billion yuan to 299.2 billion yuan, a total increase of 94.3 billion yuan. Taking into account the importance of Chinese residents (especially female residents) to their appearance and the continuous improvement

At the end of October 2019, welcoming the upcoming Double Eleven, “PINKTOP Bintu” launched the first “Bintu Professional Beauty Refrigerator”. Soon, Bintu’s revenue reached 7 million in the first half of 2020, contributing nearly 50% of the sales of this new category of beauty refrigerators. And because of the addition of Bintu, the overall growth of the entire beauty refrigerator category has increased by 240%.

This new trend in the beauty scene has been seen by many domestic companies, and they have launched special “cosmetic refrigerators” to meet the individual needs of young consumers. Hangzhou Zanjian Network Technology Co., Ltd. is one of them. It has in-depth insight into the needs of consumers, seized the opportunity in time, launched Bintu Beauty Refrigerator, and quickly occupied the market.

The domestic product Bintu Beauty Refrigerator, which has just turned one year old, has sold more than 6.18 in 30 minutes on Double Eleven this year, and its 1-day volume has increased by 129% compared to the 6.18 promotion period, and currently accounts for 69.9% of the domestic market share.

Beauty small refrigerators are mainly aimed at young female customers. Compared with traditional consumers, contemporary young beauty consumer groups pay more attention to the ingredients and efficacy of cosmetics, so they are more concerned about the storage and preservation of cosmetics, and are more willing to spend a higher premium to purchase and upgrade “Small home appliances” with quality of life. These young consumers have no resistance to high-value products, and businesses can put more effort into the product's appearance and functional design^[1].

It is worth noting that the current development of beauty refrigerators still has certain limitations. Firstly, the majority of those who buy beauty refrigerators are young consumers born in the 90s and 00s, and those born in the 70s and 80s have a low acceptance of these novel categories. Second, there is a lot of content about the IQ tax on beauty refrigerators on the market, which will hinder its development to a certain extent. Some people believe that using beauty refrigerators is unnecessary^[2]. Defending the market: not home application, it's a professional beauty refrigerator. Aim to customers: An independent middle-class woman aged 25-35, a pioneer user of beauty makeup and exquisite life, and a major consumer of high-end home appliances and home appliances.

3.2 The Situation of Hotels in China:

As for the place where it is considered high expenditure, luxury hotels are famous for delicate and excellent services. Therefore, the luxury hotels market are deciding the beauty refrigerators market indirectly.

According to incomplete statistics from real-time crawling of third-party hotel booking platforms, as of the end of 2018, a total of 92,520 hotels in the top ten cities provided accommodation, of which 4,524 were mid-to-high-end hotels (four- and five-star hotels and above), accounting for 4.89%.

in the third quarter of 2018, a total of 9,230 star-rated hotels passed the review by the provincial cultural and tourism administration, including 59 one-star hotels, 1567 two-star hotels, 4434 three-star hotels, 2351 four-star hotels, and five-star hotels. Level 819. Three-star hotels occupy the current mainstream status of star hotels, due to the structural adjustment of my country's hotel industry and market demand orientation, the number of three-star hotels accounted for 48.08%.

From the perspective of age structure, in 2018, the potential customer groups of mid-to-high-end hotels in the top ten cities are concentrated in the 30–49-year-old group, of which the 30–39-year-old group accounts for the largest proportion, between 44% and 53%. Shenzhen has the lowest proportion of people aged 30-39, accounting for 44%; Beijing and Shanghai both account for more than half of the total potential local customer groups, with the former 53% and the latter 50%^[3].

From the perspective of gender ratio, the potential customer groups of high-end hotels in the top ten cities are mainly men. Among them, the gender distribution in Wuhan is relatively traditional, with the proportion of men as high as 59%; while Beijing is affected by the huge floating population and young consumer groups, and the proportion of people is close, with men accounting for only 53%.

4. The Beauty Refrigerator in China Market

Compared to the quality and technique, people take more attention on the appearance, size and design. In that way, there are two types of Fridges in the Chinese market: In China, the total sales of Tianmao Beauty Refrigerators in 2019 are in millions of dollars. Bintu has been online for half a year, with sales of nearly 1 million dollars, occupying about 50% of the market share (excluding foreign trade), and becoming the industry's first brand and search volume^[4].

5. How to Build Distribution Channels.

According to the demand of the company, there are usually three strategies to choose from:

Intensive distribution. That is, sell products through as many intermediaries as possible to expand market coverage or quickly enter new markets, so that many consumers and users can buy these products anytime and anywhere.

Selective distribution. That is, in the same target market, select a small number of intermediaries to distribute their products based on certain criteria, instead of allowing all intermediaries with the intention of cooperation to participate in the distribution. The focus of this strategy is to maintain the image and reputation of the company and products, and to establish and consolidate market positions. ^[5]

Exclusive distribution. That is, a company chooses only one wholesaler or retailer to distribute its products at a certain time and in a certain area. Usually, the two parties have an agreement that intermediaries are not allowed to operate their competitors' products, and enterprises are not allowed to supply their products to other intermediaries. The purpose of this strategy is to control the market, get more active cooperation from each other, strengthen product image and obtain higher gross profit.

6. Conclusion

The study made by me therefore allowed me to identify and analyze the markets desired by beauty refrigerators. With a sample research and an analysis, the main information retained is that products of markets are very favorable. The details that indicate the situation and environment of beauty refrigerators are positive. On the one hand thanks to the expansion of the luxury market worldwide. On the other hand, thanks to its uniqueness, the product can appeal to people who want to follow this trend. However, through the study, some points still need to be modified, such as the design of the product if it is intended for Yachts. Moreover, to increase the visibility of the product in the market, it would be wise to partner with luxury brands.

References

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