

## Study on online marketing strategies of Japanese cosmetics industry in China

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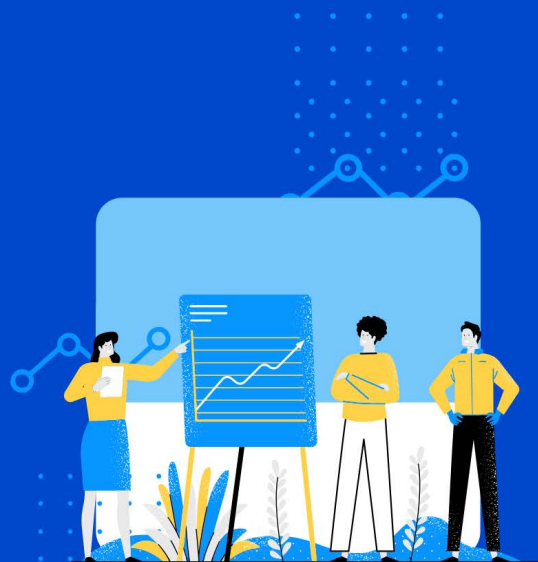
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## **Abstract**

This study will seek to investigate how the Japanese brands are using online marketing strategies to reach more people in China in the cosmetics industry. The main aim and objective of the research is to investigate the online marketing strategies that have been used by Japanese cosmetic brands in China. The research used secondary research methods, which incorporated both qualitative and quantitative data. The main findings of the research point towards the use of social media marketing trends, application of websites, and reaching people through apps as the main strategies for online marketing for cosmetics companies from Japan selling their products in China. However, despite the emerging trends of accessing more people through social media, Japan overall still remains behind in terms of applying technological innovations to a greater extent in their firms compared to companies in other developed countries.

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# **1 Introduction**

The sale and utilisation of cosmetics in China is a trend that is growing in size and popularity. The cosmetics industry in China according to Walley and Li (2015) mainly consists of skincare products, but there is a wide range of products from hair to nails and others as well. The skincare products in China are estimated to be about 40% of the total cosmetics sales in the country as Choi and Jin (2015) pointed out. One of the main reasons that have been attributed to the improving business trend of cosmetics sales has been the improved lifestyle, GDP, and income for the people of China (Meeker, 2015). However, Duong (2017) notes that almost 90% of the cosmetics market share in China is dominated by foreign brands, while the smaller percentage is left to the small companies and brands in China. The Japanese cosmetic companies are part of the foreign firms that have become increasingly competitive in trying to assert their presence in the country.

Besides the improved lifestyle of the Chinese people, marketing has been found to be very effective as well in attracting consumers to the cosmetics industry in China. Online marketing has especially helped to reduce costs of operation through setting up websites that reach millions of people in an instant (Lorette, 2016). Many Japanese cosmetics brands such as Kosei and Sisheido have become popular in China because of online marketing strategies. One such strategy as mentioned is reaching consumers directly through popular websites, some of which include Jumei, JD Worldwide, and Tmall Global. This study will seek to investigate further, how the Japanese brands are using online marketing strategies to reach more people in China in the cosmetics industry.

## **1.1 Aim and objectives**

The main aim and objective if the research is:

1. To investigate the online marketing strategies that have been used by Japanese cosmetic brands in China and the extent of success

## 2 Literature Review

### 2.1 Digital Marketing strategies

A company identifies the expedient strategy in marketing via identifying the key market segmentation as the inceptive step (Lorette, 2016). When companies introduce new products to the market, it is essential to market the product to make the consumers aware of its existence. Successful marketing is vital to building a brand image in the consumers' minds for brand equity. Armstrong and Kotler (2013) develop a five-step marketing process that determines the apt marketing strategy. First, the company should be aware of the needs and demands of the consumer, whether physical, social or emotional to provide them with related products. To satisfy these consumers, the performance of the product should exceed their expectations. To comprehend the marketplace is critical because it consists of various competitors and market segments that offer and require different market offerings (Armstrong and Kotler, 2013). Secondly, a consumer-driven marketing strategy is salient for market segmentation and market positioning. Keller and Kotler (2010) suggest using the STP model (Segmenting, Targeting, and Positioning) which assists companies to acquire feedback to improve their products and services.

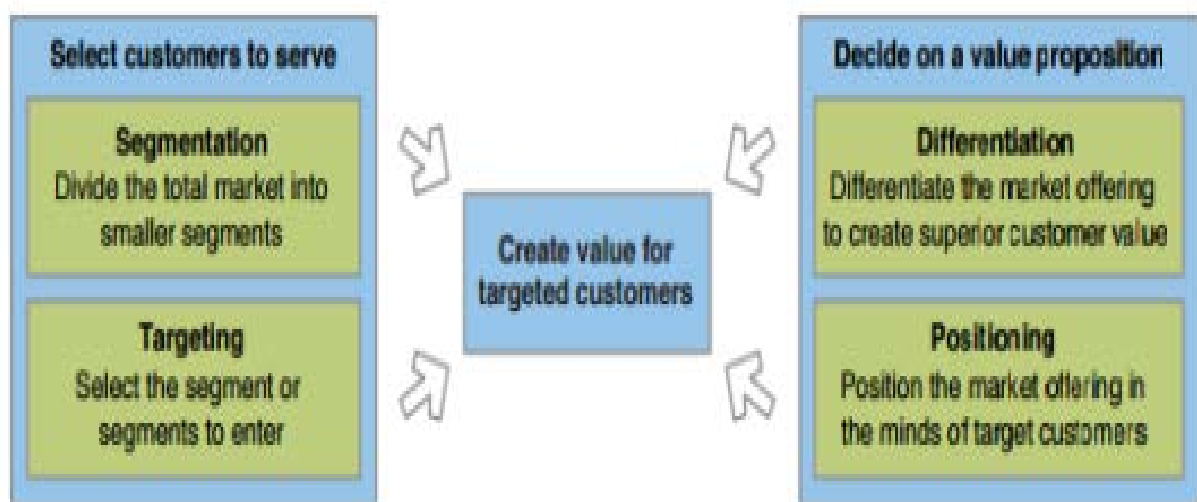


Figure 1: steps in STP

Thirdly, formulate a marketing mix, using price, product, promotion, and place. This mix provides the companies with different strategies that allow them to target a series of consumers with the right strategies (Armstrong and Kotler, 2013). Fourth and fifth steps include building a customer relationship for profitability and engagement and creating value as one way of strengthening the marketing strategy. Consumers will go for products at affordable prices that meet their needs consequently leading to brand loyalty.

## **2.2 Online marketing in China**

According to Forbes (2011), the Chinese consumer market is worth approximately 1.7 trillion dollars, and it is expected to burgeon in the near future. Their consumption patterns have led the market dynamics to rise in unprecedented ways necessitating the marketing landscape to adapt to the changing trends. Consumer's interests to shop online have seen a significant growth especially due to its convenience (Total Retail, 2017). From social media marketing to mobile marketing, digital marketing has gone to unfathomable lengths to ensure companies incorporate IT infrastructure into their marketing strategies.

## **2.3 Social media marketing**

Social media marketing in China requires companies to have a strong brand presence on social media platforms. 90% of online users in China have a social media account according to market to China's (2017) research report, who make their online purchases based on recommendations from other users. The country has more users who spend their time online, and as such companies have to deepen their awareness strategies with the users. Microblogs like Weibo have become very popular in China since the government banned social media sites such as Facebook and Twitter in 2009 (Mu, 2013). Since social media transcends the time and space of traditional marketing strategies, it has played a profound role in influencing the purchasing behaviour of consumers, influenced the opinions, judgments, and perceptions

and facilitated post-purchase communication (Mangold and Faulds, 2009). Chinese consumers are more receptive to new brands and offers, and they are very active on the internet, in terms of sharing content making social media an effective marketing plan. Aperto (2014) highlights some factors that marketers should consider before penetrating the Chinese marketing. Identifying clear objectives increases the likelihood of the company to thrive. It is salient for each marketing activity to pursue a goal that defines the success of the brand. Relevant strategies need to be applied to relevant social media channels. For example, SinaWeibo provides a platform where brands can create awareness through on and run campaigns while WeChat accommodates new mobile services (Chen, 2012). Identifying the characteristics of each social media platform defines the channels in terms of target audience, the content and level of interaction to be applied accordingly.

To acquire a significant number of loyal consumers, Siuda (2013) recommends using Key Opinion Leaders (KOL), that is celebrity endorsements for lead generation. This is because endorsement contributes highly to attracting prospects in China especially if the brand relates itself to new trends in the new generation society. When the brand positions itself with a more conformist image by using internet personalities, consumers explore their desire to feel prestigious like the adulated figure.

## **2.4 Mobile marketing**

Mobile marketing, that is, how companies interact with their target auditory using a set of practices through a mobile device, have increasingly become the new prospective area for marketing activities (Payne et al., 2008). China's mobile-first consumer behaviour market has seen formidable shifts as 26% of the online purchases are made through the smartphone (EY, 2015). International marketers can easily tailor the Chinese market once they understand their purchasing behaviour. Compared to western countries, Chinese consumers are more likely to respond to the mobile advertisement. As a result, the demand for quality products and



services has also augmented. The popularity of mobile marketing is related to the services and applications that are easily accessible by consumers. Companies can use mobile apps to market their products and provide platforms where consumers can purchase their desired products elementarily.

CoSshedule Blog (2016) provides statistics that show that almost 60% of searches originate from mobile phones. Companies should optimize their brand to integrate mobile experiences for conversion of sales. Understanding how the targeted audience uses their mobile device is a strategy that companies can use to provide adequate content at the right time. This information can be acquired through surveys and google analytics to know what clients want. For a mobile marketing strategy, the content being presented to the prospects should be optimized to meet the user's needs (Ma, 2016).

### **3 China's cosmetics market**

According to Fu (2013), the Chinese market has seen a steady annual average growth of 13% in the last two decades. The industry is forecasted to grow at an average rate of 10% annually. An analytical report by cosmetics agency China (2015) shows that cosmetics market is among the top markets that contribute to the overall GDP of the country. Robustness is seen in the sales of care cosmetics and medical cosmetics. E-commerce is recognized as the most efficient way of brands to penetrate in this market among other brands that already exists. Baidu Wenku (2015) divides the development of China's cosmetics market into four stages. The first stage, which is the starting stage is in the 80s epoch. In this period, the cosmetic products were covered by a single company in Shanghai. The focus was on lower levels of the market. The second stage is the competitive stage which is between the periods of 1982 to 1996. This epoch saw considerable shifts, where international cosmetic companies acquired market share from local companies. The foreign companies prioritized the high levels of the

market. The third stage is the developing stage which is between 1996 to 2002. This period realized a revolution in the local cosmetics companies. They created a marketing mix that involved well-targeted products to the selected market segments. (Baidu Wenku, 2015). This strategy was meant to develop companies to make the market more professional and offer diverse products for the consumers. The final stage is the growing stage which is from 2002. This stage involves the constant growth that both local and international cosmetics companies have adapted. The international markets are striving to reach the lower levels of the market while the local cosmetics target the higher levels. Both markets aim to create strong brand equities and introduce better technologies to create better products subsequently, reaching more clients (Nagel, 2008).

The international markets have acquired most of the market share in the high-level markets, the domestic brands and joints have their focus on the middle market, and the local domestic brands occupy the low market (Stembridge and Antonio, 2007). High levels markets have active research and development strategies and include some of the most prominent brands while low levels of market cater to the regular cosmetic consumption needs. The Chinese domestic brands in cosmetics are still struggling to meet the cosmetic needs of the consumers primarily due to the quality of foreign cosmetic products (Berik, Dong and Summerfield, 2013). However, they have managed to offer products in categories such as hair and skin care, men's grooming products and oral health and perfumes. The anti-aging products have made a major boom in the industry, and it is considered a growing potential in the future.

### **3.1 Characteristics of the Chinese cosmetic markets**

Fu (2013) contends that the cosmetics market is stably growing. This is facilitated by the expanding economy which augments the livelihood of the masses. The increase in purchasing power has made the retails of cosmetics to experience profound growth. The consumer gap is vigorously closing. The population of cosmetic users has moved from females aged 20 to 40

to younger and elder females. This is attributed to the diverse products that foreign and domestic brands have introduced. Tang et al. (2007) highlight the availability of diverse selling channels in the cosmetic market as a major characteristic. The flexibility of the market provides marketers and retailers various channels to market and sell their products. From brick and mortar stores and online marketing to Omni-channeling, these marketing strategies dominate the market hence targeting a vast market segment.

### **3.2 Japanese Cosmetics in China**

China's cosmetics market is dynamic and is dominated by foreign brands. E-commerce has made a ground-breaking entrance for potential marketers in the Chinese market providing consumers, especially women to acquire their cosmetic purchases online. Marketing to China (2018) stated that Japanese brands (J-beauty) had made a significant mark compared to the Korean brands (K-beauty) in the Chinese market. Experts have argued that this has been facilitated by the fact that Japanese brands focus more on natural beauty rather than feigned looks. The cosmetic brands in Japanese have a more independent, sophisticated and independent approach compared to their brands and are therefore preferred by Chinese consumers.

Chinese consumers' perceptions of cosmetic brands have shifted from unaffordable luxury to necessity (Admin, 2015). The exclusivity that cosmetic and beauty products belong to the opulent has dwindled. The Chinese market is fascinated by cosmetic products overseas because of the perceived quality and value. As a consequence, the Chinese consumers are consistently looking for high-end products that meet these expectations. Japanese products thrive in China because of the rising middle class (Yau, 2015). These segments of consumers have an evolved purchasing power that allows them to create more demands and new expectations in their consumption. A study conducted by Cosmetics China Agency in 2015 indicated that, Chinese consumers have the desire to use healthy products on their skin.

Japanese products offer an array of products to choose from to satisfy the vast audience hence attracting the female consumers especially. Social media platforms such as Jumei has offered cosmetic brands such as Shiseido a platform to increase their sales by increasing e-reputation, online visibility, and awareness (Admin, 2015).

### **3.3 The Success of Online Marketing Strategies of Japanese Cosmetics in China**

#### **3.3.1 Cross-boarding Strategy**

Cross-boarding fully utilizes company's resources to reduce costs, motivate employees and career development. Japanese cosmetics brands such as Shiseido and Kose succeeded in penetrating the Chinese E-commerce market by use of Jumei and JD Worldwide platforms. Both brands provide various types of products to consumers, thus increasing their sales due to the Chinese consumption habits. Kao and JD Worldwide signed a partnership contract whereby Kao products sold on the platform became famous (Liang et al, 2016). The partnership enabled Kao to easily attract consumers to purchase their beauty products such as Molton Brown and Kanebo since JD Worldwide is among the best e-retailers in China. Kao also signed a contract with Alibaba and Tmall global creating a good e-reputation and awareness among Chinese women. The Cosme Japanese e-commerce platform invested in Tmall Global to attract more Chinese consumers thus increasing their sales.

#### **3.3.2 Personalization**

Through online marketing, Japanese brands in China used websites to collect customers' data, which facilitated better understanding of the customer needs and expectations, thus putting in a strong position to create a good customer relationship (Martin and Murphy, 2017). Through online marketing, companies can collect customer information such as email addresses that they can use to communicate to customers. Japanese cosmetics brands in China managed to

keep in touch with their customers through email addresses among other remote means such as online platforms (social media). Brands like Shiseido and Kose used email address to provide valuable information to customers, thus creating a good customer relationship.

### **3.3.3 Low-Cost advertising strategy**

The Japanese cosmetics makers in China realized that online marketing is cheap and requires no significant amount of capital investment. The Shiseido and Kose brands used Jumei to penetrate the Chinese market since it was cheap and convenience according to Maria and Vlad (2013). The cost of promotion on Jumei was relatively reasonable and needed no physical capital. Jumei platform is among the famous online retailers in China hence Shiseido, and Kose products became popular among the Chinese consumers. Jumei assisted the Shiseido and Kose brands to incur less promotion cost, therefore generating more profit.

### **3.3.4 Target Market.**

Online marketing assists firms to reach their target markets almost immediately since accessibility to online retailers by both potential and existing customers is quick thus saving time (Łopaciuk and Łoboda 2013). The famous Japanese cosmetics products in China such as Molton Brown can be easily accessed on the JD Worldwide platforms thus increasing its sales (Choi and Jin, 2015). Through JD Worldwide Japanese cosmetics products have reached a broader target market since it is not limited to one geographic location. Therefore, online marketing increased the Japanese cosmetics products', accessibility, increasing their chances of success.

### **3.3.5 Convenient Payment Collection**

Most e-commerce platforms enable firms to collect payments efficiently, thus reducing the cost incurred in the collection of fees and saving time. Most of the online payments are convenient and requires less effort as they get updated automatically compared to cash and

cheques (Hackstetter 2013). The manual payments are slow and risky as one cannot be able to tell if the consumer has enough funds. In the case of Japanese cosmetics products in China, NANA Japan accepts payments via Alipay, UnionPay, Tencent Finance, 99Bil, Baofu, and YeePay. The payment methods enable NANO Japan to save time and reduce the risks involved in the manual payment collection (Choi and Jin, 2015). The NANO Japan cosmetics products in China meet consumer expectation because of faster payment methods online, and consumers save their time in the payment process.

### **3.3.6 Multi-tasking**

Online marketing enables firms to handle and attend to millions of customers at the same time. JD Worldwide, Alibaba and Jumei websites in China have an efficient website infrastructure that can handle numerous transactions simultaneously (Meeker, 2015). The Japanese cosmetics brands in China use such sites in marketing their products and providing their consumers with the best online shopping experience (Liu-Farrer, 2013). The Websites in use offer satisfactory service to customers making purchases online due to the ability of the websites to handle a large number of transactions at the same time.

### **3.3.7 Full-time Marketing**

Online marketing does not limit working hours, therefore, reducing expenses incurred in the overtime pay to employees, according to Liu-Farrer (2013). Additionally, whenever a consumer opens their phones and computers, they can see the marketing campaigns at their own convenient time. Online marketing limits the regional and international time difference that may likely affect the accessibility of offers in the online campaigns (Liu-Farrer, 2013). The Japanese cosmetics companies like NANA Japan in China used the websites to advertise their products full-time.

### **3.4 The Failures of Online Marketing Strategies of Japanese Cosmetics Industry in China**

#### *Counterfeit Products*

Online marketing led to the emergence of many counterfeit cosmetic products, due to the lack of the needed strict governance, Zimmerman (2013). In 2016, Julep Japanese company in China was fined \$3 million for allowing counterfeit products sold and miss-selling of its products. Japanese cosmetics brands in China faced many lawsuits over faulty fake products and exaggerated claims of marketing.

#### *Customers Ignore Adverts*

Most consumers are used to seeing adverts in magazines and newspapers, television and listening radio commercials, unlike on social media that requires customers consent. Consumers can ignore to click on the banner advertisements that pop-up while watching videos online conforms to Goodrich et al. (2015). Japanese cosmetics brands in China failed to control the online advertising messages from the customer's control and decide which advertisements to click and respond and which ones to ignore. The consumers are in control of what to view and what to ignore hence the brands are not able to control the advertisement.

#### *Visibility Problems*

Lags and buffers in a website can reduce the number of times that customers view online advertisements. When a site lags or has a complication in video loading, the company is unable to reach all its customers (Cignitti, 2016). Downtimes and general technical issues in the marketing websites cause firms to lose the opportunity to advertise their products hence losing potential customers. Visibility problems also occur if the customer uses smartphones with a slow internet connection or if the consumer lacks the needed installed applications and programs for precise and proper viewing. The Japanese cosmetics brands in China failed to

market their products entirely due to a slow internet connection and most smartphones lack suitable installed applications for viewing.

### *Distraction*

Most consumers get easily distracted due to many options provided by the websites. When consumers log on the website, they usually have a goal in mind, mostly to view and buy the products, but they get easily distracted by various options provided on the site. The websites used by the Japanese cosmetics brands in China failed to adequately function as a result of multiple possibilities granted that distracted customers in line with Choi and Jin, (2015). The Jumei and JD Worldwide websites contain many different types of products that make it difficult for a customer to get the products they want quickly. Too many options can be overwhelming to customers as they are unable to narrow down their choices. The websites complicated in operation as they need only the literate to operate, thus leaving the illiterate consumers behind.

### **Conclusion**

Online marketing provides a powerful tool to assist companies to attain their goals and standards. Cross-boarding among marketing platforms and companies enabled Japanese cosmetics brands to reduce operating costs and access a broader target market. Additionally, online marketing strategies enabled the Japanese companies to deal with a variety of product and allowed full-time advertising of their products thus increasing sales. However, online marketing strategies in China encouraged the production of counterfeit goods due to lack of strict governance. Also, Japanese cosmetics brands failed to reach a broader target market due to viewing problems and ignorance of adverts by customers. Lastly, most websites and online marketing strategies used by Japanese cosmetics brands were complicated hence creating a distraction for consumers, therefore the companies ended up not making the projected profits.



## **4 Methodology**

### **4.1 Research strategy**

Secondary research would be utilised in this research, and this involved the selection of relevant previous studies on the research topic, which in this case, is the online marketing strategies of Japanese cosmetic products in China. The use of secondary research in a study has many benefits, and can be used in making sure that the data collected uses fewer resources. According to Tu (2013), secondary studies can be done relatively faster through a desk based research and access wider and more in depth information. Secondary research methods will be coupled with application of quantitative and qualitative data. Graphs, tables, charts, and research from previous researches will be applied as well.

### **4.2 Data collection and analysis**

The data collection process as mentioned will be done through the application of qualitative and quantitative data in the form of graphs, tables, and charts. In order to address the research questions, the study critically analysed the various findings of the selected studies.

Information and data was extracted from the selected studies, which included the web and different academic databases. The researcher ensured that all the studies analysed were directly relevant to the research topic in order to facilitate the reliability of the data collected, and most importantly, to answer the research questions effectively.

Data analysis for qualitative data utilised thematic analysis on the findings of the previous studies. Quantitative studies were replicated and dully referenced.

## 5 Findings, analysis, and discussion

### 5.1 Qualitative findings

In this chapter, data was analysed from existing documents, and the data was presented in the form of tables and word description. The research plan is to find out the online marketing strategies that Japanese Cosmetic brands have implemented to prove success in China.

Document analysis consisting of qualitative data was used to gather information on digital marketing and the cosmetic industry in China and Japan.

Source	Aim	Findings	Contribution to the research
Tu, C., 2013. Marketing promotion research of B2C online cosmetics business in China--Case company: jumei. Com.	To find out the opinions of Chinese consumers on an online cosmetic industry and get suggestions on how to improve the marketing promotion	Data was collected using online questionnaires to determine the customer's online shopping experience. The findings concluded that Chinese consumers are comfortable with online purchases if the online advertising of the brand is effective, the rate of recommendations from users is high, prices are friendly, and they offered a variety of products. With cosmetics, the respondents said that availability of the products, the quality of the products and the cosmetics brands was the essential part of online purchasing.	This study will integrate the results from the findings to develop an e-commerce strategy that ensures customer satisfaction to Chinese consumers. To penetrate the digital market, the Japanese cosmetic market will need to offer a variety of products and brands to the consumers while offering price friendly packages that will attract a broader market segment in China.
Motohashi, K., 2015. Shiseido Marketing in China. In <i>Global Business Strategy</i> (pp. 155-171). Springer, Tokyo	To determine Shiseido's marketing strategy since the 80s in China	Shiseido, a Japanese cosmetic brand has expanded its marketing strategy to meet the demands of the changing market. The results show that the company limited itself as a high-end brand in the market instead of increasing their retail outlets. This unique marketing channel has been coupled with sales over the internet, targeting the middle class and opulent consumers.	The findings from the research assist this study by providing strategies that other Japanese cosmetics can use to penetrate in the Chinese market. Shiseido's segmentation and targeting are strategic, making their products available to the well-to-do classes and the professional person on a budget. For Japanese products to compete with premium products from USA and Europe in China, they should develop a unique selling point in their advertisements to convince the consumers to switch brands.
Ji, H., 2016. Marketing plans for cosmetic industry in	To determine marketing strategies that Sephora can	This section conducted the current market analysis that has contributed to Sephora's success. Using the Segmentation, targeting and positioning (STP) model	From the results, it is possible for Japanese cosmetic brands to develop long term and short term plans for their marketing strategies. This is

China: Case Study: Sephora	implement to expand their market in the Chinese cosmetic industry	and the 4Ps (Price, product, promotion, and place), Sephora has managed to keep the Chinese consumers satisfied and leave them wanting more. The cosmetics company has been able to offer a variety of exclusive products, used the marketing skimming pricing strategy to attract high-end consumers and ensured a perceived high quality of their products.	important to have a strong competitive power, build customer relationships and determine the potential markets that are likely to drive the industry to success. The study also assists in making an effective marketing plan by conducting a market analysis of the company, detailing every step to have knowledge of the consumers before offering them products.
Fu, Y., 2013. Potentials of Chinese Cosmetic market.	To find facts about the Chinese cosmetic market	Data was collected from secondary sources to give a comprehensive background about the Chinese market. Based on the information provided, characteristics of the Chinese market include; an expanding consumer group, a slight increase in consumption medium and high-end cosmetic products, and diverse marketing and selling channels. China has room for high-end cosmetic products, especially from foreign companies. The booming economy of China has facilitated the growth of middle class and high-end consumers who are interested in good quality products at reasonable prices.	Understanding the Chinese market is vital for the Japanese cosmetic industry to develop a marketing and distribution strategy that suits the target market. Understanding the characteristics of the market, especially distribution channels assist in developing a marketing strategy that links the brick and mortar stores such as department stress to the online stores to widen the customer base.
Fung Business Intelligence.,2016. Foreign Brands Continue to Foray into China's Retail and Consumer Products Sector in the New Normal – Recent Trends and Implications	To critically analyse the foreign brands that have entered the Chinese market	China is the most popular retail destination in the market for international and foreign brands. With the advent of e-commerce, the cosmetics and apparel brands are striving aggressively to enter the Chinese market, and department stores are introducing foreign brands to have an edge over their competitors. Developments in flagship stores and pop-up stores by foreign companies have become common to test the waters and offer lifestyle experience to Chinese consumers. China is a sought-after market because of its potential to shift from an infrastructure investment- driven economy to a service and consumption investment.	Understanding China as an attractive destination for brands to expand their retails is essential for foreign brands like the Japanese cosmetic industry. This opportunity enables the brands to be able to increase their market share by taking advantage of the rapid urbanization and the augmenting middle-class population with disposable income. The study is also useful in providing ways in which new brands can enter the market, especially by setting up online stores and partnering up with China's e-commerce and mobile commerce platforms.
Deloitte.,2017. Shades for success Influence in the beauty market.	To determine the new influencing factors of success in the prestige beauty market	The digital era is driving change in the beauty market in terms of consumption patterns. There are new demographics where the millennial's attention is captured through digital engagement, new geographies where the cosmetic industry is now focusing on emerging economies like China and new businesses models where performance is measured based on convenience and customer experience.	This study can use the findings to determine the digital channels that foreign brands are using to penetrate emerging economies like China. Competition for market share is now done in online blogs and social media where there are direct consumer engagement and feedback. The findings also identify the changing demographics who seek for

		The prestige beauty market has been a market niche that international and foreign brands are willing to explore in emerging economies.	experience and customization which Japanese cosmetic brands should demonstrate when targeting Chinese consumers. Digital channels have become the front-line platforms for consumer decision making.
Reungsinpinya. M., 2011. Comparison of marketing strategies between Japanese and Korean cosmetics companies in Thailand's market.	To determine the marketing strategies applied by Japanese and Korean cosmetics in Thailand market	From the primary data gathered, quality, price and convenience are some of the factors that consumers consider before making a purchase. Japanese cosmetics are popular because of their perceived quality, brand image and better promotional campaigns compared to Korean products. The data showed that majority of the respondents used the products by being informed by promotional campaigns in magazines and recommendations from friends, with a few claiming that the websites and social media were not as widespread as traditional forms of media. This leaves a marketing niche for Japanese cosmetics brands, to build their brand image through digital marketing and popularize online purchases for convenience.	The findings provide a market gap for Japanese cosmetics to explore online marketing channels. Most Japanese products are high-end cosmetics, and according to the findings, the consumers have a limited amount of spending because of the premium pricing. This gives room for the industry to build 'masstige' brands where consumers get high-quality products at relatively affordable prices.
Ma, Y. and Yang, S., 2018. An Empirical Study of Female E-shopper's Satisfaction with Cosmetic Products in China. <i>International Journal of Business and Management</i> , 13(3), p.211.	To determine the factors influencing online purchasing of female e-shoppers in China	With over 70% of China's cosmetics market being occupied by foreign brands, online shopping has had tremendous growth. Based on quantitative results from the study, female shoppers are enticed by price, quality, and delivery of online cosmetic products. Chinese e-commerce providers, therefore, need to implement consumer's consideration's in their digital marketing plans. Additionally, the studies also show that the level of satisfaction of female consumers augments when cosmetic brands build a good brand image while maintaining price consequences, quality, and fast delivery.	This research can implement the findings to identify the factors that are important to consumers regarding online shopping. With a digital strategy such as social media marketing and mobile marketing, the Japanese cosmetic industry is able to identify the factors that enhance and affect purchasing experiences to improve customer satisfaction.
Dara, S., 2016. Effectiveness of digital marketing strategies. <i>International journal for innovative research in multidisciplinary field</i> . Vol2	To identify the effectiveness of digital marketing in promoting products and services	Based on primary and secondary sources on social media marketing demographics and online advertising, the findings identified the elements of digital marketing and a correlation analysis based on the data was created to conclude that, all elements of digital marketing have increased sales in the past. The pervasiveness of digital media has ensured that consumers have information when they need it. It allows for comparisons between brands, caters greater consumer engagement, instant	Since digital marketing has no geographic boundaries, it is an effective means of promoting cosmetic products. With the variety of elements of digital marketing including social media, email marketing, online advertising, and text messaging, the Japanese cosmetics industry can target a broad scope of consumers by simply enhancing their online presence. Digital strategies also ensure that Chinese consumers are provided

		purchasing, and easy sharing of content between users to augment the sales.	with innovative experiences while their needs are prioritized. The method is also proved to be cost-effective and efficient succoring the cosmetic company to increase their market share.
Chiu, C., Ip, C. and Silverman, A., 2012. Understanding social media in China. <i>McKinsey Quarterly</i> , 2(2012), pp.78-81.	To understand the social media market in China	The Chinese market is characterized by unique features including the largest active environment in social media. The data shows that more than 300 million people are part of an online community, and the users spend 40% of their time on social media platforms. The findings also show that using mobile phones to access social media is common in China, with users having multiple accounts where they make online purchases based on recommendations from friends and family.	Based on the findings, it is clear that the Chinese market is dominated by local players in social media such as Sina Weibo who have different fragmentations hence increasing the complexities of understanding the social media landscape. However, an active social media strategy that ensures consumer engagement with the sheer number of online users, and making content that is user-oriented should be adopted by the Japanese cosmetics industry to achieve success in China.

### 5.1.1 Summary of qualitative findings

Cheng (2013) conducts a marketing promotion research to discover which marketing strategy best suits the cosmetics consumer. The internet is the most interactive marketing media in the contemporary society, acting as a communication medium between the consumer and the organization. However, the dynamicity of consumers requires that products need to be ‘touched’ to confirm their authenticity, hence developing an online-to-offline marketing strategy. Customers’ perceptions of quality are however derived from the price and exclusivity of a product, which makes the product alluring to the consumer's eyes. The findings of Cheng (2013) additionally show that consumers will purchase products that have been recommended by friends and family signifying the importance of online advertising in encouraging users to share content. For a brand to become successful, the marketing strategy should provide products that meet the needs of the consumers to encourage users among similar online groups to share information.

The findings of Motohashi (2015) show the marketing strategies that Shiseido, Japanese cosmetic manufacturer, has undertaken in China. Shiseido has seen success in Asian markets

due to the exclusivity of its products. It has segmented its market to target high-end consumers in China especially since the nation has high growth potential. With the Chinese consumers becoming more fashion conscious, Shiseido is relying on e-WOM (electronic word of mouth) among the millennials, who make up the highest percentages of online shoppers. Due to the advent of the internet, Shiseido has shifted its marketing strategy from targeting high-end consumers to catering to the needs of the growing middle-class population in China. Foreign brands are becoming common in China thereby increasing the competition between Japanese cosmetics brands with the USA and European brands.

Ji (2016) asserts that the cosmetic industry in China has boomed over the years, attributed to the improved standards of living of the Chinese people who now pay more attention to their appearance. Many department stores have been set up by foreign companies offering a wide variety of products that the consumers find enticing such as anti-aging products. Sephora, a French cosmetic brand has gained success in China by focusing on high-end consumers. The luxury brand, however, has failed to acquire brand recognition due to the premium pricing lacking an audience from the millennial generation. However, these findings provide Japanese cosmetic brands with opportunities to penetrate the Chinese market through appropriate targeting and segmentation to reach the consumers on a budget.

Fu (2013) develops the trends in the cosmetic market in China which marketers can use to develop a marketing plan. They include; the increasing populations of the middle-class group who have a high need for luxury products, competition from the emerging foreign brands, the change in targeting where men's cosmetics are slowly dominating the market, and the growth of different selling, marketing, and distribution channels. Fu (2013) provides significant strategies for cosmetic industries when entering the Chinese markets.

The findings of Fung Business Intelligence (2016) show that over 100 foreign retail brands have penetrated the Chinese market owing to the rapid developments in the e-commerce

marketplace China has become among the most significant retail markets with cosmetic retail brands launching flagship stores. These findings prove that China is an attractive retail destination to expand a business' global footprint especially with the increased urbanization and the growth of the middle-class groups. Additionally, the findings of Deloitte (2017) explore the prestige beauty market where profound growth has been observed due to the adoption of digital channels. The findings analyse the cosmetics market in general with a source of growth being attributed to the new demographics, geographies, and business models. The millennials are becoming the largest online consumer group of cosmetic products but are characterized by no brand loyalty. The Japanese cosmetic brands have an opportunity to capture the attention of these generation group through digital engagement. New business models have emerged after poor performances by traditional marketing methods necessitated the shift to digital channels.

Ay (2011) compares the marketing strategies of Japanese and Korean cosmetic brands. The statistics showed that Japanese products are luxury brands, therefore, limiting the spending amount for the low-class population. However, with the increasing array of the middle-class population, Japanese brands have an opportunity to target the market niche by shifting to massive brands, which offer high-quality products at affordable prices. The data also shows that Japanese cosmetic products are common among the generation X consumers, leaving an opportunity for the brands to elevate and reinvent their brand personality to suit the needs of the millennials as well.

Dara (2016) provides comprehensive research based on the effectiveness of digital marketing strategies in promoting goods and services in the market. Digital marketing is cheap, convenient, and efficient and increases consumer engagement through elements such as email, social media, mobile marketing, and text messaging. The Japanese cosmetics industry should integrate a digital marketing plan in their marketing strategies in China by ensuring the users'

needs are considered as a priority. Innovative customer experiences are the basis for creating brand awareness and consequently brand loyalty.

The findings of Ma and Yang (2018) show that the female e-shopper's experience in China is influenced by the price, quality, and delivery of products. This signifies that customer satisfaction is of utmost essentiality to guarantee the success of any online business. The Japanese consumer brands have an opportunity to increase the level of satisfaction of female consumers by establishing a reputation that pays attention to price consciousness, high quality and timely delivery of cosmetic products. From the findings of Ma and Yang (2018), marketers and online retailers are able to gain insights on the female consumer and comprehend what influences their online purchasing decisions.

Chiu, Ip, and Silverman (2012) give a clear understanding of the social media market in China. With the 300 million social media users, it is challenging to manage the consumers' needs individually, but new models have been developed to manage the consumers effectively. Tapping into the social media as a marketing tool and monitoring the development of consumers and their feedback, opinions, and judgments, Japanese cosmetics brands are assured of success in the Chinese market.

## **5.2 To investigate online marketing in China for cosmetic products**

The Chinese consumers today are more attracted to cosmetic products. They anticipate for skin and body cares since they want to use healthy products. For this reason, the cosmetic brands have to put up strategies that will focus on the women's requirements. The Japanese cosmetics products are today attracting more girls since they have diversity in their products to satisfy a large target market. The consumers in China are extensively connected to e-commerce where they can acquire offers and promotions on their favourite cosmetic products (Kobayashi et al. 2017).



They also have a preference for purchasing online since they require advice from the community and get the goods of good quality. Cosmetic brands overseas, more so the Japanese, take up this opportunity and pass through the online platforms and deliver quality goods and services to the Chinese cosmetic product users (Qiu et al., 2015). They initiate strategies for marketing of their products online in China.

In China, purchase of cosmetics online was RMB333.86 billion which is equivalent to 54.32 US dollars in the year 2013, and this was expected to increase to RMB700 billion in 2017 according to (Cecelia, 2014). This posed a growth rate of 20.8% and the reason for such tremendous growth was due to the well-developed online market in China for Japanese cosmetic products. The consumers' trust was strengthened in online shopping of the products for the Chinese people. The growth is well illustrated in Figure 1, from the year 2010 to 2017, showing the income increase and the rate of growth annually.

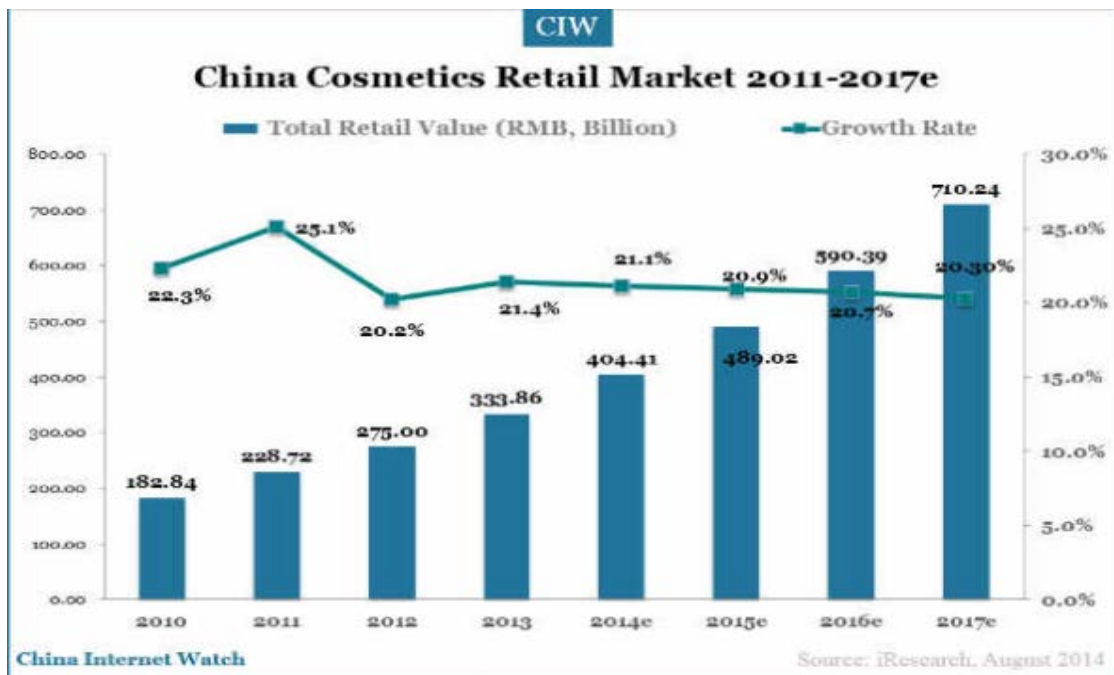
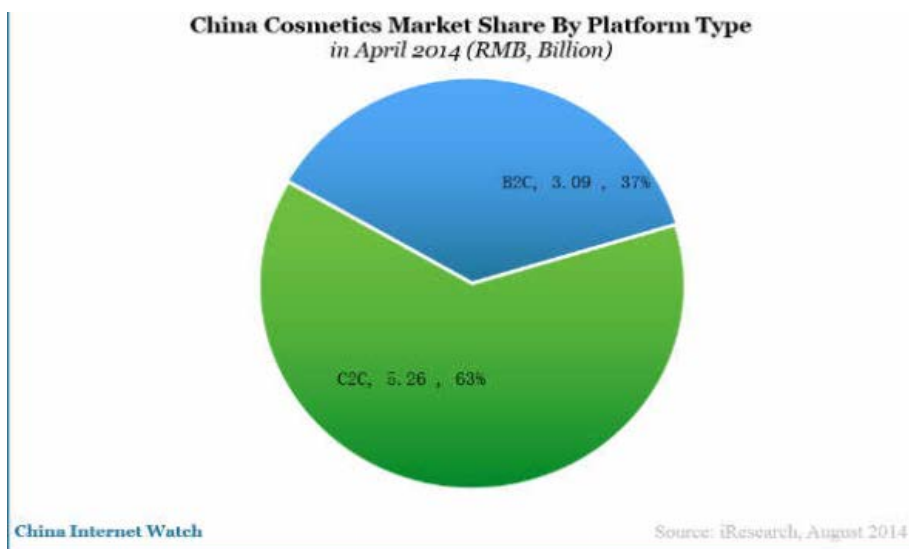
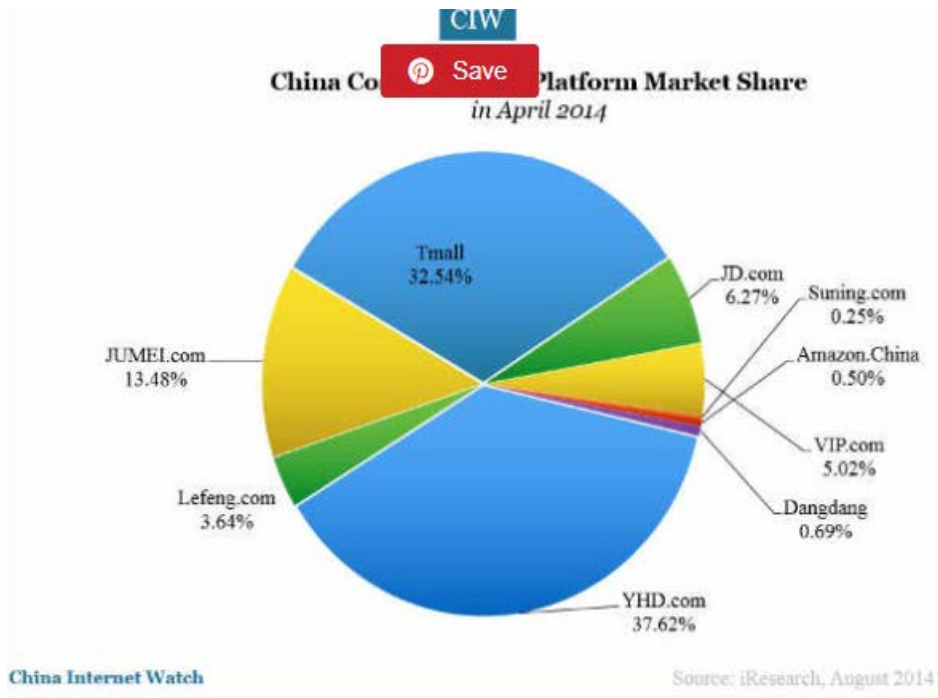


Figure 2 Online cosmetic market in China (Cecelia, 2014)

Additionally, the Japanese cosmetic products value online was RMB8.32 billion which is equivalent to 1.35 billion USD in April 2014 with the C2C platforms which account for 63% and B2C platform accounting for 37% as illustrated in figure 2 below. This showed that the C2C platform has more value of online products compared to the B2C platform. In the B2C platform, Tmall, Jumei, and JD.com are the three top online cosmetics market with a total value of 218.1 million, 91.2 million and 42.3 million respectively (Cecelia, 2014). This accounted for 83.3% of the cumulative value in April 2014 as shown in figure 3 below.

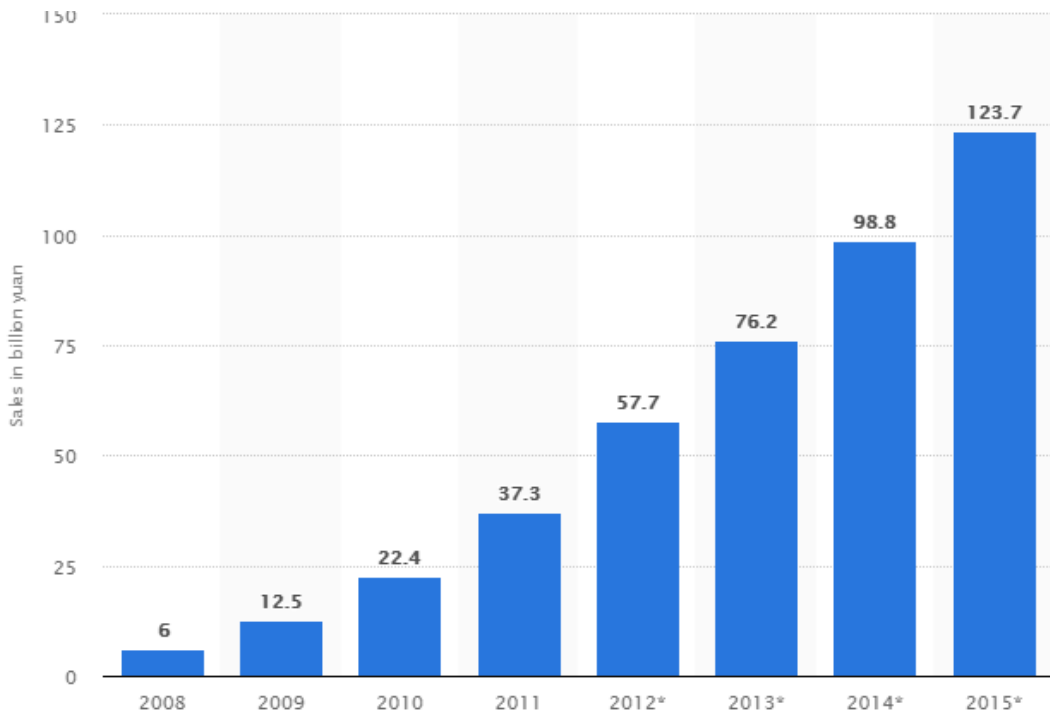


**Figure 3: cosmetic share by type of platform (Cecelia, 2014)**



**Figure 4 Platform market share (Cecelia, 2014)**

Online marketing for cosmetic products has been performing well over the past years in the B2C e-commerce platform. In 2008, the sales of cosmetics products online generated revenue of 6 billion Yuan, in 2009 12.5 billion, in 2014 98.8 billion and lastly in 2015 where the revenue reached 123.7 billion Yuan (Statista, 2018). This reports a progressive increase in revenue from online sales of cosmetic products from 2008 to 2015. The figure 4 below shows the sales of cosmetic products on online shops in China as explained above.



© Statista 2018

**Figure 5 sales of online cosmetics in China (Statista, 2018)**

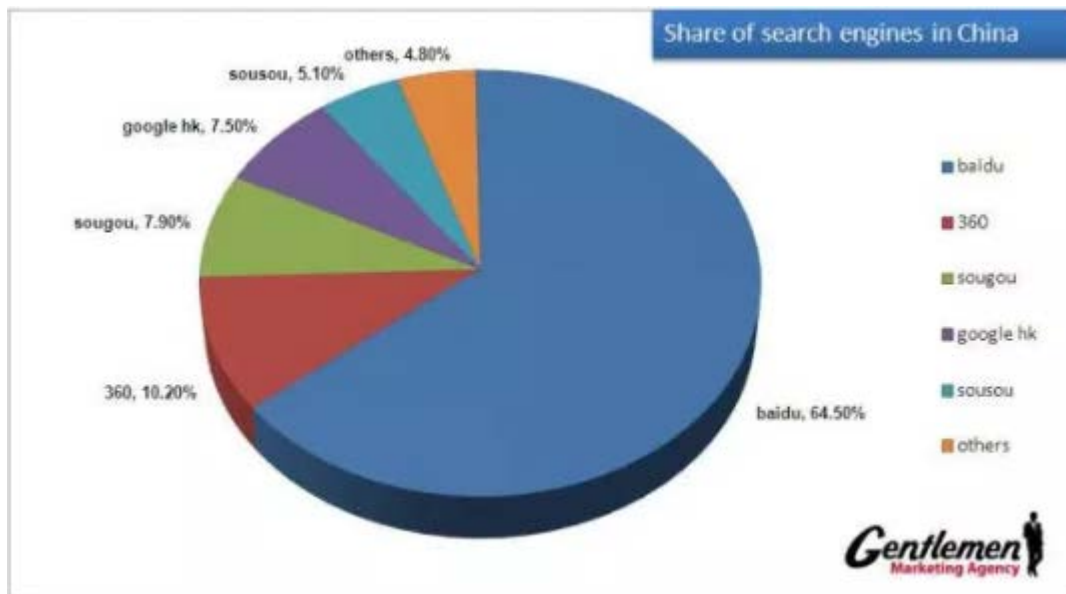
In summary, from the above statistical findings, it can be identified that the use of e-commerce in the sales and marketing of cosmetic products reflects a good performance. This is because the sales of the products are seen to progressively increase every year in China especially in the B2C e-commerce. The Japanese brands have effectively succeeded in penetrating the Chinese market due to the existence of large e-commerce platforms such as Jumei (Kobayashi et al. 2017).

### **5.3 Digital marketing in China for foreign brands**

Due to the massive population of citizens and the large opportunities for business, China is known to attract many foreign companies. The foreign companies with foreign brands struggle to gain access to the digital world that the Chinese market represents. There were more than 688 million users in the year 2015 who shared a vibrant social media scene (Qiu, 2015). For this reason, digital marketing can do extensively in creating awareness to

consumers about various foreign brands. The brands become more and more creative and come up with effective campaigns.

In digital marketing, search engine's use ensures that the foreign brands get much visibility in the Chinese market. In China, the people use Baidu to search for anything just as in other countries where Google is the first option. In 2015, Baidu became the top search engine with a market share of 65%. 360 had 10.20%, Sougou 7.9%, Sousou 5.1%, Google 7.50% and others 4.80% (Verot, 2016). This shows that use of Baidu by the foreign brands will ensure that a high population of Chinese consumers is reached out to and penetrate the market of China extensively. This is shown in figure 5 below.

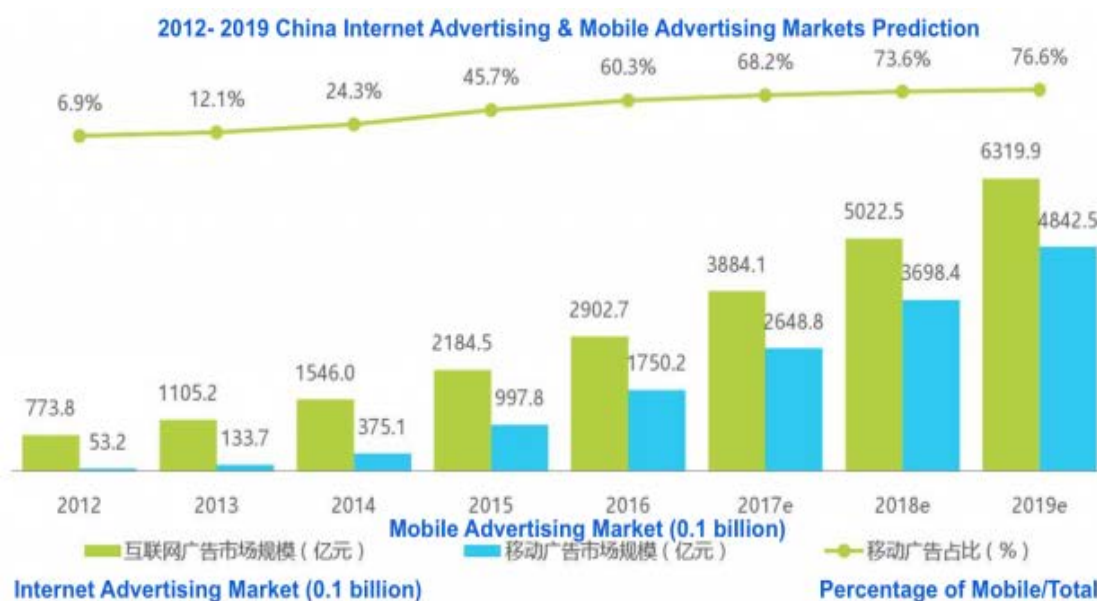


**Figure 6 Share of search engines in China (Verot, 2016)**

Foreign brands need to be recognized to succeed in the Chinese market. The best method to achieve this is through the search engine optimization. Google is recognized to occupy the largest percentage of the most used search engine, but this is not the case in China. Only 16% of Chinese internet users search for information about foreign brands via Google. The other 84% prefer the use of Baidu and has held about 78.3% of the 500 million internet users in

China (Duong, 2017). Baidu is considered an important platform for digital marketing of foreign brands.

Aside from that, as of 2017 June, there were 724 million mobile and internet users in China. This accounted for 96.3% of the total population. The market for internet marketing was at 290.27 billion RMB, and the advertisements on mobile phones accounted for 60.3% (Rebecca, 2017). This trend is expected to grow to 80% by 2019 as illustrated in figure 6 below.



**Figure 7 China's internet and advertising trend (Rebecca, 2017)**

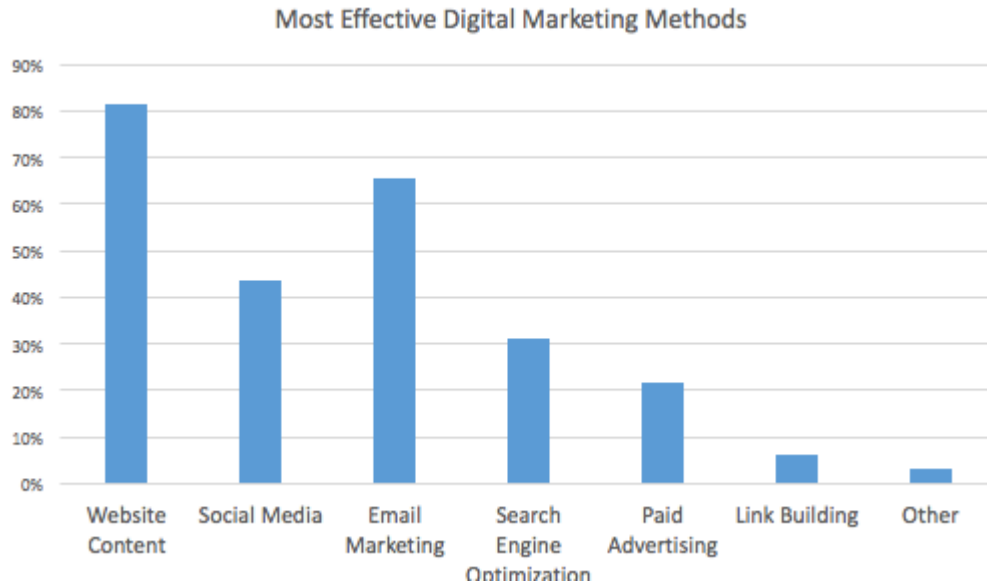
Digital marketers in foreign brands are recommended to use Baidu in the digital marketing of their products as it is the most popular and used search engine in China. In this way, the brands can reach out to many types of consumers in the Chinese market and increase the sales of their products extensively. They should optimize and prioritize the use of mobile marketing for their brands following the guidelines outlined in the Baidu's mobile search (Duong, 2017). The use of other methods of online advertising such as applications, ads, and social media platforms will also play a huge role.

To summarize, the above findings show that digital marketing is an important way for foreign brands to advertise their products. Chinese consumers are known to maximize the use of Baidu as a search engine; hence, digital marketers should put such information into consideration. Additionally, it is identified that mobile usage in China continues to be popular and increases each year due to the increase in some mobile internet users (Kobayashi et al. 2017). For this reason, marketers in the digital world should optimize in the mobile digital marketing to reach out to an extensive number of Chinese consumers effectively as required. Digital marketing has over the years reflected the tremendous performance of the foreign brands in China.

#### **5.4 Online marketing strategies that have been used by Japanese cosmetic brands in China**

Japan cosmetic industry has Shiseido as one of the largest companies that operated in China. Due to the robust growth in both domestic and international market of China, the cosmetic industry is becoming more promising. For this reason, companies such as Shiseido are coming up with new strategies every year to be the biggest actor in the scene of Asia (Slater, 2017). Since its entry into China, this company has developed specific strategies to compete with other brands. These strategies are aimed towards doubling the sales in China and maximize in e-commerce for large market shares in China.

It has the aim of increasing its sales to 1 billion yen in 2010, hence, increasing the sales by 200 million yen or twice the amount of the previous fiscal year (Slater, 2017). This will mean a rise in the e-commerce platform to 10%.



**Figure 8**Digital marketing methods (Umemura and Slater, 2017)

As digital marketing continues to be the best method of advertising today, most companies choose to invest in specific methods of digital marketing. Various methods include web content, social media, email marketing, search engine optimization, paid advertising, and link building. For the Japanese cosmetic industry in China, it has strategized in the use of web content and search engines optimization such as Baidu (Duong, 2017).

Web content is seen as the most effective method and strategy in digital marketing since the Chinese consumers can be able to visit the website and view various products available.

Upon survey, under half of the Japanese cosmetic companies' respondents perceived social media as the most effective strategy. About 65% went for email marketing, but the highest 80% recognized website content as the most effective strategy to use in the marketing of Japanese cosmetics products in China's market, as shown in figure 7 above.

In regards to web content marketing, one of the large Japanese cosmetic companies in China, Shiseido plans to set up a new website called "Beauty Platform" for those consumers interested in cosmetic products. This is mainly to provide expansion of contact with new consumers. The website is expected to function as a connection to over 5.6 million members



(Slater, 2017). This includes the teenagers and millennial at their 20s who are heavy users of the internet. The website is also expected to work as a lead to the customers on the service information about the products available for ordering and purchasing too (Umemura, 2017).

## 5.5 Discussion on the Chinese cosmetics

The Chinese cosmetic market is among the fastest-growing markets in China, with most of the products from Japan (Łopaciuk and Łoboda 2013). In the recent 20 years, the Chinese cosmetic market has been growing steadily with an annual average growth of 13%, with a market capacity of nineteen billion US dollars (Sol 2013). Therefore, making China one of the best and most critical cosmetic marketplaces in the world with an expected annual average growth of 10% in the coming years.

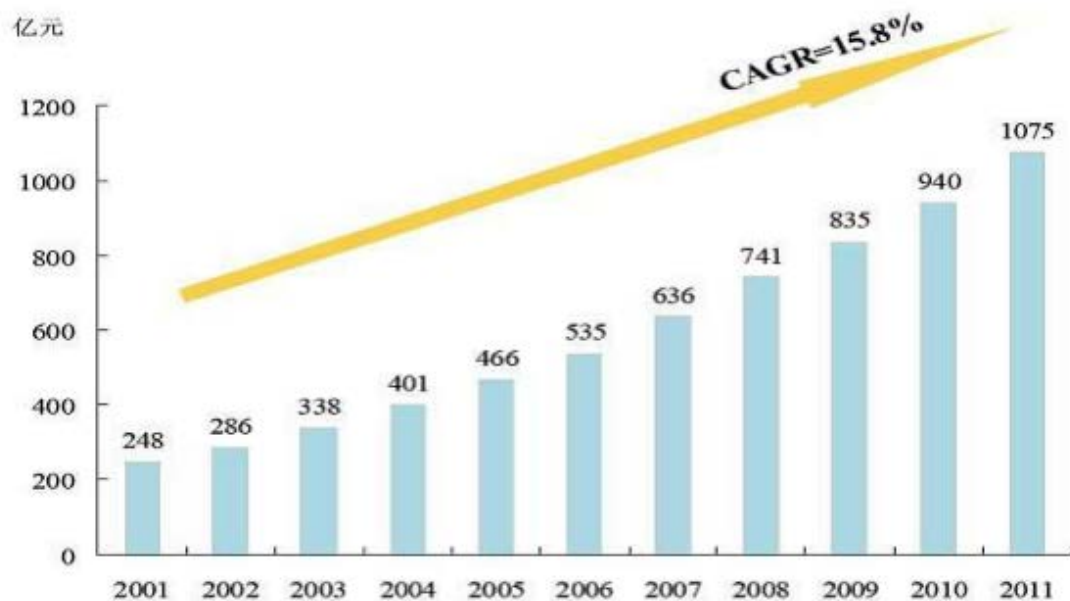
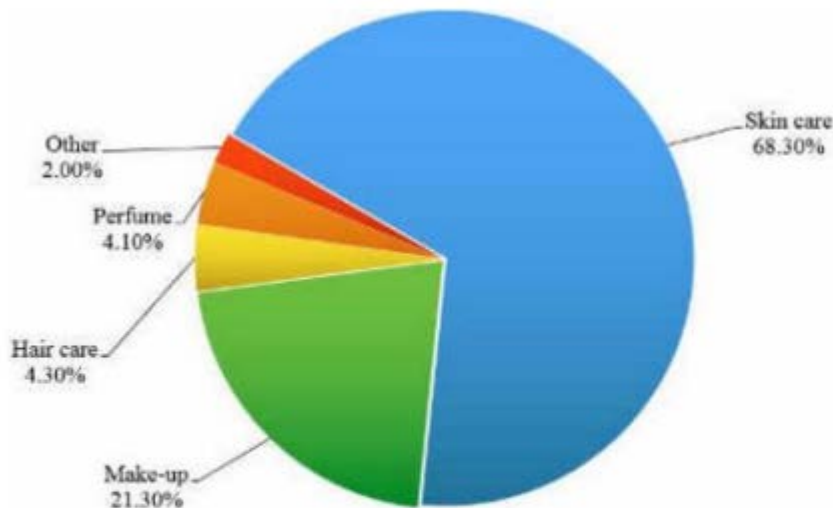


FIGURE 3. 2001-2011 Size and growth rate of Chinese cosmetic market in ¥ 0.1 billion (Chinese Industry Information, Referred 28.7.2013)

The statistics above include various cosmetics products such as sunblock, colour cosmetics, skin care, perfumes and men's products in the Chinese market. During the year 2001-2011, the Chinese cosmetic market annual growth rate was 15.8%, making China one of the fastest

growing markets in the World (Sol 2013). In the 1980's, a Chinese cosmetics market was among the earliest industries to allow operation of foreign companies including Japanese cosmetic companies such as Sishiedo, which occupies almost all the market share in the high-level market (Sol 3013). The Japanese cosmetics brands in China, hold the top-level market share due to their powerful international strengths of R&D and brand names, while joint brands and local Chinese brands occupy the middle market level ((Kang et al. 2014). The domestic Chinese cosmetic brand holds the low market share that offers and meets the daily needs of consumers (Walley and Li 2015). However, the local Chinese cosmetics brands are thriving, the Japanese and other foreign brands numerous and toughening the competition (Fenby 2017).

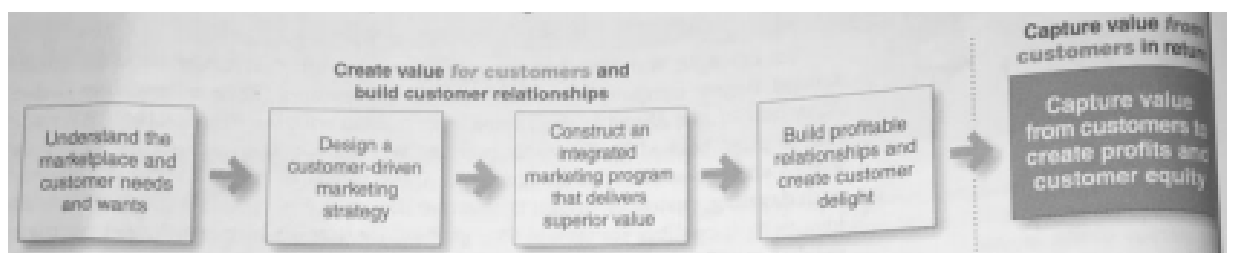
The growth of the Chinese economy increased the purchasing power and living standards of Japanese cosmetics consumers in China. According to Tseng and Siriban (2013), the Chinese consumer value changed leading to a significant influence on the needs, wants, and high demand for Japanese cosmetic products. The Japanese cosmetic brands in China focused on the online market and started online shops that enabled their consumers to purchase products conveniently, due to the development of the internet. The cosmetic industry in China consisted of different varieties of products such as skin-care products, makeup, hair-care and sunscreen products (Sol 2013). The Japanese cosmetic brands focused on the skin-care products that make the most significant contribution to the Chinese cosmetic industry. Also, they invested in other products such as anti-aging and sunscreen products that enable people to appear much better, more beautiful, and younger, making their products and brand more popular among the Chinese consumers (Cecilla 2014). The below shows clearly the market share of cosmetics products in China;



GRAPH 3. China Cosmetic Product Market Share (adapted from Cecilla 2014)

From the diagram above, the skin-care products occupy the most significant percentage of the market with a 68.30%, followed with the make-up with 21.30%, The haircut products hold a 4.30% closely followed by perfume with a 4.10%. Lastly, the other products such as anti-ageing products carry a 2.00% market share of the cosmetic industry in China (Cecilla 2014).

The online marketing process of Japanese cosmetics brands in China involved various considerations before making decisions. The Japanese marketers thought of how to promote their new products online, what prices to set, how to control the online costs, and lastly how to attract the new target consumers (Yang 2012). The figure below shows the simple model of the marketing process practised by the Japanese cosmetics in China;



The online marketing involved five steps with different goals into consideration. The first step aims to assist the brands to understand the online marketing environment and their consumers' wants and preferences (Yang 2012). After that, the cosmetic brands designed customer-driven marketing strategies and constructed an integrated online marketing programs that delivered superior values. The third step involved creating a custom design program that builds a profitable relationship. Lastly, the online marketing strategy captured the customer values to create profits and satisfy the consumers' needs and wants (Yang 2012).

The Japanese cosmetic products in China also involved the online marketing mix with strategies to promote their products to consumers and reach a broader target market. The online marketing mix included the 4Ps, which is the product, the price, promotion and the place (Ferrell and Hartline 2012). The graph below clearly shows the main 4Ps vital points that the cosmetics brands focused on;

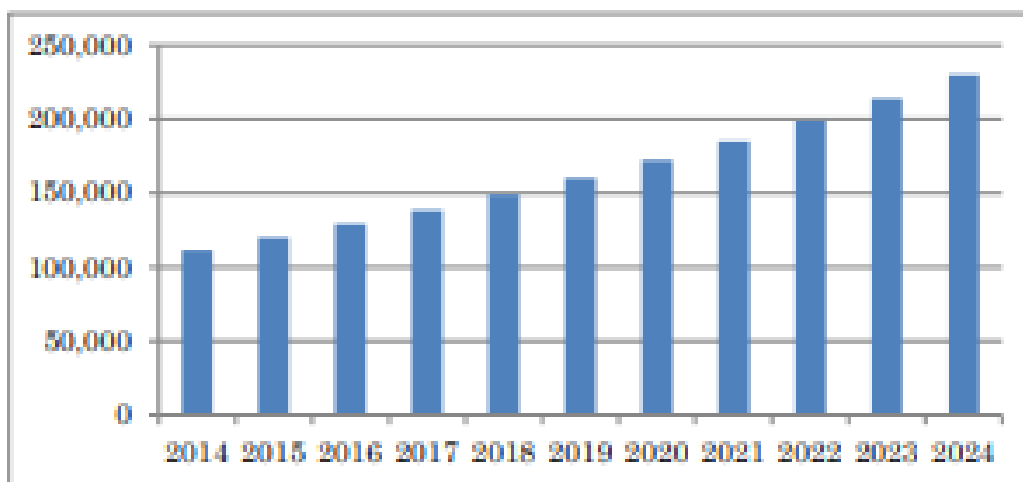


**GRAPH 1. The Four P Components of the Marketing Mix (adapted from Keller & Kotler 2010, 25)**

The product consisted of a variety of products with high quality and unique design features that distinguish the Japanese cosmetics brands in China from other foreign and domestic brands. The Japanese brands set up relatively low-priced products with discounts, credit terms and harmonise payment periods online that attracted customers with low incomes (Ferrell and Hartline 2012). The online promotion part also involved sales promotion such as coupons and social media advertising channels with a large sales force that created a beneficial customer relationship. The last Ps is the Place that involved online media channels with colossal coverage to reach and influence a broader target market (Ferrell and Hartline 2012).

For example, the Japanese Shiseido group of companies in China focused mainly on the internet advertising due to the tremendous expansion of the e-commerce market. Shiseido started the cosmetic business in websites such as Jumei and Tmall that connected and attracted a large target consumer market (Sun 2014). Shiseido sales in China increased

tremendously due to the use of e-commerce, leading to high profits. Additionally, due to the habit of Chinese consumers to consult and check reviews, opinions, comments and appreciations posted by website users before making purchases, Shiseido used vital opinion leaders on the internet to market their products (Luo 2012). The bloggers posted videos of their preferred cosmetic products and presented the make-up techniques, thus influencing their massive number of female fans (Sun 2014). The use of professional cosmetics products proved useful as it built the Japanese brand's reputation, attracted more customers leading to huge profits (Luo 2012). The figure below shows the Shiseido sales prediction in Chinese market due to their much investment in the e-commerce market;



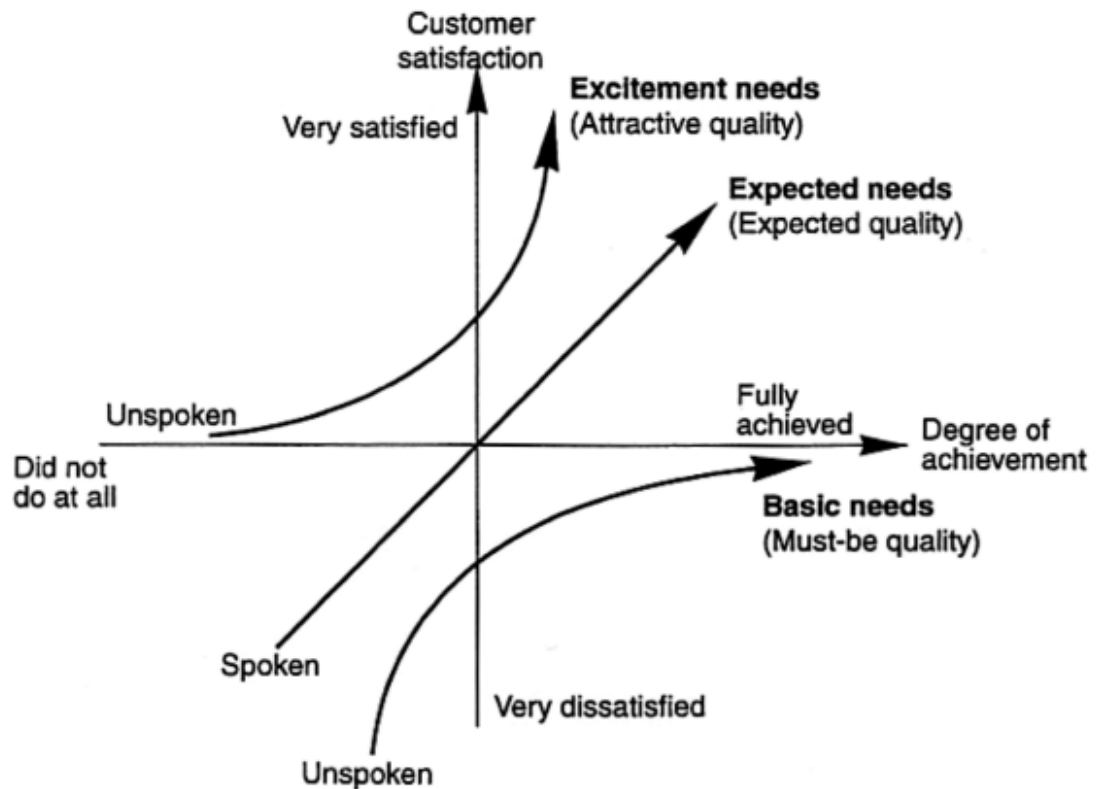
The Shiseido growth rate prediction in the future in China is according to the following formula;

Sales=sales of last year, multiply by the Shiseido sales growth rate in China market (2008-2013).

The online press relations strategy used by the Japanese cosmetic products in China proved useful in marketing their products to the consumers. Well-managed press relations operations

used influenced the success and development of the Japanese cosmetic brand in China (Sun 2014). The websites used to offer a lot of professional by providing a multitude of high consultative information about the Japanese cosmetics in China. For example, the Yoka website used specialised in women's fashion with a page dedicated to Clarins (Ni and Shi 2013). The web editors frequently post articles about Clarins such as the introduction of the brand and presentation of their cosmetics products, thus adding some technical evaluations to Yoka advertisements making them more professional and official, and, gaining the website users' trust (Ni and Shi 2013).

The online marketing strategy enhanced an improved informational organisation that assisted the Japanese cosmetics in China to know more about their customers and preferences. The more information about the customer needs and preferences the more positive experience from the customer perspective that pays off (King et al. 2014). The improved informational organisation enables them to get to know almost everything about the Chinese customers, their interaction, and experience as stated by King et al. (2014). The Japanese cosmetic brands developed models for customer satisfaction with quality dimensions separated into daily needs, expected needs and exciting experiences (Sun 2014). The diagram below illustrates the model for customer satisfaction;



**Source:** Bergman and Klefsjö (2003), but the model was originally presented by Kano *et al.* (1984)

The daily needs or a basic need unconsciously expected by the customer, in the case of cosmetics, makeup seems to be the daily need that Chinese cosmetic consumers used. The anticipated needs might be extravagant, whereby the consumer has to find out by herself due to the exciting experiences (Dolatabadi et al. 2013). The skin-care products in China can be compared to the expected goods and wants. The Japanese cosmetics in China managed to satisfy their customer wants and need, by involving websites such as Tmall and Jumei t and created an online customer relationship management to fulfil customer's expectation and experiences (Du, 2017).



## 6 Conclusion

Some of the emerging trends in online marketing strategies and practices in China include the use of apps to market, social media increased usage, and live video streaming (Meeker, 2015). These trends have proved critical in reaching millions of people in a short instance. These strategies of advertising online for cosmetics companies from Japan have been coupled with using influential people who are market leaders and set market trends. Such individuals could be celebrities or well-known people in an industry, and in the case of Japan, they have been utilising cosmetic influencers, who are well known makeup artists to access the Chinese market. Through using apps and social media, cosmetic influencers from Japan showcase live stream videos of different cosmetics products, how they are used, and how they have experienced them. Besides live streaming videos, many videos are also available online in sites like Baidu that can be accessed any time. One such influencer known as Candy Lian reaches millions of followers in China by trying cosmetic products from Japan and Korea that have not even been released into the market through her videos, which helps to create a excitement and people talking about the product even before it is launched (Yoshizawa, 2018). This strategy is very effective, as people would be more than willing to try the product out.

Japan as a country is one of the most developed in the world, but the country has been experiencing a stagnated growth over time. This has been attributed to the declining population in the country, leaving younger and fewer people in the workforce. This trend has also spilled over to the technological side, where despite being ahead of the curve compared to many countries, Japan is lagging behind compared to other developed countries. According to Armstrong & Kotler (2013), a research conducted by Harvard Business Review revealed that Japan is seriously behind when it comes to online marketing strategies, despite their technological capabilities and efforts. The survey by Harvard Business Review below shows

how much Japan as a country is slow to respond and apply technological innovations in business. Therefore, despite applying and utilising merging trends, the online and digital advertising strategies are not as much of a priority for companies from Japan as shown in the outcome below.



**Figure 9: online and digital marketing application. Source: Harvard Business Review.**

In summary, the above findings show that web content marketing and search engines such as Baidu have been extensively used strategically in the digital marketing of cosmetics products of Japan in China. These strategies are considered highly effective and efficient as far as digital marketing is concerned.

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