

Comparative Study of Local and International Marketing Strategies for Cosmetic Brands: A Case Study of 3CE

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Abstract. Korean cosmetic products have a significant global presence, and the study of Korean cosmetic products can help to understand the size of the market, growth trends Consumer preferences, which can be enlightening in developing local and overseas marketing strategy development and market forecasting and seeking business development across borders. This paper takes the Korean 3CE brand as an example and focuses on its 4ps of local and overseas marketing for comparative analysis and finds that the brand has successfully utilised product differentiation in the market, capturing market vacancies, packaging giveaways, and unique beauty technology, as well as launching marketing policies in different countries to adapt to the local aesthetic preferences and fashion trends, to gain a unique marketing advantage in the market. It is also important to understand the reasons for success and the challenges faced both at home and abroad, in order to provide corresponding practical suggestions for the future development of the brand.

Keywords: Acumen; Personalized marketing; Youthfulness.

1. Introduction

In recent years, the Korean cosmetics market has been rising globally in a sequential manner and has become an important force in the Asian and global cosmetics market. With the spread of Korean culture, Korean cosmetics have won the favour of consumers all over the world with their unique product concepts, R&D technologies and exquisite packaging. And with the trend of aesthetic popularity of youth, in the international market, in addition to the old Korean cosmetic companies, there are also a lot of new new cosmetic brands, 3CE is one of the very popular brands.

The main purpose of this paper is to study the local marketing and overseas marketing strategy of Korean cosmetic 3ce, to analyse the reasons for the success of its local and overseas markets, its marketing focus and approach, how to integrate with the local market after going abroad, and how to promote the brand to internationalization and globalization. And as the influence of Korean new new cosmetic brands in the overseas market is increasing, but the related research marketing analysis is not much. This study is enriched by the comparison of Korean and overseas marketing markets based on the example of 3ce, which is a reference for the development of marketing strategies on how to internationalise local brands and develop them across borders.

The research method is mainly using comparative analysis to draw conclusions by comparing 3ce's marketing in Korea and overseas. The case study method was also used to give examples of some actual marketing approaches in Korea and China. Secondary data analysis was used in terms of data, mainly from related research literature.

This paper discusses the comparison of marketing amounts between 3ce's Korean domestic and overseas marketing markets, then discusses the analysis of 3ce's Korean domestic marketing strategies, and overseas marketing strategies, and concludes with a comparative analysis.

2. 3CE Comparison of Marketing Volume in Korean Domestic and Overseas Marketing Markets

3ce's head office in Korea, STYLENANDA, is a small and medium-sized enterprise that has been attracting attention since its establishment in Korea, reaching 31.9 billion won in 2010, 39.9 billion won in 2011, 35.7 billion won in 2012, 67.7 billion won in 2013, 100 billion won in 2014, and 167.5 billion won in 2017 [1].

3ce's overseas marketing amount in China, for example, in February 2019, 3CE was stationed on Tmall, and attracted nearly 900,000 fans in just two days. Now it is even more than 13 million fans of the Tmall flagship shop in just four years, with an amazing growth rate. Its launch of a variety of innovative single products is to make 3CE an instant hit, and in the 2020 Taobao Double Eleven Shopping Festival, 3CE was ranked third in the hot-selling shops of the makeup category on the whole network and took the laurels of the first place of Tmall's best-selling lip glaze and the second place of the best-selling eyeshadow. 2020, although the makeup industry is cold due to the impact of the epidemic factor, 3CE has still achieved the super product day, 618 and double eleven sales of more than a hundred million yuan

3. Marketing strategy analysis of 3ce Korean local based on 4ps

3.1. Product

3ce began in South Korea clothing brand "STYLENANDA", founded by Kim Tae-hee in 2004, NANDA's initial product positioning is the pursuit of popularity, sensitivity to fashion for young Korean women. The brand's brand concept is to bravely express themselves, dare to go after the freedom, trend, personality, the brand in South Korea product line is relatively rich, providing clothing, cosmetics, accessories and other product lines. NANDA is a brand that initially focuses on apparel and has a wide range of styles. Whether it was a cute or sexy style, there was something for everyone at NANDA. In the mid to late 2000s, NANDA quickly responded to the market trend that consumers were not only interested in clothes, but also in cosmetics, accessories, and other add-ons that could be paired with clothes. The brand offers a wide range of cosmetics and accessories that match the style of the clothes, and in 2009, it launched the make-up brand 3ce, which stands for "3 Concept Eyes" and aims to express the charm and individuality of women. The cosmetics launched are mainly lipsticks, blushes and eye shadows. The colours are mainly suitable for Asian women's colour palette. The product appearance design is simple and fashionable, and the products are updated very quickly. Lip items achieve a wide range of possibilities with different textures and different tones, and eyeshadow palettes have been constantly updating their packaging and colour schemes. Moreover, they have technological innovations, using water atomized film technology, lipstick creams with a water-dewy texture, which solves the pain point of staining cups with traditional lipsticks, and they have developed the function of making eyeshadows with both blushes and lipsticks. In Korea, 3ce's sales are mainly dependent on the sale of clothes with STYLENANDA. Most of the customers buy the clothes together with 3ce's complementary cosmetics. This is 3ce in South Korea unique model, relying on clothes to drive the beauty, overseas markets mainly focus on the beauty line, did not take the strategy [2].

3.2. Price

In Korea, 3ce's customer base is mainly geared towards a younger customer base with low to medium spending levels, so 3ce frequently offers discounts of 20 to 70 per cent and multiple coupons for the brand during summer promotions. This is seen by the company as an effective pricing strategy to increase the purchase rate, improve customers' willingness to buy and increase repurchase rate. Prices for foundation products range from 17,000-38,000 won, face makeup from 12,700-20,400 won, eye products from 11,200-40,000 won, and lip products from 10,400-34,200 won (data from Taobao.com, China), which can fluctuate slightly depending on some of the Discount offers fluctuate slightly.

3.3. Place

3ce brand mainly through the combination of online and offline sales, 3ce brand is very focused on sales through the online, the use of network payment methods, the establishment of the official website, to provide consumers with convenient and time-saving services, responding to the fast-paced life culture in Korea. In addition to online sales, the brand has also entered offline shops in major department stores and duty-free shops, including olive young, Hongdae, Myeongdong, Lotte Duty Free, and so on. Offline shops are mostly multi-line operations, providing clothing, make-up matching, with a trial room, customers can try make-up for free. The decoration is designed in INS style, which is very suitable for internet celebrities or customers to take photos and communicate with each other to share online. Compared to the convenience of online purchasing, offline is more focused on diversified and rich experience, providing customers with a full range of service feelings.

3.4. Promotion

The brand focuses on connecting with its customers through online channels, such as using social media platforms like Facebook to engage with customers and Instagram to post content that appeals to a younger demographic, creating a youthful and confident brand image. Although the brand used to avoid collaborating with artistes, it has recently begun to collaborate more frequently with girl groups such as Black Pink, as well as sponsoring famous online celebrities with large followings to promote the brand [3].

4. 3CE Overseas Marketing Strategy Analysis

4.1. Product

STYLENANDA brand in the overseas market is mainly 3ce makeup line as the focus. 3CE in 2013 because of the Korean drama "miss you" in the female lead Yoon Eun-hye's lip make-up quickly became popular in the Asian market, the brand took the opportunity to start preparing to enter the overseas market, mainly for China, Japan, Thailand, Southeast Asia, and other Asian markets, targeting customers with a certain aesthetic of the young consumer groups, to the Z era of the The target customers are young consumers with certain aesthetics, mainly female consumers, students and young people in the workplace in the Z era. In particular, it pays close attention to the Chinese market. 3ce's product line launched overseas is roughly the same as that of its Korean counterpart, but it will launch different colours to cater to local customer groups in response to different national trends and aesthetic standards, conduct in-depth research on consumers' purchasing preferences, focus on local make-up preferences and colour trends, and launch make-up celebrity family kits. In order to ensure the advantage of overseas sales, the brand's product colour number in overseas is even a little more than than the Korean mainland will be.[4]

4.2. Price

In the overseas market is mainly to take the membership points system, points can be exchanged for some cosmetics or accessories bags and so on. Also regularly held 0-yuan trial activities to attract customer groups, as well as post-purchase evaluation can participate in the lottery. Regularly according to festivals and other discount activities to issue some coupons. And the use of gifts system, the more you buy the more gifts. The practicality and beauty of the giveaways coexist, from hair clips, masks, mugs, bags to mirrors and mobile phone cases are very popular. Because of the non-sale nature of the gift, customers will appear to buy genuine products for the gift. The price layout is also based on low and medium prices, for example, in China, the price of base makeup products in 135–270-yuan, face makeup in 109–350-yuan, eye products in 90–230-yuan, lip products in 105-129 yuan (data from Taobao.com), depending on the discounts and offers fluctuate slightly.[5]

4.3. Place

The Korea-China Free Trade Agreement signed in 2014 eliminated tariffs on Korean products and garments, creating an extremely favorable environment for Korean companies and bringing great benefits to the STYLENANDA brand's entry into the Chinese market. In 2011, the brand began to expand its business in online markets in China and Singapore, among other countries, and formally entered the overseas market; and in 2013 the brand opened Japan and Hong Kong Brick and mortar shops were opened in Japan and Hong Kong in 2013. Currently, there are more than 20 overseas brick-and-mortar shops in operation, including Japan, mainland China, Hong Kong, China, Macau, Singapore, Thailand and other countries.

3CE's market development in China is better. 2018 was bought by L'Oréal Ltd. and the main sales channel is online, binding Taobao platform resources to obtain a large amount of traffic, deeply integrated into the shopping rhythm of Taobao, in the "618", "Double Eleven" In 2013, the brand opened in Japan and Hong Kong to actively participate in promotions on important promotional holidays such as "March 8 Women's Day" and "Valentine's Day". Meanwhile, it has entered the major live broadcasting rooms and cooperated with live broadcasting platforms such as Jieyin, actively joining the ranks of live broadcasting with goods. Relying on China's perfect express transport industry to quickly open China's market, rapidly expanding the market scope. Offline flagship shops are relatively not that many. Mainly in Beijing Sanlitun, Shanghai Xintiandi, Nanjing Deji, as well as major duty-free shops, and then actively expand the sinking market, in some second and third-tier cities have also opened shops. The brand now has 17 shops in China.

4.4. Promotion

3ce also pays great attention to the brand's marketing strategy when promoting in overseas markets. In China, for example, it has actively opened themed flash mobs, such as Pink HOT EL flash mobs, Monet's Garden flash mobs, M stand flash mobs, and Xi Cha co-branded flash mobs. It also actively carries out IP marketing, co-branding IP retro makeup with Disney, and co-branding ins style makeup with M stand. Through the "fan economy + brand" cross-border marketing, brand packaging changes to bring sales, to achieve the "1 + 1 > 2" economic effect. And actively use the major social media platforms for promotion. Taking Xiaohongshu as an example, the layout of the advertisement is "official notes + celebrities planting grass + KOL promotion + vegetarians analysing the use of experience + giveaways to attract. The types of adverts placed were 73.65% graphic and 26.35% video. Also use search for marketing, content laying keywords, product efficacy, to star related to a variety of network hot words, in order to improve SEO effect. The brand also actively cooperates with celebrities and netizens, and since Lin Yanjun served as the chief experience officer in 2019, 3CE has invited a number of celebrities to serve as the brand's best friend, and also cooperated with the famous netizen Li Jiaqi. At the same time, invite the popular young female stars as brand ambassador to promote the brand. Also actively launched in line with the popular trend of the aesthetic makeup, and constantly launch new makeup popular concepts, to create makeup to attract customers to buy the same type of cosmetics, to make up to drive the customer's make-up single product consumption. Also, according to the different needs of consumers, differentiated trafficking. Launched a set of combination purchase, providing well-matched blush, eyeshadow, lipstick and so on. This can save consumers the trouble of matching in make-up. At the same time, taking into account the needs of some customers to freely match, but also provide a little less than the main types of clothing to meet the actual use of customer demand.[6]

5. Comparative Analysis

5.1. Comparison Results Discussion

In summary, 3CE Korean local market and overseas market are mainly Asian market, in the product line in the general direction of the same, but in the main promotion of specific products and the choice of colours will pay attention to cater to local aesthetic needs. At the same time in South Korea, 3ce

and the main company STYLENANDA to cooperate, is to clothe with the sales model to drive make-up. Overseas, however, 3CE is a single line of sales, mainly for the export of colour cosmetics, and will regularly launch make-up, using make-up that meets overseas aesthetics for the sale of cosmetics. And in the choice of marketing strategy is also slightly different, South Korea's local brand marketing is more focused on telling a good brand story, with makeup to express the attitude of Korean women. Overseas marketing model in China, for example, pays great attention to fashion trends, hot spots, and social media marketing. Although both the Korean and overseas markets adopt online and offline sales models, the Korean domestic market is more inclined to the offline experience, while the overseas market is more focused on the convenience of the Internet.

5.2. Brand Success Factors

1) Being able to keenly perceive market trends and seize opportunities, it attaches great importance to the development and operation of the online market. Deeply bundled e-commerce platforms. 2) Continuously create Asian-specific products, with a keen insight into colour trends as well as makeup trends, focusing on eye shadow and lipstick exclusive to Asian women's skin tone and facial features, with a wide range of product colours and texture styles. Seize the fashion trend, the product update speed is relatively fast, unique lipstick non-stick cup technology, excellent product quality, low to mid-range price provides a good cost-effective. 3) Packaging is simple and fashionable, catering to the aesthetic aspirations of women in the z-era, and the brand in the giveaways giveaways to do a very successful, to capture the needs and aesthetics of young women, is very attractive. 4) In the entry into the overseas market in the pursuit of Long-term development, focusing on meeting consumers' individual needs rather than just pursuing short-term benefits, actively integrating into the local market, and understanding local aesthetics and colour culture. 5) Great attention to marketing and promotion, both in Korea and overseas, with a strong focus on social media promotion and publicity, as well as celebrity and online celebrity cooperation, making clever use of the fan economy.[7]

5.3. Branding Challenges

Firstly, the overseas market is mainly the Asian market, and other Asian brands exist homogeneity, lack of characteristics, easy to be replaced. The same type of Asian such as Thailand's mistine, China's flower knows, flower Xizi, Japan's canmake, kiss me and so on, are equipped with the pursuit of fashion trends, and cost-effective, product update cycle is fast, the price is low. Customer groups are young fashion-seeking women [1].

Secondly, the giveaways are done very successfully, but it is easy for the giveaways to be bigger than the genuine products. Customers go to buy out of giveaways rather than based on the excellence of the make-up itself, which can lead to low customer stickiness and difficult to cultivate the brand's customer loyalty.

Third, the brand's sales are very dependent on marketing, which can be risky for the brand's long term sales.

Fourth, the brand, although the update cycle is very fast, and very keen to keep up with the fashion trend, but from the point of view of the product itself alone, basically there is little change and there are limitations.

Fifth, the brand was established for a relatively short period of time, the lack of cultural heritage, in telling a good brand story is still lacking, the brand's cultural publicity is still deficient, belonging to the cosmetics session of the fast fashion, there is no brand core story. The core of the brand is to emphasise women's independence, which is not a new concept in similar cosmetics. There is little attraction to customers in terms of brand culture.

6. Conclusion

This paper is based on the 3ce local and overseas marketing market comparison summary, 3ce brand market is mainly focused on the Asian region, although the product line is more or less the same, but will be adapted to the local situation, will be adjusted according to the actual situation of the local. The ability to sensitively perceive market trends and changing needs is the biggest factor in the success of the 3CE brand. And focus on marketing, the proportion of investment in marketing is relatively large, flexible ways and means, pay attention to the needs of customers. Pursue customer first.

The overseas market in this paper is mainly focused on China, without expanding to other countries. And there is a relative lack of data in this paper.

Related research expansion needs to expand 3ce Korea's overseas market marketing cases in other countries and add related data.

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