

Marketing Strategies to Tap She-economy Potential

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Abstract: The rise of China's economy has been gradual and noticeable. She-economy is the most prominent in the field of e-commerce. This thesis will focus on the reasons for She-economy's development, the classification of women's consumption and consumer psychology, and finally, arrive at a precise marketing strategy for women's different psychological ideas. The external reason for the development of She-economy is mainly the development and improvement of the Internet and social media, while the internal reason is that contemporary women's self-awareness is gradually increasing, and they have a very strong desire to shop. The marketing strategy derived from the reasons for the development of the female consumer market and the female consumer psychology is to carry out multi-channel advertising and marketing, give women a certain sense of festival rituals and relatively large discounts, and upgrade the functions of the e-commerce platform to strengthen the comfort of women's consumption.

Keywords: womenomics, social media, female consumption, marketing strategy, e-commerce

1. Introduction

As the proportion of females in social consumption continues to increase, the concept of She-economy is proposed. This concept not only represents a generalization and interpretation of social consumption trends but also indicates the amazing consumption power of the "her" group and the space for economic imagination. After the popularization of China's online shopping system, females are still the main consumer group on major Chinese e-commerce platforms. There is a wealth of academic literature on the She-economy. Take the example of Zhang Chen's thesis as an example. By combining the cases of women's products, he analyzed the methods that are close to women's emotional needs and improve their consumption desire. He concluded that companies could design products that could appeal to women sensorily, and also combine with women's emotional needs to increase the sense of ceremony of products, so as to make women feel happy in the process of consumption [1]. In addition, some scholars will also study the changes that She-economy has brought about in society. For instance, through the analysis of the leading roles in advertising over the years, Luan Qian concluded that it was the She-economy driving force for the change of media culture: advertising texts embodied brand culture more from the perspective of showing women's inner values [2]. This thesis will mainly provide a marketing strategy for the "She-economy" trend based on previous research on women's consumer psychology, behavior, and characteristics. Enterprises can use this marketing strategy to accurately target women of different age groups to propose targeted

marketing strategies and make better use of the huge potential contained in the “She-economy”. The “She-economy” will not only bring more marketing direction and income to enterprises but also increase people’s attention to women in society.

2. The Definition of “She-economy”

She-economy refers to the unique economic phenomenon formed around women’s financial management, beauty, and consumption with the improvement of China’s online shopping platform in recent years. Women’s admiration for consumption has a role in driving economic growth. With the improvement of Chinese women’s economic and social status and the awakening of self-awareness, She-economy has become familiar to everyone. As Wang Shuangfeng wrote in her thesis, “China has nearly 400 million female consumers aged 20 to 60, who control up to 10 trillion yuan in consumer spending each year, which is close to the combined retail market of Germany, France, and the United Kingdom” [3]. Moreover, about 60% of domestic women are in charge of household finances, and 75% of total household consumption is decided by women [4]. This proves that female consumers occupy a dominant position in consumption. Some people attribute the growth of SHE Economy to women’s impulsive spending, but in fact, women are very rational consumers. Although they will spend a huge amount of money on things they like very much, it is not their irrational behavior, but the result of their rational thinking. The satisfaction and happiness that women get from purchasing goods are far greater than the value of the goods themselves.

3. Factors for the Rise of She-economy

There are many reasons She-economy’s rise. The external reasons mainly revolve around the development of technology, the popularity of social media, and the improvement of women’s social status, while the internal reasons are mainly the changes in women’s own consciousness.

One of the most indispensable external reasons for the rise of She-economy is the convenience of technology. In recent years, with the continuous expansion of the scale of China’s e-commerce platforms, online consumption has been recognized by more and more consumers, breaking time and geographical limitations. The public can buy their favorite products online anytime, anywhere, and enjoy a very comprehensive return service and online shopping coupons. Such a convenient and popular consumption method makes the public more inclined to online consumption. Simultaneously, the widespread popularity of social media platforms has also played an important role. Many bloggers on platforms share all kinds of beautiful or practical things, which greatly increases women’s impulse buying desire. For example, China’s Xiaohongshu, one of the world’s largest community e-commerce platforms, is a platform that uses PLOG or VLOG to record life or share various daily necessities, skin care products, makeup, and clothing. Xiaohongshu is a place for women to speak out about their strengths in various aspects including capabilities, knowledge, economic power, and social status[5]. For example, on Xiaohongshu, some professional bloggers will share videos about the correct values that women should have or clothing or make-up brands that match women from different working classes. Therefore, women have a large platform to exchange ideas with each other and share good things, which increases women’s feelings of finding companionship and promotes their consumption potential. In addition, after discovering She-economy potential, many businesses focus on designing products according to the needs of female consumers, making women’s products more abundant and attractive. In addition, with the improvement of women’s social status, society’s tolerance for women’s diversified development has gradually expanded.

At the same time, the development of She-economy is also due to the transformation of women’s inner thoughts by economic development. In ancient China, the status of women in society was very low. They were not allowed to study, work or even participate in activities. Their only task was to

support their husbands and children at home. But with the change of the times, women can now also receive education and become higher intellectuals. Women's sense of economic independence has gradually become stronger and stronger. After women get involved in work and earn money, they have their own coffers, and they no longer want to be dependent on men for their lives. Women's awareness of pleasing themselves is becoming more and more clear. Women are born to be beautiful. They can get enough confidence and satisfaction from dressing well. They don't dress up to please others; they dress up to please themselves. As Xu Daiyu said, women's shopping is often not just shopping, women often like to go shopping with friends, because they feel that although women have multiple roles, they are not only mothers, daughters, wives, daughters-in-law, and more [6]. A woman today is not only capable of loving herself but also her family. Life is their stage, and so is consumption. At this stage, they continue to expand the boundaries of female roles and become comfortable and confident.

4. Analysis of Female Consumption

4.1. Female Consumption Types

Consumption and health are two important components of "She-economy". The categories of women's consumption mainly include beauty, medical beauty, gold jewelry, mother and baby, and women's clothing. Among actual consumption, 20.9% of the expenditure is on beauty, and 35.4% is on clothing. The total of the two items exceeds half of the total consumption expenditure" [7]. Women's health mainly includes nursing, maternity, fitness, and underwear, among which maternity mainly includes postpartum recovery services such as confinement services and confinement centers. Due to the relatively small impact on online consumption and strong overall stability under the background of the epidemic, the number of registered companies in the female consumer sector has increased year by year. However, due to its reliance on entities, the field of women's health has been significantly impacted by the epidemic, and generally entered a stage of downsizing in 2020. According to Zhao Bo, "In general, Chinese women are not only willing to spend money on clothing, shoes, bags, beauty, and skincare but also pay more attention to the quality of life and are willing to spend on traveling or learning to recharge, but not on social entertainment or living expenses such as rent and so on" [8].

4.2. Feminine Consumption Psychology

Among all consumer groups, the consumption frequency of young women greatly exceeds that of men and middle-aged and elderly women. According to Zhang Nuoying, young women aged 18-30 dominate online consumption, and women in this age group account for 82.4% of all online shoppers [9]. However, the psychology of female consumers when consuming also differs according to age. Young women aged 18-24 are generally more inclined to buy products with favorable prices because of their limited financial ability and also buy clothes or cosmetics in combination with current trends and fashion. Women aged 25-30 are more mature than women aged 18-24, and they tend to buy high-quality items that are quality, classic and understated. Coupled with their relatively busy and stable jobs, they no longer spend a lot of time browsing products like 18-24 women. They will rationally buy products that meet their personal or professional needs. Women over the age of 30 will pay more attention to family and life. They will tend to buy affordable daily necessities online and be thrifty.

4.3. Female Consumption Behavior

Women's behavior in consumption is also divided into four categories. First, is independent consumption. They will rationally buy daily necessities such as stationery for work or toilet paper

according to the needs of life. This kind of consumption is indispensable. The second is herd consumption. They will be influenced by the surrounding environment or information media to buy some popular products, such as the most popular mouth red number on Xiaohongshu book, the popular products on Taobao, or the new bags bought by their colleagues. They buy them intending to try them out or follow the trend. Thirdly, impulse consumption. Businesses will seize on women's love of beautiful goods and sell beautifully packaged co-branded or limited-edition goods with rare packaging and a limited quantity that will arouse women's affection or show off psychology and excitement to buy the goods. Take the 2015 collaboration between H&M and BALMAIN as an example. The limited-edition co-branded series only accounts for a very small portion of H&M's total sales, but the marketing benefits it brings are obvious. The co-branded series has been exposed more than 1 billion times by the media since its launch [10]. Four, desire consumption. Women will buy a product because they enjoy the shopping experience. For example, some women enjoy the process of opening a package because they are opening an unknown package and it is also a process of decompression and relaxation. Or when they go shopping, they can get satisfaction from enjoying the service from sales and buying products they like.

5. Marketing Strategy Aiming at She-economy

E-commerce platforms can adopt a multi-channel marketing model. Online live broadcasting can effectively promote women's desire to decide to buy products. In addition, celebrities can also be invited as guests in the live broadcast room. The popularity of celebrities and the fanaticism of female fans can increase women's desire to buy. In addition, according to Daiyu Xu, "More targeted advertisements will leave a deeper impression on female consumers, increase their familiarity and trust with the brand, and thus be more likely to generate awareness when they encounter products, they are familiar with. Buying behavior" [6]. Therefore, high-quality and targeted advertising will be more likely to be loved by female consumers. Offline can also host some interesting activities and give participants some coupons or gifts to increase the goodwill of female consumers towards the brand. As Ma Xi said: "To enhance female consumers' sense of participation in various marketing activities, relevant personnel should attract consumers through welfare means such as gifts and the lottery, thereby stimulating female consumption awareness and driving female consumption behavior" [11].

"After-sales service of products is the main reason that affects women's consumption behavior. In the development of e-commerce platforms, it is necessary to design operational processes that meet the needs of female consumers in product sales, consulting services, and after-sales services" [11]. Therefore, "As women's social status and economic position continue to improve, more and more women begin to pursue personalized display and distinctive products and services" [12]. For offline physical stores, the company can train sales staff to customize one-to-one personalized service for female customers and recommend different products for different types of women. "Modern AR (Augmented Reality) technology can be realized, AR shopping can include AR fitting, AR decoration, AR makeup, etc." [13]. Therefore, some AR technology can be upgraded for e-commerce platforms, so that customers can be at home Trying on products online makes shopping more convenient and eliminates the hassle of returning and exchanging products.

Female consumers are very price-sensitive and pay great attention to the sense of ritual in festivals. Both e-commerce platforms and offline brick-and-mortar stores have expanded the female consumer market by creating personalized shopping festivals for female consumers. Enterprises can use various festivals to carry out promotional activities and add some slogans to promote the festive atmosphere and their products. For example, issue some coupons or directly reduce prices, and then use SMS reminders, play advertisements, distribute promotional posters, and warm up activities. A large enough discount can catch women's eyeballs and stimulate their desire to buy.

6. Conclusion

As She-conomy develops, the potential of the women's market cannot be underestimated. Women consume predominantly in two categories: consumption and health. In terms of consumption behaviors, women's consumption behaviors are mainly divided into four categories: independent consumption, herd consumption, impulse consumption, and desire consumption. Nevertheless, women of different ages have different purchasing psychology and criteria. While young women tend to purchase affordable and fashionable products, elderly women are more likely to buy classic and high-quality products, and housewives are more likely to buy practical and affordable life products. A business should use a variety of marketing strategies to take better advantage of She-conomy. Targeted marketing strategies are proposed for women of different age groups with different psychological states, and a database of all types of women is collected, so that researchers can better target the needs of female consumers. This thesis mainly takes Chinese female consumers as the main research and discussion object. In the future, it can take global women as the research object and draw useful marketing strategies for women that can be applied to the global business field.

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