

Research on the Development of Beauty Brand Marketing Based on SWOT Analysis: Taking Florasis as an Example

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Abstract: With the rapid development of the domestic economy, China's cosmetics industry has maintained a steady growth momentum, and domestic beauty brands such as Florasis have been loved by a large number of consumer groups. This paper conducts a SWOT analysis on Florasis's current situation and target consumers, so as to specifically analyze Florasis's current marketing strategy. It can be concluded that, with unique brand positioning and safe product ingredients, Florasis is good at using the advantages of network marketing and promotion to make up for its disadvantages in operation and management. By grasping the blank market of oriental classical beauty makeup and using the marketing strategy of online and offline simultaneous promotion such as star effect, IP joint name, and KOL promotion, Florasis enhances its brand awareness and will open up overseas markets in the future.

Keywords: Florasis, SWOT analysis, marketing

1. Introduction

In the next few years, China's cosmetics industry will continue to maintain a stable growth momentum. The market size of China's cosmetics industry is expected to continue to grow. According to Binyan Li, by 2024, it is expected to reach \$372.37 billion, representing a combined annual growth rate of 11.8 percent [1]. At the same time, benefiting from the rapid improvement of China's domestic socio-economic level and consumers' demand for appearance, more and more domestic beauty brands have emerged. Under the background of such a good development momentum of domestic beauty makeup, Florasis appeared and was favored by mass consumers due to its exquisite packaging and generally acceptable price. In this paper, the author analyzes the current status of Florasis, as well as the advantages and disadvantages of its current products and marketing strategies, so as to help Florasis in enhancing its brand awareness, establishing a good brand image, and gaining a foothold in China's beauty market.

2. Brand Background of Florasis

After the United States, China is the world's second-largest consumer of cosmetics. However, 80% of the cosmetics market is foreign-owned, with domestic companies accounting for only 20% [2]. In this context, Florasis appeared. It is a makeup company born in Hangzhou in 2017. "Florasis", which is combined by "Flora" and "Sis", means "Flower God". Florasis hopes that Chinese women will be as

beautiful as Xizi, who is one of the four ancient beauties, no matter whether they wear heavy makeup or light makeup. Florasis takes the promotion of the oriental culture as its mission, and inherits many exquisite techniques such as micro-carving and relief carving [3]. Benefiting from the advantages of China's economic development and the rapid development of social platforms, the development momentum of China's beauty industry is getting better and better. Florasis also stands out from other competitors with the help of the brand story and the use of Chinese elements in the product style and exquisite carvings and patterns [4].

3. Brand Positioning of Florasis

3.1. Market Positioning

Florasis is positioned as a mid-to-low-end make-up brand, aiming at the vacuum price band of 100-200 yuan for domestic cosmetics, forming a differentiated competition in pricing. It is different from national-brand makeup with an average price of less than 100 yuan or European and American big-name makeup with an average price of more than 250 yuan.

3.2. User Positioning

As shown in Figure 1, the target users of Florasis are mainly oriental women aged 19-34 who frequently use Taobao, little red book, Jingdong, Weibo, and other apps in Guangdong, Beijing, Shanghai, Zhejiang, and other regions. Such customers have certain purchasing power, frequently use social networks, and have a certain sense of identity and pride in their own traditional culture.

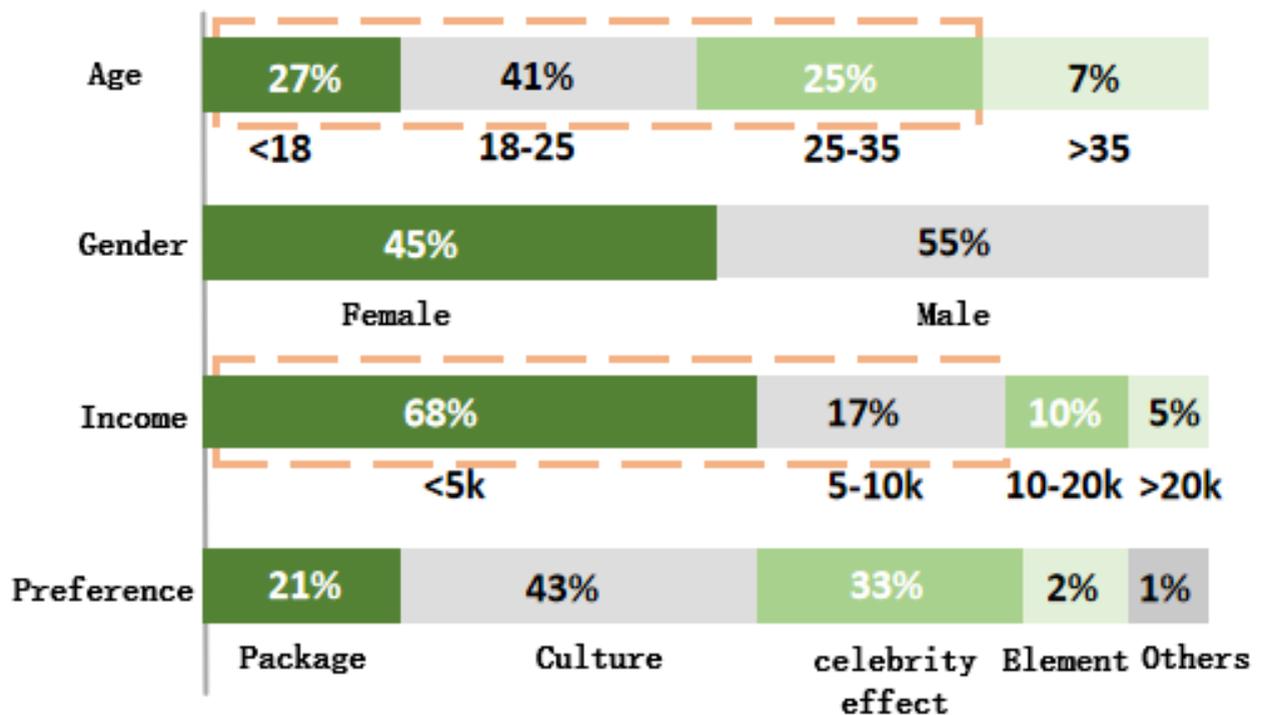


Figure 1: Main characteristics of Florasis's target users.

4. SWOT Analysis of Florasis

4.1. Strengths

First, Florasis is good at using network marketing. Brian Garda Muchardie and other researchers pointed out the importance of social media promotion. They also claimed that at least 95% of users are using social media [5]. Florasis is very good at attracting Generation Z with popular stars and top streamers. Through the endorsement of celebrities and live streamers favored by Generation Z, Florasis enters the market with Internet terms familiar to young people, capturing the consumer psychology of Generation Z consumers and stimulating consumption. Through online marketing such as live broadcasts and Key Opinion Leader (KOL), Florasis attracts fans of different ages, improves fan recognition, and increases online turnover.

Second, Florasis has unique brand positioning. With the development of the economy, the overall national strength has improved. People's sense of identity with their own culture will be greatly improved, and they also hope that more and more products can convey "Chinese beauty". Florasis has been able to position the brand in the Chinese style since its establishment. Besides, it promotes the oriental culture and Chinese culture as its own responsibility, so as to stand out in the fierce competition in the beauty market.

Third, the brand ingredients of Florasis are safe. The highlight of the Florasis brand lies in the ingredients and craftsmanship of the products. All products are based on flower and herbal essences, and the formulas are derived from ancient cosmetics. According to the skin characteristics and makeup needs of oriental women, flower essences and Chinese herbal medicine extracts are used as the core ingredients. Moreover, modern make-up research and development (R&D) and manufacturing processes are applied to create healthy and skin-nourishing make-up products suitable for oriental women. Florasis has well established the brand concept of "beauty with flowers" and deeply planted the image of healthy, safe, and natural products in the minds of the public. According to official information, Florasis copied skincare regimens of Tang Palace, for instance, the eyebrow pencil of Florasis is made of honeysuckle and fleece-flower root essence; the carved lipstick of Florasis is made of fine petals as raw materials based on the ancient recipe of lip-nourishing; the loose powder of Florasis is made of silk powder, peach blossom, camellia, and pearl powder; the air cushion of Florasis is made of "Yu Rong San", the secret recipe of Empress Dowager Cixi, as well as white water lily, peony, camellia essence, etc. Florasis is stringent in quality control. In terms of heavy metal standards, many international brands require less than 30 ppm for nickel, while Florasis requires less than 10 ppm. The good quality of the products can gain the trust of consumers and increase the growth of sales.

Fourth, the packaging design of Florasis is delicate, making its product promotion particularly effective. Modern consumers are willing to pay for the appearance. Florasis's product packaging design integrates the brand image with consumers' lifestyles [6]. The design involves Chinese elements such as auspicious clouds and ethnic elements are also incorporated in limited products. Exquisite product packaging and attractive lipstick relief make Florasis the first choice of many consumers.

4.2. Weaknesses

Florasis relies too much on the foundry for product production, and at the same time, it has been questioned by the market because of the problem of the foundry. The quality of its products is similar to other products in the market, making Florasis unable to create differentiation or meet the diverse needs of customers. Florasis relies on online channels, which makes it more like an online celebrity

makeup brand in terms of sales methods and positioning. It has high popularity online and low popularity offline. There are few offline sales channels and no special counters for systematic sales.

Moreover, Florasis, as a newly launched domestic brand, has some deficiencies in management and operation compared with mature international cosmetics brands, and there are not many loyal users. With the same budget price, consumers are more willing to choose international cosmetics first.

4.3. Opportunities

First, the popularity of Chinese domestic cosmetics has increased in the international market. The recognition of Chinese brands in overseas markets is also getting higher and higher. According to Tmall Overseas data, during the Double 11 last year, the turnover of domestic beauty products increased by more than 10 times, ranking first among all export categories. Domestic beauty products have demonstrated a strong ability to attract investment. Among them, four cutting-edge domestic beauty brands, Florasis, Perfect Diary, Little Odin, and Mao Geping, have become the most eye-catching "dark horses". Florasis has even topped the list of domestic products exported to overseas markets and became the biggest winner of Double 11. Chinese domestic cosmetics have also gained a place in overseas markets.

Second, there are fewer beauty brands with the same style as Florasis. Compared with Perfect Diary, Florasis has its own unique appearance. Combined with traditional culture, it can attract a new generation of young people to realize their sense of cultural identity and cultural pride. At present, there is a large demand for beauty makeup, and the attractiveness of domestic beauty makeup is much higher than that of cheap beauty makeup products. Generation Z is also more willing to choose the "oriental classical beauty".

4.4. Threats

Florasis lacks core product technology and is highly substitutable. It mainly relies on foundries and cannot produce directly by itself. It has not formed its own supply chain advantages. As more and more beauty brands enter the beauty market, more and more companies want to expand their market share. Although Florasis has always been in the leading position in the country in terms of marketing strategy, more and more beauty brands have also begun to seize the domestic market, and have invited different professional teams to carry out comprehensive marketing.

5. O2O Marketing

5.1. Online Marketing

In 2019, China's cosmetics market reached nearly 60 billion yuan, the highest annual growth rate. Sales through online and offline channels are approaching \$90 billion [7]. So, online channels have become an important sales channel for cosmetics. If online resources are made proper use of, more consumers can be attracted.

5.1.1. User Co-Creation

In the early days of Florasis, it first created brand traffic through the method of "user co-creation", and then developed products and built brands based on customers. Florasis looked for cooperative users in the early stage, and then followed up on their feedback and got close to them to study their consumption preferences and habits. Finally, Florasis updates its product R&D. At the same time, when a product is being developed, Florasis will first achieve a 60%-70% degree of completion. Then, it selects users from WeChat and Weibo platforms and sends them free samples. Users will try new products for free and post feedback for subsequent improvement and R&D.

5.1.2. Celebrity Endorsement

Benefiting from today's "fan economy", Florasis promotes its products by cooperating with celebrities who are in line with the brand's temperament. It opens official accounts on several major online platforms, such as Weibo, little red book, and TikTok, continues to output customized content, and has an influence on users of different platforms. Florasis attaches great importance to celebrity endorsements, which can help it quickly increase its brand awareness. Florasis invites Ju Jingyi, Du Juan, Li Jiaqi, and other celebrities who fit the brand's tonality to endorse. Additionally, Zhou Shen, a traditional Chinese music singer, composed the song "Florasis" with the same name as the brand.

5.1.3. IP Joint Name

By co-branding with different brands, loyal customers of other brands can be attracted and become Florasis's potential users. Florasis focuses on the "oriental culture" and applies excellent traditional culture to establish emotional resonance with consumers.

5.1.3.1. Florasis & Legend of Gaia

They joined hands to appear at China's International Fashion Week. Inspired by the famous Chinese allusion "Luo Shen Fu" and Miao ethnic silver ornaments, they jointly created the "Luo Shen Fu" high-end co-branded clothing, Miao Impression high-end co-branded clothing, and the brand-new makeup product gift box: the "Luo Shen Fu" gift box, showing the world the spiritual connotation of oriental beauty.

5.1.3.2. Florasis & Luzhou Laojiao

Florasis teamed up with Luzhou Laojiao, one of the four oldest famous wine brands in China, to jointly launch the "Florasis & Luzhou Laojiao • Peach Blossom Drunk" limited-edition gift box.

5.1.4. Network KOL

As Rongjuan Chen et al. said: "in the cosmetics industry, celebrities, influencers, and bloggers are gaining popularity on Chinese social media [8]." Therefore, Florasis cooperates with Key Opinion Leaders (KOLs) on multiple platforms, such as little red book, Taobao, TikTok, and Weibo, to plant grass for users with high-quality content, and set up live broadcasts on various platforms. The choice of short videos, a short and concise way of communication, better meets individual needs [9]. Florasis will plan different emphases according to the tonality of the online platform. For example, bilibili focuses on the resonance of multiple fields. It carries high-quality content and spreads brand culture in vertical penetration fields such as Hanfu, two-dimensional, singing and dancing, and imitation makeup. The target consumer groups of online KOL marketing for cosmetics trust the Internet and are more likely to accept the opinions of KOLs [10]. The layout of Florasis's social platform has two aspects: KOLs at the head and KOLs at the waist and tail. The head KOLs are responsible for recommendations in all directions. The main content direction is to create topics, professional evaluations, beauty tutorials, etc., with the purpose of improving brand recognition and credibility. Florasis mainly cooperates with waist KOLs on the platforms such as TikTok and little red book, and Weibo cooperates with tail KOLs. The purpose is to take over the popularity of the head KOLs, spread the long-tail effect, and continuously amplify the brand's voice (Fig. 2).



Figure 2: The KOL positioning distribution map.

5.2. Offline Marketing

5.2.1. User Interaction

Florasis holds offline activities to interact deeply with users, co-create brands and products, and focus more on user experience and brand services. The first is Florasis's 10,000-person experience plan. It has held many offline experience meetings in Hangzhou, Shanghai, Beijing, and other cities, inviting consumers to try new products and selecting the products with 90% satisfaction to continue their production. Florasis also holds offline user gatherings, like sculpture art and lipstick making, to narrow the distance between consumers and brands.

5.2.2. Investment in Offline Billboards

Florasis placed advertisements on large screens in business circles in cities such as Hangzhou, Beijing, and Shanghai. It also placed advertisements on large screens in trendy overseas cities such as Tokyo and New York to enhance its global popularity and make loyal domestic users proud of the brand. Meanwhile, Florasis also launched a large number of ladder media TVC advertisements, entered the community to enhance brand power, and penetrated into consumers' life scenes. Finally, Florasis has also made some attempts in the brand's overseas expansion, such as appearing in the International Fashion Week and integrating Miao elements and Chinese mythology into Chinese clothing.

6. Conclusion

In conclusion, the market positioning of Florasis is relatively clear, which is the key for Florasis to increase its reach and conversion of customers, and it is also the key for brands to reduce communication costs with customers. Florasis has established a relatively systematic KOL system and is building its own brand circle and public opinion position by connecting with customers. The vast majority of Florasis's sales come from various live broadcasts, of which Li Jiaqi's contribution accounts for a high proportion. At the moment when live broadcasts bring goods and traffic media is gradually normalized, customers will choose Florasis because of the differentiated value of the brand.

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