

# *Lancôme Brand Marketing Analysis*

Jialin Han<sup>1,a,\*</sup>

<sup>1</sup>*School of Culture Communication, China University of Labor Relations, Beijing 100000, China  
a. 2090705003@stu.culr.edu.cn*

*\*corresponding author*

**Abstract:** Lancôme is positioned as a high-end skin care brand under L'Oréal Group and giving consumers a unique and exquisite experience. Lancôme's success is inseparable from its successful marketing strategy and the unique advantages of the brand. This paper analyzes Lancôme's few and exquisite product series by using 4p theory, which helps to distinguish the price of consumer groups, Lancôme's successful use of media to promote its brand and the achievements it has made in "Double Eleven" and other promotional activities. It shows Lancôme's high-end brand image and marketing methods, which are well known to consumers. At the same time, Lancôme's marketing strategy has serious product price fluctuations and product composition homogeneity. This paper holds that Lancôme should keep its price stable by constantly updating its products, and keep improving its technology and ingredients to maintain its uniqueness. Through the in-depth analysis of Lancôme marketing strategy, this paper provides a reference for other brand marketing.

**Keywords:** the four Ps theory, Lancôme, marketing, strengths, weaknesses

## 1. Introduction

1978, China's economy continued to grow, and people's income and living standards have risen substantially. People began to shift from subsistence consumption to enjoyment consumption, and more and more people have extra funds to buy products that improve their life quality, rather than just meet the needs of food and clothing. China has opened the door to beauty brands. At present, China has become the world's second largest beauty market. With the continuous improvement of domestic economic level and the awakening of Chinese people's beauty awareness, the growth rate of high-end cosmetics has been ahead of the growth rate of mass cosmetics for years. Since 2017, the growth rate of high-end cosmetics has been more than 20%, which has become a powerful growth force of the beauty cosmetics market [1]. With the emergence of numerous beauty brands, the market competition is quite fierce. There are many high-end cosmetics brands in the market, such as La Mer, Kiehl's and so on. Facing this opportunity and challenge, each brand adjusts marketing strategy according to the characteristics of The Times. As a high-end brand of L'Oréal, Lancôme represents the beauty of women with roses, which wins the love of many consumers and stands out among many brands for many times. By analyzing the marketing strategy of Lancôme brand, people can see that the beauty market is constantly changing with the changes of The Times, reflecting the influence of China's growing economy on the market. Besides, Lancôme, as a successful beauty brand, has relatively perfect marketing means, which has certain research value. The existing research results provide the foundation for this paper, and it can be found that the research on Lancôme involves a wide range of aspects, which has played a good demonstration role for this paper. Some researchers

believes that the marketing environment of Lancôme entering the Chinese market has more advantages than disadvantages on the whole, which provides opportunities for Lancôme marketing [2]. Other researcher briefly analyzes the advantages and disadvantages of Lancôme, specifically expounds the marketing strategy adopted by Lancôme in China, and puts forward the problem of the homogeneity of L'Oréal's products, but does not make specific analysis and suggestions [3]. Some authors also take brand culture as a starting point, and compare traditional Chinese brand herbal medicine with Western brand Lancôme to explain the influence of brand culture on product positioning [4]. In addition, there are also some studies on Lancôme's application of media and vertical listing of the marketing strategies of each platform [1]. However, at the same time, there are some shortcomings. Some studies are more general without listing facts and making suggestions on the problems, and some studies focus on one key point without making a complete summary. In addition, many papers start with L'Oréal Group and analyze the major brands. This paper will use the 4p theory to study Lancôme brand in detail, from the aspects of products, sales locations, promotion methods and prices, and put forward its own opinions on the future development of Lancôme.

This article adopts literature research method and case analysis method. Through literature search, it can be found that there are not many researches on Lancôme marketing in recent years, but they also provide the research basis for this paper. By analyzing previous studies, there are two articles from the perspective of the Chinese market, which respectively study the marketing environment of Lancôme entering the Chinese market and the brand marketing strategy of Lancôme cosmetics in China. This paper expounds the influence of China's policies, social factors and cultural environment on Lancôme marketing.

## 2. History and Development of Lancôme

Lancôme was born in France in 1935 and belongs to the L'Oréal cosmetics group. As one of the many brands under L'Oréal, Lancôme is positioned as a high-end category, mainly for highly educated and high-income, mature women aged 25-40. Lancôme is a brand full of romantic color. Its brand name comes from the Great Wall in central France. The castle is surrounded by wild roses, so the rose is the logo of the brand. Lancôme is involved in a wide range of products, including skin care, makeup, perfume and other product lines. The original Lancôme trademark has symbols representing the three lines. With rose logo perfume series, lotus on behalf of skin care series, angel on behalf of makeup. When Lancôme was founded, there were only five perfumes, two cologne and powder, lipstick and other products, and then the company launched the Precious, Poetic Love, Miracle perfume, gravity perfume, and made brilliant achievements, to meet the requirements of different preferences of consumers, making Lancôme a classic perfume world. In addition, Lancôme brings consumers a different experience with its unique technology.

L'Oréal Group began to enter the mainland market in a large scale in 1996, while Lancôme, as a pioneer brand, entered the Chinese mainland in 1993 and opened a counter in Tianjin in 1994. Since then, Lancôme has become one of the first luxury cosmetics brands recognized by mainland Chinese women, as mainland women have access to high-end creams and lipsticks. In 2007, Lancôme became the first high-end cosmetics brand to open an official website in China. In 2015, Lancôme became the first high-end cosmetics brand to open a flagship store on Tmall. In 2018, L'Oréal Group sales increased 3.5% year-on-year to 26.9 billion euros, with Lancôme brand sales exceeding 3 billion euros. Since entering the Chinese mainland market more than 20 years ago, Lancôme's business has grown more than 400 times. Lancôme ranks first in the four major channels of department stores, specialty stores, Tmall beauty and the official website, becoming the first brand in China's high-end cosmetics market. In those years its performance has grown nearly 400 times. In 2018, Lancôme won the first place in China's department stores, specialty stores, Tmall beauty and official website,

becoming the No. 1 brand in China's high-end skin care market. When most women buy beauty products, Lancôme is in the first choice list, her name has been deeply memorable.

### 3. Analysis of Lancôme's Marketing Strategy

#### 3.1. Product Strategy

Lancôme's products are few and sophisticated, and it focuses on being a high-end brand. Lancôme pioneered the use of high-tech care delivery systems such as microcapsules and nanocapsules in skin care brands. The high-tech attributes of its skin care products have strengthened Lancôme's leading position in the industry [5]. The representative of Lancôme High-tech, the strategic product "Little Black Bottle", focuses on the concept of "microbial yeast nutritional essence", which is mutually empowering and synergistic with Lancôme brand. After years of hard work by Lancôme, the "Little Black Bottle" has contributed considerable sales, and maintained the brand power of Lancôme. Lancôme's innovation in "high-tech" products fits in with consumers who are keen to explore fresh products these days [6]. The product can attract a large number of consumers to buy at the initial launch. In the following process, because of the excellent effect of the product, batches of consumers will recommend the product to the people around, so that Lancôme formed an excellent reputation. It can be seen from this that a successful product positioning is very important for the initial stage of the product and will also affect the future sales results.

Lancôme abides by the simple and noble style in product packaging and image design. The black bottle uses black as the bottle color, which shows the brand's bold use of black color, giving consumers a sense of distance and super-calm rationality. A good appearance undoubtedly brings vitality and vigor to products. According to research, vision plays a leading role in sensory and psychological stress and is the most important factor affecting consumer behavior. Once the brand visual image meets the psychological needs of consumers, it will have a psychological preference for the brand [7]. Lancôme's packaging design is completely separated from other competitive brands and is unique. The design concept is directly in line with Lancôme's customer group and the image of mature women with high education and high consumption, which is recognized by consumers.

Lancôme products have a small capacity. It seems that consumers don't care about the "stingy" of merchants, but feel that this microbial essence is precious and cherished. Lancôme used similar means of hunger marketing to control the psychology of consumers, which earned profits for a long time, and stabilized the image of high-end brands. In order to get high-value and high-quality skin care products, consumers will be willing to invest money in cosmetics [8]. Lancôme has achieved a double harvest of profit and popularity.

Lancôme's products are few and comprehensive, including Genifique Black Bottle Series, Visionnaire Skin Repair Series, Absolue Pure Black Gold Series and Men's Skin Care Series. Each series has its own unique efficacy, such as lightening spots, resisting aging and replenishing water, which meets the needs of various consumer groups. Designing a series of vertically differentiated products and extending the product line is one of the business strategies often adopted by enterprises, and vertical product line extension is widely used in fashion industry. In order to maintain the competitiveness of the brand, Lancôme has continuously extended vertically and horizontally, expanded the customer groups touched by its products and opened the door to the market. In addition, the extension of Lancôme seems to be not limited to the brand. L'Oréal Black Essence, a cheap substitute for Lancôme small black bottle, appeared in other brands of L'Oréal Group. The brand of L'Oréal Group has a serious problem of homogenization of ingredients, which has shaken Lancôme's position in the hearts of consumers.

Since as early as World War II, the brand has attached great importance to the training of beauty consultants, hoping that they would spread the Lancôme beauty techniques to all customers, and give

them a high-end experience. This tradition continues today. In addition, Lancôme also launched SPA experience, one to one counter beauty services. At present, offline experience stores are free to try makeup. Regardless of online purchase, beauty consultants will provide meticulous services to help customers choose suitable products. All these are for the purpose of bringing the highest end experience to customers.

### 3.2. Price Strategy

In terms of price, Lancôme adopts skimming pricing method and prestige pricing method. For example, Lancôme's star product "Big Powder Water" positioned its price at a high level when the product just entered the market (even though the price would limit the purchase of some people), and made use of its patented technology and unique ingredients to recoup its investment as soon as possible and achieve considerable profits before competitors developed similar products. But with the passage of time, the influx of competitors, the appearance of imitations and substitutes, forcing the price of products to drop sharply. Today, the price of Lancôme's Qingying Toner is only half of what it was when it was just launched. Platforms such as Douyin use it as a promotional product, which has damaged the reputation of Lancôme to some extent.

### 3.3. Place Strategy

Lancôme has a wide range of sales channels, including high-end and exquisite offline stores and official Lancôme stores on all major platforms. In recent years, with the continuous development of social media, more and more users choose to buy online, and major brands have successively created their own accounts on various platforms. Lancôme is also a good grasp of this development opportunity, using the platform to successfully promote their own brand. On the platform, Lancôme has adopted various marketing strategies to attract consumers, such as celebrity endorsement, launching exclusive Lancôme topics to invite fans to participate in punching the card, and establishing Lancôme Rose community to solve consumers' problems, etc., all of which have achieved good results.

The operation of Lancôme's official Weibo account is very successful. Take this as an example to analyze the marketing strategy. The account was opened on May 16, 2010. Up to now, it has published 11021 microblogs, with 2.32 million followers, 49,096 million video reposts and comments, and many stars and beauty bloggers have participated in the interaction of Lancôme. Lancôme's micro blog mainly promotes its main products and newly launched products in the form of short videos and pictures. At the same time, through the interactive form of awards, to enhance the fans' sense of participation, increase the intensity of publicity [1]. The publicity of stars and bloggers will drive fans from all over the world to buy, which has played a dramatic publicity role. The consumption culture of fans is different from the consumption culture of the masses. It is an unnecessary, emotional and spiritual consumption behavior, and it is consumed because of subjective hobbies [9]. This marketing strategy has expanded Lancôme's customer base and stimulated the vitality of consumers.

### 3.4. Promotion Strategy

Lancôme uses a variety of promotions to attract consumers. Consumers can find Lancôme's presence on various platforms, and there are different promotion models on these platforms. For example: different giveaways, different points, different prices, etc. Lancôme will encourage consumers to make purchases on certain platforms, and consumers will also choose their preferred promotion model through comparison. The most common model of the platform is the "buy and get" promotion model, which adds free gifts on the basis of the same price to attract consumers to buy. Lancôme Tmall official shop, often take buy formal wear free formal wear, buy formal wear free samples and

other promotional means. Lancôme will release several gift boxes at certain offline times for product discounts, because the price is right, attracting many consumers to buy. After purchasing the products, customers can enjoy the points service, which can be redeemed for Lancôme products and additional facial treatment and other services. During the promotion period, there is also the benefit of multiple points, points exchange formal clothes, free skin tests. The whole promotion captures consumers' shopping psychology of good quality and low price and attracts a large number of consumers to buy.

In addition, Lancôme seized the opportunity of holiday promotion. In recent years, Lancôme has made dazzling achievements in Tmall's "Double Eleven" festival activities. In 2018, it won the first place in the beauty brand, ranked third in the "Double Eleven" beauty brand media influence value ranking edition in 2020, and ranked third in the "Double Eleven" personal care category sales list in 2021, all of which are in the forefront [10].

## 4. Suggestions

### 4.1. Maintain Brand Identity

Lancôme brand should maintain its own uniqueness and share less ingredients and techniques with other brands under L'Oréal, so as to consolidate its position among beauty brands. L'Oréal has a large number of products and serious homogeneity of ingredients. For example, the small black bottle of Lancôme and L'Oréal's enzyme muscle base liquid small black bottle, 75% of the same composition, the same focus is the yeast filtrate extract as the active ingredient, and L'Oréal's double extract rejuvenation anti-wrinkle essence contains 6% concentration of bosein, and Helena black bandage white bandage sky-high face cream ingredients similar, only higher Helena content. Under this phenomenon, there is also a craze on the Internet to find low-cost substitutes for all kinds of skin care products and makeup products of L'Oréal. Although affordable alternatives will never have the same efficacy as high-end products, some consumers will choose lower-priced products when the results are similar. It is not good for the sales of Lancôme, which damages the brand image of Lancôme and makes part of Lancôme products submerged in many products. In order to solve this problem, Lancôme should minimize the occurrence of homogeneity and differentiate its ingredients and technology from other brands. In the face of fierce market competition, constantly carry out product innovation, horizontal and vertical extension of the product line. In order to better satisfy consumers' curiosity about products and increase the credibility of innovation, consumers can have close contact with the production line, which is a strategy adopted by many brands. Let consumers see high-tech factories, enhance brand image, stand out from many brands.

### 4.2. Maintain Product Prices Through Innovation

Lancôme should control the price fluctuation of the product, the price decline should not be too much. As a high-end beauty brand, Lancôme's new products are initially priced at a high price. For example, the price of Lancôme "Big Powder Water" mentioned above has been severely reduced over time. The price of such products as discounts on official websites and goods on platforms such as Douyin is almost half and half. The steep price drop caused consumers to doubt the value of the product, shook its premium brand status and made consumers unable to accept the high prices of other Lancôme products, which was extremely detrimental to the sales of the product. Skin care products and cosmetics, as products that highlight the social status of some women, Lancôme does not focus on luxury products like Chanel and other luxury brands. Lancôme should be clearer about its value proposition and maintain its price by constantly innovating its products. When competitors come up with products that can compete with Lancôme's products, Lancôme can upgrade its products. Emphasize the advantages of the new generation over the previous generation to maintain prices.

Many beauty brands in China have been very successful in maintaining or even raising their prices through such marketing methods.

## 5. Conclusion

Under the influence of global super consumption and encouraging consumption, as well as the influx of various Western ideas, the consumption concept of Chinese people has changed greatly. Chinese people's pursuit of modern and fashionable life is more and more urgent, the pursuit of high quality, the pursuit of new concepts of new products, the pursuit of a new life. Lancôme expanded its sales scope to enter the second - and third-tier cities in China during this period, which shows that its marketing strategy is correct. Lancôme in all aspects of the marketing strategy are relatively perfect, for the brand marketing provides a reference. This paper makes a comprehensive analysis of Lancôme's marketing strategy through the 4p theory. For products, Lancôme has always been based on the concept of small quantity but delicate, which echoes the positioning of high-end skin care brand. However, some Lancôme products have similar ingredients with other brands of L'Oréal. Lancôme should constantly innovate to maintain its uniqueness and stabilize its brand image. In terms of price, Lancôme adopted the skimming pricing method, which used the uniqueness of the technology to raise the price and cut the price too severely when the product technology was not competitive. In terms of place, Lancôme actively displays its brand to the outside world on various platforms, and uses the power of celebrities and Internet celebrities to play a good publicity role in the era of media prevalence. In terms of promotion, Lancôme seized every promotion opportunity, such as buy free promotion and price reduction promotion, which brought great sales volume for Lancôme. Many beauty brands have similar problems. There is an imbalance between the establishment of brand image, products and product prices. This paper can provide reference for brands with the same problems. It is a pity that data analysis is not used in this paper, and more specific data can be introduced for comparison in the following research. As a brand under L'Oréal Group, the marketing strategy of Lancôme is also related to other brands. The marketing strategy of Lancôme can be analyzed from the perspective of L'Oréal Group and multiple brands.

## References

- [1] Li, W.J.: *Research on owned media strategy of beauty brands: Take Lancôme as an example*. Beijing Institute of Fashion Technology, (2021).
- [2] Yin, S.Q.: *Lancôme (cosmetics) into China marketing environment analysis report*. Modern Marketing (Next issue) (7), 82 (2017).
- [3] Liu, M. *Research on brand marketing strategy of Lancôme cosmetics in China*. Chinese business theory 875(4), 89-91(2023).
- [4] Chen, W.J.: *Lancôme VS Inoherb brand culture deep competition under the possible outcome*. Chinese Cosmetics 409(8), 82-86 (2019).
- [5] Sohu. *With a 400-fold growth in 22 years, how can Lancôme top China's high-end skin care market?* [https://m.sohu.com/coo/sg/395149094\\_120146158](https://m.sohu.com/coo/sg/395149094_120146158), last accessed 2023/04/21.
- [6] Gao, F.: *Enterprise product positioning and implementation strategy*. Enterprise Reform and Management 197(12), 69-70(2011).
- [7] Ma, L.Z.: *Research on visual marketing strategy of M cosmetic brand*. Zhejiang University of Technology, (2019).
- [8] *Which marketing strategy is driving you too far?* Attend School 772(10), 80(2022).
- [9] Li, J.W.: *Research on the audience's cognition of the marketing communication strategy of middle and high-end beauty brands from the perspective of fan culture*. Ji'nan University, (2019).
- [10] Liu, Q.: *Research on marketing communication of beauty cosmetics brand in Double Eleven e-commerce platform*. Hunan University, (2021).