

Marketing of Perfect Diary in China Research

Yian Chen^{1, *}

¹New Oriental Academy Jin Hua, Jinhua, China

*Corresponding author: yc96049@student.sccollege.edu

Abstract. As technology develops rapidly nowadays, people's living standard has risen and this makes the cosmetics market in China starts growing. Perfect diary as a new famous cosmetics brand, which people could see on social media every day is becoming an object of reference for other brands, this is because of their strong promotions and effective advertisements. While Perfect diary is growing, it still has some limitations in different areas like labor, capital, enterprise, and so on. They have potential improvements that could have been down to better achieve their business targets. This research will identify the problems of marketing including advertisements, quality of products and also the solutions for each of them respectively.

Keywords: Brand image; Cosmetics; Marketing; Social media; Customers.

1. Introduction

China's cosmetics market has steadily grown in size and maintained a positive development trajectory since 2010. After the United States, China is now the second-largest consumer of cosmetics worldwide. China has developed a competitive structure in the supply of cosmetics that sees local capital catching up to international capital in the high-end market, severe domestic competition in the mass market, and foreign capital dominating the high-end market. International brands have a significant competitive edge.

International brands make up the top three firms in China's cosmetics market share. Small and medium-sized businesses dominate the domestic cosmetics industry and dominate the middle- and low-end marketplaces in third- and fourth-tier supermarkets. These domestic cosmetic companies have a very difficult time competing in the extremely cutthroat market. Perfect diary, which has been established for nearly 5 years, is a domestic cosmetics brand, it is very difficult and challenging to overtake in a short time and establish a good reputation. The purpose of analyzing the brand marketing strategy of the perfect diary is to find its development experience. As the cosmetics market in Europe and America has long been mature, China has been occupied by international cosmetics brands before it pays attention to the cosmetics market [1]. Analyzing the brand marketing strategy of the perfect diary can not only let other domestic brand merchants refer to and reflect on their own shortcomings, but also lead our local makeup brands to imitate and follow, enter people's vision, and let more people know about Chinese beauty brands [2].

Perfect Diary is a fashion cosmetics brand founded in 2017, It is so successful that they merely took three years to become the most popular domestic beauty brand in China. Therefore has always been the industry leader in the cosmetics industry, it's a vibrant company that is growing quickly. To date, they have over 40 million clients globally and more than 300 physical outlets. They are dedicated to creating a variety of high-quality, innovative, and fantastic items that are simple to use with the goal of allowing everyone to express and seek her own beauty. The company emphasizes sustainable growth and promotes peaceful co-existence of people and nature. In March 2021, they created a new Red Crowned Crane Eye Shadow Palette that was inspired by the critically endangered red crowned crane. A public welfare initiative was started at the same time to raise money for the Red Crowned Crane preservation effort. Make sure that packaging paper doesn't come from illicit logging or endangered species by obtaining FDC environmental certification.

When it comes to saving endangered animals, they have no compromises. With the Unlimited Beauty brand, they value and respect each person's individuality while embracing the variety of beauty found throughout the world. they are dedicated to valuing, advancing, and safeguarding nature because of this. Perfect diary's current commitments immediately advance their original vow to

increase the genuine beauty of the planet and they are close to achieving their objectives for sustainable development. They collaborated with a Chinese internet influencer starting in February 2020 and gave 1 Yuan to the Beijing Animal Protection Foundation to buy Explorer dog's color palette [3]. Previous literature has not systematically analyzed the organizational management of perfect diary in China; Perfect diary as a small domestic brand and its listing time is too short. Using the theory of organizational behavior and behaviour economics, this paper analyzes and prospects the development of McDonald's in the Chinese market.

2. Management model

The founder's expectation of the perfect diary is to create an online version L'Oreal and Estee Lauder, create an internationally influential Chinese beauty icon. The rapid popularity of perfect diary is inseparable from the creation of content marketing mode. The marketing of perfect diary includes almost all popular marketing channels. It mainly makes use of the major new media platforms to do the whole network content marketing, such as the promotion of plain people, KOL promotion and star's promotion.

2.1 Social media promotion

Perfect diary selected XiaoHongShu, a popular social media app that most of the young people in China would use for entertainment, education and some other purposes. As the primary arena for brand marketing. There have been approximately 500 official self-produced notes since Perfect Diary entered xiaohongshu, which are insane to draw admirers. One of the reasons why users adore it is the roughly 2 million yuan-worth decorating of the home page, which has a high aesthetic value. The majority of them are based on real-world user experiences, consumer conscious recommendations, and the utilization of real-world scenarios, all of which significantly boost user confidence in the brand and create resonance.

2.2 Star effect, expanding popularity

The success of the perfect diary marketing strategy lies in that it invited a lot of famous stars after setting up all the basic data and already obtaining certain trust from users. The stars recommend its products to users and generates a buzz. This way is undoubtedly to make the perfect diary famous. Many consumers will choose this domestic beauty product just because of this.

2.3 Short video platform

The perfect diary with unique vision has decisively selected Tiktok and BiliBili as the main short video platforms for its promotional products. In terms of marketing, perfect diary selects Li Jiaqi as the spokesperson to recommend products, while Li Jiaqi has repeatedly recommended products such as the slogan of perfect diary in Tiktok. Most of BiliBili's beauty tutorial videos mainly recommend cabbage products. Many college students and newly graduated interns come to recommend affordable products. Perfect diary has made perfect use of its price advantage and has a stable position in BiliBili.

2.4 Micro-blog

Perfect diary has invited many KOLs to drive topics on Weibo. Through articles and videos, the cost-effectiveness and effect of promoting products have soared, and the closed reading volume of the whole network has soared. In addition to the above social media platforms, perfect diary has also invested a certain amount of energy in official account, Kwai and other platforms. In the end, perfect diary will open up all channel new media marketing. Through the use of cutting-edge marketing initiatives, such as exclusive WeChat groups and smart KOL campaigns on RED, Perfect Diary has established itself as a dynamic D2C brand that clients see as standing out from the fierce competition. Although it may not be perfect, this forward-thinking business is creating a community for beauty. The ambitious team, which is mainly made up of millennials born after 1990, has stated that they aim

to become the L'Oreal of the post-Internet era. It remains to be seen if it can live up to its own promises. However, Perfect Diary has undeniably become a disruptive force in the cosmetics business on its own.

3. Problems

3.1 Product positioning affects brand image

The price of the product are mostly cheap compare to other similar products. This is because Perfect diary identify themselves in the market as the substitutes for those luxury brand products. This affects their brand image and less customers would be willing to purchase their products. With the development and promotion from stars, the price of perfect diary's products starts getting higher. The expectations from consumer for the products will also become higher, once the quality of the products can not reach the expect level from consumers, then they will be not willing to buy the products.

Perfect diary has various kinds of products include foundation, but their face base products are reknown for "bad quality" including foundation, cushion and so on. These products are essential for people who do make up everyday, so it's quality have be good and with a comfortable sense of use. Perfect diary's these products are getting critiques and negative feedbacks everyday like dark, not smooth which really gives negative impact on brand image.

3.2 Insufficient R & D capital investment

There is a R & D boundary, perfect diary put too much resources into marketing instead, they ignored the importance of R & D. Since the establishment of perfect diary, their product advertisements have been spread all over the major we media platforms, which makes their brands famous, but they have no energy and resources to do other things. Although social media is a useful tool for communicating with customers since audience attitudes and behaviors can be influenced through word-of-mouth advertising , from a marketing angle, too many complicated brands and too extensive design industries make people's eyes dazzling and reduce the first impression of consumers. It can be seen that over marketing will only consume consumers' goodwill in a repid speed and have a negative impact on the brand image.

Brand image is really imortant, its use and importance in "technical and casual applications" have demonstrated its influence on consumers' purchasing decisions [4, 5]. It has been established that brand image plays a strategic function in marketing management [6-9]. Designing the product's marketing mix includes brand image management as a separate element. Customers can recognize the needs the product can meet for its users thanks to its good communication [10]. Roth described it as a key to product's success [11].

3.3 The internal management is chaotic

In the eyes of many former employees, this company has challenged many unknowns and pierced a hole that no one has ever walked through - becoming the first manufacturer of tmall's cosmetics category with sales exceeding 100 million; Surpassing international brands such as MAC and Estee Lauder, it has become the first domestic brand to reach the top of tmall's double 11 makeup list. It has been at the forefront of the industry at a young age and is determined to become "L'Oreal of China". Disappointment came quickly. After joining the company, employees find that the internal management is chaotic, many things are imperfect, and the work is difficult to promote. The departure of internal partners represents the mismanagement of the whole company, and there are systemic loopholes. The departure of some important persons or management may cause suspicion among employees or stimulate more employees to leave.

4. Solutions

Perfect diary need to sort out self positioning. Before promoting a new product, perfect diary need to have a very clear business plan and make sure their products' quality. Founders also need to be clearly positioned, what to do, how to do and whom to do for. Which type of entrepreneur he is and what leadership style will fit the company. Enterprise culture can be accessed through business philosophy. Businesses should have their own business philosophies since only with them can they have objectives for taking action. Mark and guidance. The business philosophy is present in the humanities as well as in manufacturing and management.

The extension of the business philosophy, which is the direction and force behind the enterprise's targeted development, is then reflected in the purpose and vision of the company. In order to provide the new generation of Chinese young women with fast fashion makeup products and beauty solutions, Perfect Diary developed a series of "easy to use, high-quality, and fine design" fashion makeup products. This allowed Perfect Diary to establish itself as a globally recognized China beauty icon. It is concise, but it nevertheless articulates its unique positioning, corporate philosophies, and vision.

By improving the quality, the skin feeling of the products is a significant object to consider. In addition, perfect diary also need to subdivide the products and developed corresponding products according to different skin conditions to make the products more professional and targeted. Perfect diary need to gradually develop products with safer and more natural ingredients and direction. The product can be said to be the life of a brand. If the product is not a up to quality product, the reputation of the brand and the loyalty from the customers will be affected, which will have a great impact on the development of the brand. Therefore, the quality of products must be improved to the greatest extent. This could potentially improve their brand image, and also to increase their sales, a better quality could increase the prices, this makes sure that perfect diary will have higher revenue and potential profits.

Retaining current clients is more important than spending a lot of money on advertising and marketing campaigns to draw in new ones. It is both feasible and affordable for modern marketing to focus on the consumer, pay attention to how customers feel about products and after-sales services, and take into account their interests and values. The ideal diary can be effectively sold on the premise of keeping current clients. Consumers are not just disgusted and resistant to excessive marketing, but it also shows that businesses lack core competitiveness. For businesses to achieve long-term active core competence in the competitive market, perfect diary suitably decreases capital investment and marketing promotion while investing more energy in strengthening core competitiveness of companies. Perfect Diary could have a better format to address this. The organizational structure of the company needs to be made clearer, and the manager and leader should have a clear understanding of how to manage the workforce.

The ideal action for perfect diary should put in place a structure that unites workers. No matter what, the devotion and hard work of every employee are essential to a company's success. Employee contributions to the business may only be made without resentment or complaint if both their monetary and spiritual needs are met. To better manage the employees, it is really important to identify the leadership style and try to find a suitable one. There are two leadership styles that could be applied to a company, Transformational leadership styles and Transactional leadership styles. Transformational leaders support and inspire their followers to approach issues from new angles. creates emotion and identification while communicating a vision. A vision for their organizations can be defined and communicated by transformational leaders, and their leadership style has the power to "transform" organizational and individual factors through resolving conflict and enhancing motivation on both the individual and organizational levels [12]. Employee performance and satisfaction were actively influenced by transformational leadership on both personal and organizational levels. Group potency was correlated with higher degrees of transformational leadership. This could encourage the employees to feel more sense of belonging. Transactional Leadership Styles: In a transactional leadership style, the leader and followers participate in "trades" where the followers receive rewards for attaining certain goals or maintaining performance criteria.

After it has been confirmed by the transactional leader, an appropriate response that encourages subordinates to work harder will be traded for the performance and reward relationship. It is a leadership style of management that encourages communication between managers and staff. A transactional leadership style is one in which management and employees trade rewards and goals. Bass and Avolio's definitions Transactional leaders compel subordinates to follow rules by enforcing them and using conditional rewards, corrective actions, and sanctions. The foundation of transactional leadership is contingent reinforcement, either the more harmful active or passive reinforcement or the more favorable contingent reward [13].

5. Conclusion

A successful company must have a good reputation and also high-quality products. Perfect diary is a famous brand in China now, but the business target for every business will be expanded after survival in the market internal and external, nowadays we can not ignore the importance of social media as this makes the company become more popular and could increase the customers base, but the products itself is also important as it is included in "4P", this means that perfect diary should look into their company and find the way to improve themselves. In the research, there are three potential problems identified, and given the solutions, it is really clear that these problems are really easy to see in every business. Perfect diary is becoming big and international, with the development and improvements they made, they will expand and have a larger scale.

References

- [1] Fan. J. Trade Analysis of China's cosmetics market -- Taking European and American cosmetics as an example *Mall modernization*, 2018 (15): 105-107
- [2] Yuefei H. Perfect Diary: Internet business model innovation//2021 2nd International Conference on E-Commerce and Internet Technology (ECIT). IEEE, 2021: 454-457.
- [3] Li S, Zhang Y. Analysis on Brand Marketing Strategy of Perfect Diary. 2019
- [4] Fishbein M. Attitude and the prediction of behavior. *Readings in attitude theory and measurement*, 1967.
- [5] Johnson M D, Puto C P. A review of consumer judgment and choice. 1987.
- [6] Srivastava R K, Shocker A D. Brand equity: a perspective on its meaning and measurement. 1991.
- [7] Keller K L. Conceptualizing, measuring, and managing customer-based brand equity. *Journal of marketing*, 1993, 57(1): 1-22.
- [8] Park C S, Srinivasan V. A survey-based method for measuring and understanding brand equity and its extendibility. *Journal of marketing research*, 1994, 31(2): 271-288.
- [9] Aaker D A. Measuring brand equity across products and markets. *California management review*, 1996, 38(3).
- [10] DiMingo E. The fine art of positioning. *The journal of business strategy*, 1988, 9(2): 34.
- [11] Roth M S. Effects of global market conditions on brand image customization and brand performance. *Journal of Advertising*, 1995, 24(4): 55-75.
- [12] Nanjundeswaraswamy T S, Swamy D R. Leadership styles. *Advances in management*, 2014, 7(2): 57.
- [13] Dulewicz V, Higgs M. Assessing leadership styles and organisational context[J]. *Journal of managerial psychology*, 2005.