

# Experiential Marketing of L'Oréal in China: A Case Study Based on Consumer Behavior of Chinese Female University Students

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## ABSTRACT

Contemporarily, cosmetic consumption of Chinese female college students is becoming larger and larger. Experiential marketing is used extensively to attract young people. As a French company, L'Oréal (L'Oreal) is successful in the Chinese market and in implementing experiential marketing. This article is conducted by questionnaire method, literature research method, and case study method. First of all, behavior pattern, consumption capacity and loyalty, as well as information and purchase channel concerning cosmetic purchasing for Chinese female college students are demonstrated based on the survey. Meanwhile, the female university students' brand recognition of L'Oréal and psychology are analysed as well. With regard to the participation of female college students in China on experiential activities of L'Oréal, the survey finds the majority of students have been affected positively in these activities. Secondly, the paper expounds a case study of L'Oréal. SEMs experiential modules (Sense, Feel, Think, Act and Relate) are used to explore L'Oréal's experiential marketing strategy. According to the five-aspect analysis, some problems on current experiential marketing strategies are raised. Subsequently, an analysis on segmentation, targeting, and positioning suggests correct positioning. Finally, some countermeasures are put forward to improve the market of L'Oréal.

**Keywords:** *Experiential marketing, Beauty and cosmetics, L'Oréal*

## 1. INTRODUCTION

From 2019, China has witnessed a huge increase in makeup consumption as the second largest consumer market in the world. The market scale of national cosmetics industry has risen by 60.56% from 2015 to 2019 with a number of \$33 billion [1]. Among all the consumer groups, female college students in China have achieved rapidly increasing consumption. Specifically, they are reported to be over 17.12 million in 2019, accounting for 51.6% of all college and university students [2]. For the sake of their pursuit of beauty, the demand of cosmetic and skincare products in the group is growing. On the other hand, well educated women are actually willing and able to spend a significant amount of money on beauty products, though they were

classified as non-earners or low-incomers in some former surveys. According to a research [3], the female students in a college in Shandong, China spent 15.1% of their monthly expenditure on cosmetics. Moreover, based on the economic ability, female students in university tend to purchase products in the mass consumer product division, which contributed the most to the sales of L'Oréal in 2019 (L'Oreal) [4]. In brief, female college students in China have ineligible potential to become one of the core customer groups of L'Oréal. In order to gain better access to them, experiential marketing might be an effective method.

Experiential marketing, as a new strategy that allows consumers to experience a brand through in-person or offline events, has become a vital approach to enhance the customer satisfaction and brand strength. According

to a research by Event Marketing Institute [5], it can attract up to 74% more customer participation and positive engagement when marketers offer customer experiences about their offerings. L'Oréal, the French beauty and personal care giant understands its role of forging connections with consumers and build sustainable relationship. It executed a series of ideas (e.g., waterproof tests and social media campaigns) that associate with consumers of all races and genders to catch up with the trend of modern business and provide consumers with the best of cosmetics innovation.

The prior literature laid the foundation of the research focus as follow. To begin with, female college students in China are not main contributors in terms of sales of cosmetic products. Zhou and Wang [3] found that female college students in China mainly attain their income from parents and develop a pattern of consumption concentrated more on entertainment. However, some papers indicate that this group of consumers have a rising consumption power according to the statistics. As indicated in the study of Wang and Li [6], multi-brand strategies and multi-channel promotions are the key factors behind the success of L'Oréal in Chinese market. They proposed that proper tactics should also be conducted by the company to tap such an underdeveloped market.

Though previous studies reveal certain consumption pattern of college students, few of them discuss the consumption behavior of Chinese female university students on the cosmetic products specifically. Taking the research by Zhou and Wang [3] as an example, the samples are gathered barely from restricted area of a school, which is not representative of Chinese female university students. Besides, although experiential marketing has already been studied in the promotion of beverages and food products, there is little attention paid to its usage in the skincare and makeup industry as well as a certain brand.

This paper will mainly apply questionnaire method, literature research and case study of L'Oréal to get results and draw conclusion. The literature research and results from questionnaire would answer the Chinese female college students' perceptions of cosmetic products. The study will then show the effects of experiential marketing based on a case study of L'Oréal. Eventually, recommended strategies will be put forward to help L'Oréal improve Chinese female college student market.

## 2. METHODOLOGY

Three methods are used to conduct the research, questionnaire method, literature review method, and case study method. First of all, literature research about theories of consumer psychology and marketing is used to study consumer behavior and experiential marketing.

Furthermore, such a review is also helpful to compile the questionnaire.

Moreover, the research conducts a survey designed by the authors. The survey aims at only female college students in China, consisted of 25 questions. The purpose of the survey is to evaluate the Chinese female college students' behavior of consuming cosmetic. Simultaneously, the survey also shows Chinese female college students' attitude towards experiential marketing of L'Oréal, which contributes to the analysis of the case study of the corporation.

Finally, the analysis of the case study of L'Oréal demonstrates existing experiential marketing measures, schemes and strategies of L'Oréal. Some suggestions will be proposed to improve L'Oréal's experiential marketing among Chinese female college students.

Synthesizing information achieved by three methods mentioned above, the research can ultimately illustrate Chinese female college students' attitude towards experiential marketing as well as improvement approaches for the market. Whereas, the research still has its limitations for insufficient samples (only 287) and non-first-hand information (only the open channel).

## 3. RESULTS

### 3.1. *The Behavior Pattern of Female college students in China Concerning Purchasing Beauty Products*

287 validated questionnaires were collected from female college students in mainland China, divided into 3 Grade groups, 4 City groups and 5 Income groups. The questions concerned sociodemographic characteristics, information channel, purchase channel, purchase driver and interviewees' behaviors related to beauty products.

**Definition 1.** (Grade groups) The 3 categories are: (a) Freshmen or Sophomore; (b) Junior, Senior or Fifth Year; (c) Post-Graduate.

**Definition 2.** (City groups) The 4 categories are: (a) First-Tier Cities; (b) New First-Tier Cities; (c) Second-Tier Cities; (d) Others.

**Definition 3.** (Income groups) The 5 categories are: (a) [0,1000]; (b) (1000,1500]; (c) (1500,3000]; (d) (3000,4500]; (e) >4500. Unit: RMB/Month.

#### 3.1.1. *Consumption Capacity and Loyalty*

Averagely, interviewees gained disposable income of 1500 to 3000 RMB per month, and intended to pay 100 to 350 RMB for a single order on beauty product and shop once or twice a month. Generally, respondents' spending per order differed significantly across categories of both grade and income. Besides, purchase

frequency differed importantly by income levels. However, there was no significant difference in average purchase frequency or spending per order between different levels of city.

spending per order rose as income levels went up. It is noteworthy that interviewees with high income of more than 4500 RMB per month, taking up 5.57% of all, spent 350 to 600 RMB per order and bought beauty products for once or twice per month averagely.

According to the Pairwise Comparisons of Income Levels shown in Table 1, the average frequency and

**Table 1** Average purchasing frequency and spending on cosmetic by categories of income for Chinese female college students in the samples

Group of Income (RMB/Month)	Portion in All	Purchase Frequency	Spending Per Order (RMB)
[0,1000]	6.62%	Seldom or never	(100,350]
(1000,1500]	33.80%	Seldom or never	(100,350]
(1500,3000]	44.60%	Once or twice per month	(100,350]
(3000,4500]	9.41%	Once or twice per month	(350,600]
>4500	5.57%	Once or twice per month	(350,600]
Total	100%	Once or twice per month	(100,350]

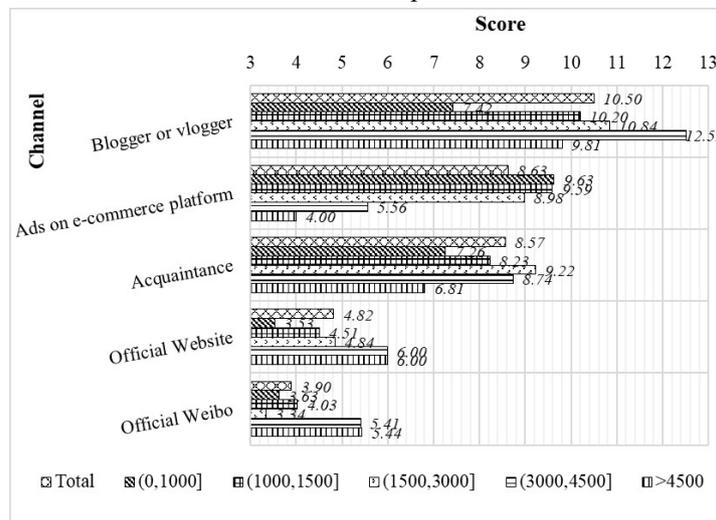
### 3.1.2. Information and Purchase Channel

As shown in Figure 1, the most relied channel for Chinese female college students to get information on beauty products was productions by bloggers or vloggers on social media platforms (scored 10.50/14), which usually demonstrates producers' real experience using certain products. The situation was similar for monthly income levels and grades cases. Moreover, there was no significant difference of preference across income levels.

another two important information channels (scored 8.63/14 and 8.57/14, respectively). However, interviewees with higher income show less preference to e-commerce platform displays.

Additionally, advertisement on e-commerce platforms and acquaintance's recommendation were

Generally, purchasing beauty products through official stores on e-commerce platforms owned and operated by the brands was the overwhelming favorite purchase channel for interviewees (scored 11.54/12). The situation was similar if grades or income levels are regarded. It was noteworthy that respondents with a monthly income level of more than 4500 RMB showed relatively significant preference to overseas purchasing, which was their second popular choice among all the options.



**Figure 1** Weighted average scores of preferences for the information channels across income levels (Unit: RMB/Month) [highest five]

Notes: (a) Full score was 14. Higher Score indicated higher level of preference. (b) They were ranked downwards by total average.

### 3.1.3. Drivers

As depicted in Figure 2, most of the interviewees value cost-efficiency (83.62%) when they made a

decision to buy beauty products. However, the concentration went down significantly as grades or income levels went up indicated by Pairwise Comparisons. Besides, the comfortable feeling and

experience of applying skincare and cosmetic products on the skin was the second most popular feature, preferred by 79.79% of all.

Noticeably, although interviewees would collect information from acquaintances to a large extent, there

were just 45.30% respondents (the 5th most out of 12) buying beauty products because of their recommendation. Moreover, as the most accepted information source, promoting production by KOCs and KOLs like vloggers got only 18.47% of the respondents' consideration as a purchase driver.

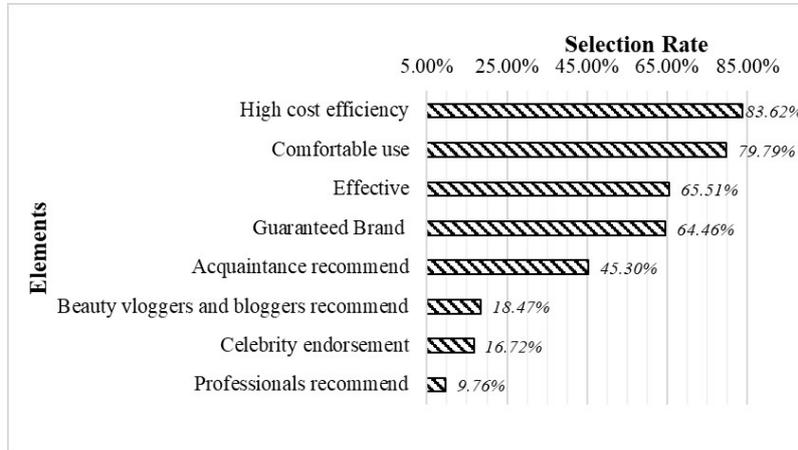


Figure 2 Overall statistics of purchase drivers [highest eight]

Note: higher rate indicated higher level of preference.

3.1.4. Brand Recognition

Averagely, the brands of beauty products make few senses to the female students in university for purchase decisions, and interviewees with an attitude of disagree are the most among all (depicted in Figure 3). However, as income levels went up, more respondents would care about the brand.

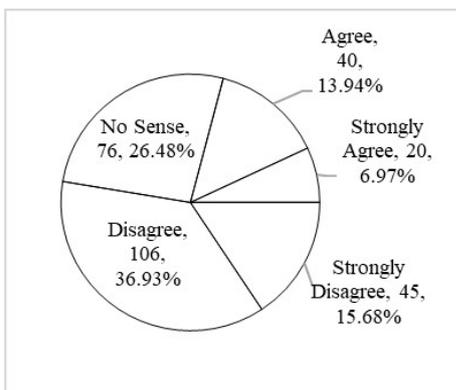


Figure 3 Statistics of brand preference

Notes: (a) Interviewees' attitudes towards the statement: 'I don't care about the brands when buying beauty products.' (b) Weights for Strongly Disagree, Disagree, No Sense, Agree and Strongly Agree were 1, 2, 3, 4 and 5 respectively. Then the weighted average score was 3, referring to the average attitude of No Sense. The conversions are same in the following parts of this article where there are statistics of attitudes.

As for sub-brands from L'Oréal Groups, the survey considered the respondents' usage rate of a certain brand presented in Figure 4. Only L'Oréal Paris got a rate of more than 50%. Additionally, Lancôme (Lancome) gained a rate of 44.25%, with usage rate rising significantly as income levels went up. There is Maybelline New York of 37.63% as well, with no significant difference across income levels. The highest-end brand, HR, got a rate of 6% among all the interviewees.

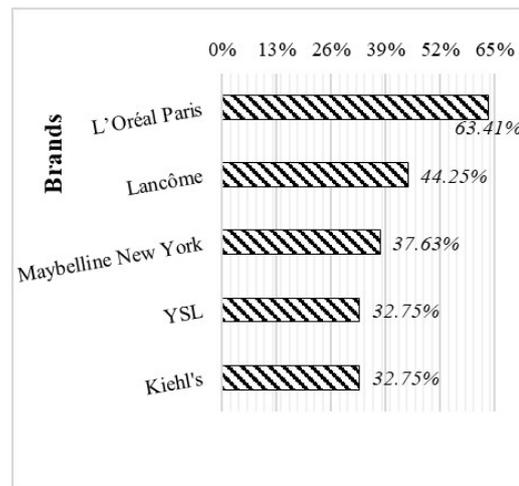
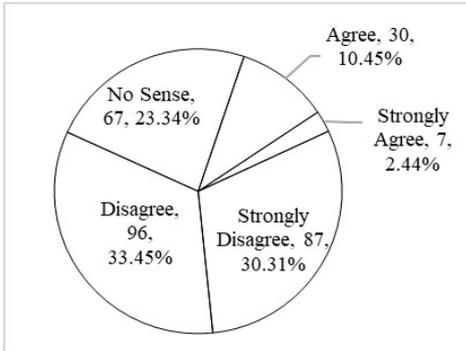


Figure 4 Overall average rate of use [highest five]

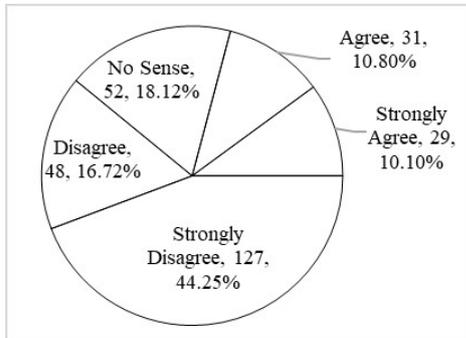
3.1.5. Some sides of Psychology

Seen from Figure 5, respondents took a negative attitude towards overspending on beauty products.

Besides, as illustrated in Figure 6, the desires of respondents diminished when a certain product was endorsed by a dislike celebrity. There were 44.25% interviewees strongly disagreed that their desires did not go down in such a situation.



**Figure 5** Statistics of interviewees' attitudes towards the statement: 'I am willing to overspend on beauty products.'



**Figure 6** Statistics of purchase intention under influence of celebrity endorsement

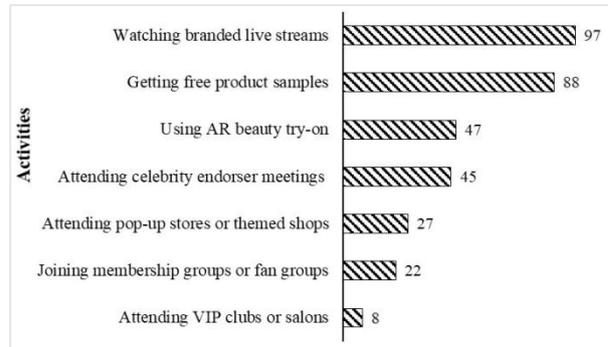
Note: Intention was indicated by interviewees' attitudes towards the statement: 'When a celebrity that I dislike endorses a product, my desire to buy the product does not go down.'

### 3.2. Participation of Chinese female college students in Experiential Activities of L'Oréal

#### 3.2.1. Involvement of Current Approaches

Based on the results, the participation degree of experiential activities among Chinese female university students was overall high (shown in Figure 7). Nearly two thirds of respondents indicated that they had such experiences. About half of them watched either the live streams organized by L'Oréal or unbranded live streams hosted by influencers (e.g., Viya Huang and Austin Li), which was the most common way they experienced the products. There were also 88 respondents who used free

trials provided by the brands of L'Oréal. Besides, a few proportions tried cutting-edge launches like AR beauty try-on and attended the latest trendy events (e.g., celebrity endorser meetings, pop-up stores and themed shops).



**Figure 7** Statistics of involvement in experiential activities of L'Oréal

Note: Statistics of the number of people who had joined in these activities. Higher number indicated higher level of popularity.

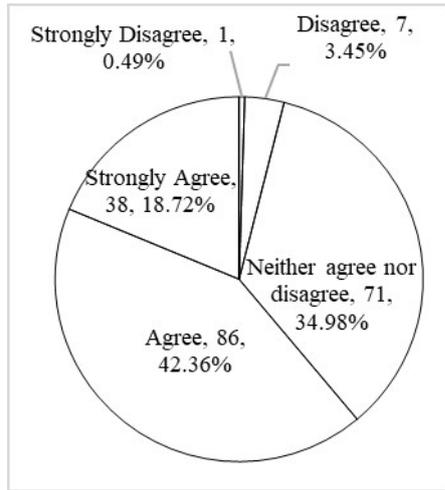
#### 3.2.2. Psychological Impacts on Customer Behavior

On the whole 203 respondents, who once experienced the experiential marketing of L'Oréal, showed an overall positive attitude towards it and recognized its role in promoting their purchase decisions (presented in Figures 8 and 9).

To illustrate this point, roughly 42% of respondents who participated in any one of experiential activities tended to have another experience shown in Figure 8. Besides, 45% of them were more willing to buy the products than they did not attend the activities before (Figure 9).

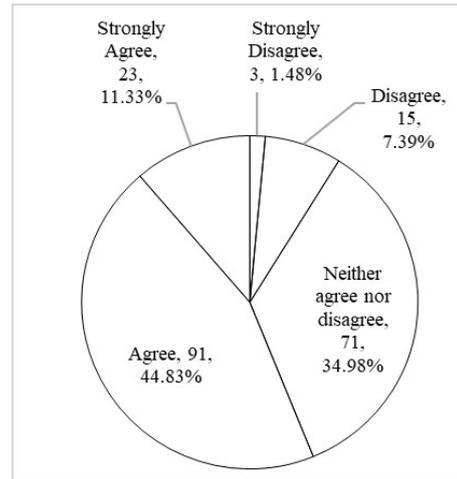
Additionally, Chinese female university students across grades differed significantly in their willingness to attend more experiential activities and desires to make purchases after activities. Nevertheless, there was no significant difference among respondents with various income levels or from different tiers of cities, upon a result of Asymptotic Sig. > 0.05 in Kruskal-Wallis Tests between the variables.

As listed in Table 2, college students at all grades agreed to both attend more experiential activities and make purchases more easily after attending such activities. All of them ranked average scores beyond 3 out of 5 with regard to questions of their willingness and desires.



**Figure 8** Statistics of willingness to attend more experiential activities

Note: Willingness was indicated by interviewees' attitudes towards the statement: 'I am willing to attend such activities again.'



**Figure 9** Statistics of desires to purchase after experiential activities

Note: Desires were indicated by interviewees' attitudes towards the statement: 'I am more willing to buy the products than I did not attend the activities before.'

**Table 2** Averages of willingness to attend more experiential activities and desires to purchase after experiential activities across grades

Group of Grade	Portion in all	Willingness	Desires
Freshmen or Sophomore	35.96%	Agree	Agree
Junior, Senior or Fifth Year	47.78%	Agree	Agree
Post-graduate	16.26%	Agree	Agree

Willingness was indicated by interviewees' attitudes towards the statement: 'I am willing to attend such activities again' and shown in average of samples in the regarding categories. Desires were indicated by interviewees' attitudes towards the statement: 'I am more willing to buy the products than I did not attend the activities before' and shown in average of samples in the regarding categories.

## 4. DISCUSSION

### 4.1. Behavior Pattern of Chinese female college students Concerning Purchasing Beauty Products

The survey results indicated several aspects of Chinese female university students' behavior pattern of consuming cosmetic and skincare products.

#### 4.1.1. Consumption Capacity and Loyalty

It suggested that income level would be a suitable indicator of capacity and frequency to consume beauty products of the college female students. To be specific, women university students with higher disposable income intended to pay more for beauty products with higher frequency. Moreover, there were a noticeable number of Chinese female college students gaining high income, suggesting great profit potential.

#### 4.1.2. Information and Purchase Channel

The results suggested that Chinese female university students held noticeable preference to the Internet and We-media as their information source. The situation was similar for purchase channel. Furthermore, information from KOLs or KOCs played a vital role in the process of information delivery. Meanwhile, word-of-mouth advertising mattered significantly as well. For sub-groups with high income, overseas purchasing was another important option, which could be a threat to sales of domestic enterprises.

#### 4.1.3. Drivers

As for female students in university, cost-efficiency and the comfortable feeling of the products were their first considerations when buying beauty products. The fact came to a conclusion that they valued thoughts of their own more than others. Noticeably, it seemed that word-of-mouth as well as KOLs and KOCs' recommendation did not come with high conversion rate

into purchase behaviors, though they were both important information channels. Such deviation had left with some place for further research.

#### *4.1.4. Brand Recognition*

The results suggested a low level of brand awareness and recognition in the target group. It reflected current deficiency in brand building for females at college age. Besides, the brands in relatively middle and low level within the L'Oréal Group got better usage among female students in college. Nevertheless, there was still potential development place for high-end brands.

#### *4.1.5. Some Sides of Psychology*

Based on the results, Chinese female university students were generally rational buying beauty products, which attributed to the excellent education and developed finance consciousness. Additionally, celebrity endorsers did not always contribute positively to increasing their willingness to make purchases. In fact, they refused to buy a certain product with an endorser who had once left a negative impression on them. Hock and Raithel [7] stated that endorsers in a scandal would harm the corporation' economics. It indicated that KOLs and KOCs must be well-researched and cautious-assessed ahead.

### **4.2. Case Study of L'Oréal**

The SEMs experiential modulus (Sense, Feel, Think, Act and Relate) proposed by Schmitt [8] is one of the current frameworks to study experiential aspects. It relates customer experiences by service providers like company communications to circumscribed functional domains of the mind. The analysis of L'Oréal upon it is as follow.

#### *4.2.1. Sense*

The Sense module includes sensual and tangible aspects of a product or experience through five senses: sight, sound, touch, taste, and smell. L'Oréal has employed several approaches to stimulate customers' excitement and desire to possess its commodities.

For instance, the logo attached to the posters of L'Oréal in an elevator, taglines read in a TV commercial and product integration in reality shows provide visual appeals for the consumers through sight and sound. Subsequently, consumers at the gate of busy malls in Tianjin can scan QR code for free samples of L'Oréal Youth Code Serum, which physically involves consumers through sight, touch, and smell.

#### *4.2.2. Feel*

Feel is ought to be helpful to induce the creations of moods and emotions. On the website of L'Oréal Paris, the sub-brand of L'Oréal, there are Beauty Consultation Centre and exclusive women's channels. Meanwhile, L'Oréal set up shopping guides and one-to-one skin consultation at the cosmetic counters. These personalized services provide customers with more feelings that everyone is unique and they have been valued individually.

L'Oréal also use pop-up stores to show the brand storytelling. For example, L'Oréal Paris established a seven-day pop-up store in Shanghai together with JD.com, which can generate the brand image perception and penetration, i.e., customers can perceive the brand more deeply.

#### *4.2.3. Think*

Think includes elaborative and creative thinking. L'Oréal offers fun and interactive ways to let customers engage in thinking. For instance, L'Oréal use Weibo to release news and express some ideas. If customers follow L'Oréal's Weibo, they may be affected and accept the concept by osmosis. Taking the public service video as an example. L'Oréal made a public service video, whose topic is "Say No to Street Harassment". It is one of the typical methods that L'Oréal focuses on women's issues, which tries to call for more attention from public.

#### *4.2.4. Act*

The goal of Act is to have the long-term influence on customers. L'Oréal use high-tech such as cloud displaying cabin and AR beauty try-on. By using these measures, L'Oréal shows a kind of delicate lifestyle and attracts customers who yearn for this. The VIP membership, and offline salon which only VIP members can take part in help form customer loyalty. An example is Lancôme Blue Pure Private Club Salon, which can be only attended by the black card members.

#### *4.2.5. Relate*

Relate means building relationship between individual customers and "the broader social and cultural context reflected in the brand" beyond the individual's private things. The tagline of L'Oréal is "We're worth it." It aims at Asian women who pursue special products and services, e.g., the skin whitening products.

European women have white skin, i.e., they usually prefer to fake a tan with make-up. By contrast, Asian women pursue white skin due to the yellowish complexion. Therefore, L'Oréal launches a series of

skin whitening products in Asian market to meet local customers' demand (e.g., White Perfect Triple White Repair Essence of L'Oréal Paris). Simultaneously, crossover cooperation is also used in Relate module by L'Oréal. For instance, L'Oréal Paris, cooperating with the National Museum of China, launched jointly-designed lipsticks. Cooperating with complementary brand can further improve the brand awareness and expand the brand in span and depth.

#### *4.2.6. Comments on Current Experiential Marketing Strategies*

##### *4.2.6.1. Diverse Marketing Forms Entailed in SEM Modules.*

Based on the study above, L'Oréal strengthened the synergy effects of experiential marketing through hybrid approaches that combine more than one SEM module and in various settings. For instance, using free samples caters to both Sense (physical needs of test use) and Feel (emotional experience with care and protection), either by sales consultants or during the process of learning the product information. Celebrity endorsements, packaging, and other culturally intertwined products or services also effectively entail Feel and Relate.

Therefore, five modules within SEMs framework proceed to a higher degree of customer engagement stage by stage, which keeps fueling customers' interests in the brand and actions to make purchases. In other word, the synthesized experiences of L'Oréal well extend a module to another in terms of its effects on capitalizing the practical value of products and enhancing the corporate identity.

##### *4.2.6.2. Female University Students Not Specified as Target Audience.*

However, the ambiguous target and positioning strategies of L'Oréal can hardly help "identify" female university students from the female consumption market and engage with them in a meaningful way.

First of all, the overlaps of target markets across sub-brands obscure the promotional strategies for each segment. It is because that the beauty products are often categorized by product features, especially functions that respond to almost all age groups' needs. As a result, the female university students cannot be divided into a group of significance and specifically served by a certain brand.

Additionally, the female university students as a customer group have been further fragmented and scattered as sub-brands of L'Oréal at different levels tend to seize young markets in growth. The high-end

Lancôme has strived to appeal to Generation Z with increased consumption abilities since 2018 [9].

Subsequently, such a fragmented rather than focused distribution of female university students will hinder the brand from precision marketing and customized service provision.

##### *4.2.6.3. Inadequate Communications with Female University Students.*

Moreover, owing to being almost unidentifiable in the segmentation process, the female university students have not yet been effectively "reached" by specifically-themed experiential activities or events. L'Oréal appears to have difficulties in finding female university students, except for personal shopping service at physical shops and a few updated word-of-mouth remarks by skincare product users on Chinese social media platforms e.g., Bilibili and Red.

The live streams of L'Oréal and those hosted by KOLs should have communicated more efficiently with female university students and boosting their online exchanges. While the majority of hosts and the audience of a live stream are females aged around 18 to 23 years old [10], the female live-streaming audience on Taobao application has a huge payment rate of 68.8%, much higher than 56.8% of the average population [11]. Nevertheless, the data from surveys revealed that though about 30% of respondents used to watch the L'Oréal-related live streams, they bought less frequently the products on those channels than at e-commerce shops, official website and mall counters.

In addition, while over a half of the interviewed desired to see beauty products exhibited at creative occasions like pop-up stores and museums, there were only 27 out of 203 respondents who attended such interactive activities before. In short, the female university students have not been actively joined in experiential events of L'Oréal. The detailed approaches are to be optimized and developed.

## **5. STP**

With regard to the concerns above, it is suggested segmenting the female university students as one of the target markets. In detail, the resources should be spined off to skincare brands of L'Oréal, which mainly offer average consumer products and supplemented by high-end luxury ones. Besides, they should be positioned as solution providers to the target audience through interactive experiential marketing. By such means, it would largely boost the customer satisfaction and facilitate the sales.

### **5.1. Skincare Market and User Habits**

Initially, the surveys revealed that female university students have generally formed a skin-care routine. Nearly 50% respondents applied cosmetic products less than once a week. By contrast, around 82% of respondents used skincare products at least once per day.

### **5.2. Average Brands for Primary Development**

In terms of the categories, the low-price skincare brands are primarily favored with growing demands. With a concentrated 54.7% of most recent purchases priced between 100 to 350 yuan, and another 18.82% below 100 yuan, the female university students were overall sensitive to the prices. Instead of overspending, they are averagely rational when shopping beauty products and prone to afford basically the middle- and low-end products of L'Oréal like La Roche-Posay and L'Oréal Paris.

### **5.3. Luxury Brands as Supplement**

Some other important factors (e.g., comfortable user experience, powerful utilities, and guaranteed brands) show that female university students also evaluated highly of the product quality with a pursuit of high brand equity. Considering female university students' huge consumption potentiality, as they grow older and earn more [12], the female university students as part of Gen Z cohort will invest in more premium beauty products for themselves in few years. Thus, the expensive brands like Lancôme and Kiehl's should also increase exposure to female university students in marketing to enter the audiences' evoked set before buying decision making.

## **6. STRATEGIES**

Concerning the detailed experiential marketing approaches, L'Oréal should both make modifications and innovations as follow.

### **6.1. Livestreams for Female University Students with Product Discounts**

As priorly suggested, while many students have watched livestreams, either organized by L'Oréal or beauty KOLs, the conversion rate in terms of sales is quite low.

To lead transactions, the live stream should first help "identify" female university students by calling on them to attend it in its title through advertisements and news feed on social media platforms. Along with budget-friendly skincare products for special needs of young skin (mainly the moisture purpose or any others), there should be coupons, bargains and other discounts distributed during the live streams to fulfil the demand

of cost-efficiency. Moreover, the skincare kits and sets should be provided to cater for different complexion issues at fair prices. Thereby, it may introduce an audience to the entire product line and encourage cross-selling and upselling, represented by supplementary or higher-priced purchases while becoming a loyal customer.

### **6.2. Advertisements on Demand to Target Precisely**

Upon the research, many Chinese female university students receive information about beauty products through advertisements, especially those on e-commerce platforms (e.g., Taobao, Tmall, and JD.com). Thus, they also make purchases at the online flagship stores. To further increase the media channel efficiency of e-commerce advertising to mitigate the difficulty in "identifying" female university students, L'Oréal should harness big data applications to understand each customer's condition and needs for skin care. For instance, the Customer Relationship Management (CRM) system of each online flagship store, which stores existing customers' ages, gender, professions, purchase records, should help segment female university students with big data insights. Then, the personalized ad campaigns on e-commerce pages that match the consumers' preferences may lead to higher conversion rates.

Besides, big data makes it possible to understand digital media consumption. As respondents have access to multiple social media and video sharing platforms (e.g., Bilibili, TikTok and Weibo), big data is able to predict particular time when they would watch advertisements. This can also help L'Oréal schedule advertisements on popularly-used social media platforms at specific time slots for higher conversion rates, of which a click would lead an audience to the e-commerce shops.

### **6.3. Creative Occasions to Intrigue Interests over Immersive Experience**

Female university students at all grades commonly have an interest in attending creative activities like pop-up stores and themed shops. However, the survey demonstrated their overall low participation degree. To better "reach" this group, L'Oréal should intensify the frequency of such events. Generally held at locations near colleges, of convenient traffic, leisure and entertainment, the activities can diversify in formats: skincare product display, one-on-one consultation bar including AR beauty try-on, physical game or lottery session for promotional purposes.

Such activities should first appeal to female university students with a theme linked to social hotspots they closely follow. For instance, there could

be a product display featured with anti-pollution products and environmental-friendly ingredients. Secondly, the settings of the event places like the lighting and interior decorations should involve as many SEM modules of participants as possible.

#### **6.4. Appropriate Celebrity Endorsements for Audience Related to Brand**

The celebrity-target audience match, celebrity-product/brand match, and celebrity controversy risk should be the three criteria to consider when choosing right endorsements. The KOLs and KOCs are considered to be important references for Chinese female university students as the most common information source they use to know about beauty products. Speaking of the important celebrity characteristics, Erdogan and Baker [13] came up with a list in general including the three aforementioned. On the one hand, celebrity-target audience match will appear when a brand allows the target audience to transfer their confidence and esteem for the celebrity, which will then result in making their purchase decisions. On the other hand, celebrities will build relationships between new consumers and a brand they endorse by helping consumers identify with the brand and lead to product sales. In addition, the celebrity controversy risk is important to the survey results, which reveals that a negative buying attitude can result from negative impressions on endorsers.

Taking OLAY with its former brand ambassador Sean Xiao for example, the brand suffered unfavorable evaluations because the endorser failed to meet the three requirements above. By conniving fans to report fan fiction site and works irrationally, Xiao with his fans severely damaged the interest of female customers to celebrate their unique personality traits. Then, it resulted in a boycott of the brands the idol campaigned for, devastating the experiential image of them by idol associations. Hence, L'Oréal should take the factors aforementioned into consideration whenever deciding or managing KOL and KOC endorsements.

### **7. CONCLUSION**

In summary, this paper demonstrated that Chinese female college students were beauty product consumers who tend to be rational and have bright self-consciousness, with great potential to become a profitable segmentation.

Of a considerable number, they were mainly the consumers of low- and middle-end beauty products, but some of them also had the capacity to afford high-end luxury brands. They were loyal consumers of beauty products, buying in a moderate but rising frequency. They concentrated on cost-efficiency and did not advocate excessive expenditure on beauty products.

Additionally, as a well-educated and creative generation, they adapted excellently to the digital age, showing a significant preference to the Internet channels for information and shopping. On the basis, they preferred their own experience in actual use to the outsiders' suggestions, which indicated that experiential marketing would better meet their nature and psychology. They were clear-cut in attitudes towards celebrity endorsers, treating the information from KOLs and KOCs scrupulously.

The case study found current advantages and deficiency in the experiential marketing of sub-brands within L'Oréal Group. Briefly, these brands had developed a foundation in experiential marketing. However, they had ignored the distinctions of Chinese female college students from other consumer groups. On the one hand, the existing campaigns and promotion strategies were of great varieties, which had covered multiple prospects of the SEMs framework and created an all-round display of brand images. On the other hand, the brands commonly failed to identify female students in universities when setting target markets, caused ineffective and inefficient reach or interaction to this group.

Taking together the features of female students in universities and brands within L'Oréal, this study suggested some modifications to current experiential marketing strategies of L'Oréal. In brief, the brands should incorporate female university students in one of their core segmentations by setting a brand matrix made up of mainly low- and middle-end products with high-end brands as auxiliary. In details, the conversion rate could be raised by delivering e-commercial Lives specialized for the group, as well as by posting advertisement precisely based on massive data. In addition, below-the-line campaigns relying upon creative exhibition could be considered. Furthermore, the brands could draw support from KOLs and KOCs, such as celebrity endorsers, to optimize the effects of promotion. Nevertheless, the candidates of endorsers needed to be in accordance with the brand image and the customers' interest, and of low risk in the word-of-mouth.

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