



The influence and enlightenment of live streaming on sales channel management of beauty brands——Take L’Oreal Group as an example

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Abstract. With the rapid development of the Internet, shopping methods have also become diversified. In recent years, new forms of online shopping have emerged, and various video flat shooting have gradually emerged, which has also brought a new term "webcasting". At the same time, there are also some practical problems arising from online live broadcasts, such as whether there is a conflict between online stores and live broadcast sales, and whether brands can bring goods through live broadcasts without the help of celebrities or Internet celebrities. This study adopts the single case study method, taking L’Oreal Group as the research object, and conducts a case analysis of L’Oreal Group. This study believes that live streaming has a positive impact on the sales of online flagship stores, and at this stage, brands still need to rely on Internet celebrities to carry out live streaming. The conclusions of this study provide inspiration and reference for how brands can use webcasting to improve their own influence, obtain higher profits and develop brand strategies.

Keywords: live broadcast with goods beauty brand channel management

1 Introduction

With the rapid development of the Internet, shopping methods have also become diversified, from traditional offline shopping to online shopping. Compared with offline shopping, online shopping channels are diverse and convenient to purchase. In recent years, new forms of online shopping have emerged, and various video flat shooting have gradually emerged, which has also brought a new term "webcasting". Live-streaming with goods is the live-streaming entertainment industry bringing goods at the same time, and its form is constantly changing. The reason for live-streaming with goods is the rise of e-commerce, which caused some people in the entertainment industry to follow up and evolve. At the same time, there are also some practical problems arising from live broadcasts, such as: whether there is a conflict between online stores and live broadcast sales, and whether brands can bring goods through live broadcasts without the help of celebrities or Internet celebrities.

Existing research mainly focuses on the marketing and development of live streaming. With the rapid development of Internet media technology, live streaming has become a unique form of advertising and marketing in the post-information age with its internet celebrity, price advantage and instant interactivity. [1]

According to the above, it can be seen that a complete and specific theoretical framework has not yet been established on the topic of online live broadcasting on brand development strategy. There are even fewer related topics on the impact of webcasting on the development strategy of Chinese beauty brands. The purpose of this research is to take L'Oréal as the case study object to explore how Chinese beauty brands manage their sales channels in the context of online live broadcasts, whether there is a conflict between live broadcast delivery and online stores, and whether the brand can do without the help of online celebrities. Red or star live broadcast with goods.

This study will likely make two important theoretical contributions. First, we found out whether there is a conflict between online store sales and live streaming. Second, it is difficult for brands to carry out live broadcasts without the help of celebrities or Internet celebrities. The conclusions of this study provide inspiration and reference for how brands can use webcasting to improve their own influence, obtain higher profits and develop brand strategies.

2 Literature review

2.1 Research status of my country's live broadcast marketing methods

In the Internet era, live streaming has become an important online business marketing model. [3]

Compared with traditional marketing, live streaming will not replace it, but as a supplement to marketing, it promotes a new customer-centric retail model, and brings better benefits to customers when completing the entire process of traditional marketing. Experience and develop customer trust. Compared with traditional marketing, live streaming will not replace it, but as one of the new marketing processes, a new customer-centric retail model that combines online and offline, offline experience, online purchase, not only can complete the whole process of traditional marketing, but also bring a pleasant look and feel to customers and a sense of interactive participation, and cultivate customer trust and customer stickiness. In the future, live streaming will most likely become an inseparable part of marketing, bringing long-term convenience and benefits to customers and enterprises. [4]

In the past brand marketing, the brand's "brand building" and "conversion sales" were two separate parts, and users tended to believe what they felt and saw. In the brand marketing of live broadcast rooms, brands tend to bundle brand communication and sales in order to "get it right in one step". In addition, the role of opinion leaders in live broadcast and the consumption concept constructed for users should not be underestimated. However, as an emerging industry, the live broadcast industry is full of chaos. When choosing opinion leaders such as celebrities and anchors, brands should make a more comprehensive assessment. [5]

2.2 Research status of brand channel management

How to restructure business channels has become the focus of many beauty companies. More and more beauty companies see the huge market space displayed by online channels, and many traditional brands have begun to deploy Internet channels in order to regain or expand their market share. [6]

In order to maximize benefits, manufacturers should use a combination of online and offline models to manage channels. On the one hand, the online mode is more convenient for consumers to purchase products, reduces the consumption of time and energy, and has more opportunities for interaction and participation; on the other hand, the offline mode displays products for consumers in a more intuitive way, with strong service. If the online and offline modes can be organically integrated and combined with their respective characteristics and advantages, it will provide consumers with various experiences and bring all aspects of convenience. [7]

In the e-commerce environment, with the development of the e-commerce sales model, more and more companies pay attention to e-commerce marketing channels and actively integrate e-commerce marketing with traditional marketing channels, hoping to expand market channels for enterprises and obtain greater Expansion capacity. However, during the integration of marketing channels, enterprises lack experience in e-commerce, and various problems often occur, which have a certain impact on the operation of enterprise marketing systems. Therefore, enterprises need to actively explore the integration strategy of marketing channels to obtain greater development space. [8]

2.3 Research review

In the past, most of the research on live streaming with goods marketing focused on network development. Live streaming is a new product of the rapid development of the Internet, and its own development is also a dynamic process. The marketing method of live streaming brings new challenges to the brand's marketing channel management. Most of the previous researches have focused on the research on both online and offline sales channels, including live streaming and online store sales. The research on whether there is conflict also needs to be further enriched and improved.

3 Research methods

3.1 Research methods

This study adopts a single case study method, mainly based on the following points: First, this study aims to answer "brand marketing channel management", the research question belongs to the category of answering the "how" question, so it is suitable to use the case study method Yin, (2013).); second, the issues explored in this study are at an exploratory stage, and the case studies are appropriate for new or under-researched areas, suitable for both explanatory and exploratory research questions (Eisenhardt and Graebner, 2007); third, this study The purpose of this study is to deeply study how enterprises should manage marketing channels well under the rapid development of the

marketing method of live streaming. The longitudinal case method is suitable for studying dynamic problems, which can confirm the sequence of key events in the evolution process and identify causal relationships (Eisenhardt and Graebner, (2007). At the same time, the realization of research goals requires mining relevant mechanisms in a rich data environment. Research can provide us with more abundant research data (Yin, 2013)

3.2 Case selection

L'Oréal was selected as the research sample because L'Oreal's practical activities reflect the following principles of sample selection.

According to typicality and theoretical sampling principles (Eisenhardt and Graebner, 2007), this paper selects L'Oreal as the research case object. L'Oreal Group is a cosmetic company founded in 1907 . For more than 110 years, L'Oréal, the world's leading beauty company, has been committed to one thing: fulfilling the beauty aspirations of consumers around the world. L'Oreal's main sales channels are: (1) in-store experience (2) e-commerce (3) travel retail. This paper mainly studies the impact of live streaming on the sales channel management of Chinese beauty brands. Therefore, L'Oreal's brand sales channel management is highly compatible with the research problem in this paper.

Taking into account the principle of consistency between theoretical goals and case objects (Glaser and Strauss, 2009).

This paper analyzes and researches the sales channel management of beauty brands. L'Oreal's sales channels are diverse and mature in e-commerce sales channels, which can provide data consistent with the theoretical objectives of this research.

3.3 Data collection

The data collection for this study comes from the following two aspects.

(1) Enterprise internal information

From the L'Oreal Group's official website, access to leaders' speech records, corporate annual reports and corporate archives. And select the data and information related to this research.

(2) External information

By viewing the relevant news reports, industry analysis reports, and case-related papers and books about the L'Oreal Group, you can gain a deeper understanding of the L'Oreal Group's live broadcast delivery and channel management.

3.4 Case discussion

L'Oreal Group is one of the largest beauty brands in the world. The L'Oréal brand is divided, with each division developing a specific beauty vision for different consumer categories and distribution channels.

Table 1. 2021 Annual Report (geographic area) [Owner-draw]

Europe	31.5%
North Asia	30.5%
North America	25.3%
SAPMENA – SSA *	7.2%
Latin America	5.5%

Table 2. The share of digital in sales [Owner-draw]

e-commerce sales	£9.3 billion
E-Commerce Consolidated Sales	28.9%
E-commerce sales to grow in 2021	25.7%

4 Does live streaming have any impact on online flagship store sales?

This study believes that live streaming has a positive impact on the sales of online flagship stores. Omni-channel distribution is the new reality on a global scale, and this move is most important in China, where it has already been rolled out on a massive scale. L'Oréal China will achieve strong double-digit growth in 2021, twice that of the beauty market. This strong growth is inseparable from the rise of live streaming. With the rise of live streaming, brands can find internet celebrity anchors for live streaming, using the influence of internet celebrities and the trust of fans in them, and their trust in the brand has also increased.

From the 2014 annual report of L'Oreal Group, it can be concluded that L'Oréal Group started to transform in 2014, gradually contacted digital marketing, and now it has taken eight years to build a complete digital system, and during these eight years, L'Oreal's sales have been magically Break out of a growth curve. According to the financial report, since 2015, the growth rate of L'Oréal Group's global e-commerce operating income has remained above 30%, of which the growth rate in 2020 is the largest, reaching 62%, while China, as the leader of digital marketing, L'Oreal Group has been growing since 2017. Since then, it has established cooperation with large e-commerce platforms such as Tmall and JD.com. The epidemic has also brought about the rapid development of the live streaming industry. During the Double Eleven period in 2020 and 2021, the brands under the L'Oreal Group will all be the first in brand sales. From the data of L'Oreal Group, it can be seen that live streaming has promoted the sales of online flagship stores to a certain extent and increased the profits of online flagship stores. It complements the development of online flagship stores.

5 Can the brand carry out live streaming without the help of internet celebrities?

This study believes that it is difficult for brands to carry out live broadcasts without the help of Internet celebrities at the same price.

In 2021, L'Oréal Group will become the brand with a transaction volume of over 10 billion on Tmall Double Eleven for the first time. But behind the tens of billions of sales is actually the false propaganda of L'Oreal's lowest price. Before the Double Eleven, L'Oreal's official Weibo has posted many times, claiming that in the Li Jiaqi live broadcast room on October 20, one of its products will have "the greatest strength of the year". On the day of the live broadcast, consumers purchased products in Li Jiaqi's live broadcast room at a transaction price of 429 yuan, and they needed to pay a deposit in advance. However, some consumers found that in the official live broadcast room of the L'Oreal brand, consumers successfully purchased products of the same specification at a price of 257 yuan, and the price difference was as high as 172 yuan. Consumers who found that they bought expensive in the live broadcast room began to complain about their rights. In November 2021, Li Jiaqi tweeted that because the price and discount of a L'Oreal product in its live broadcast room during the Double Eleven were not satisfied with the previous commitments, he decided to tentatively plan any form of cooperation with the L'Oreal Paris brand. The incident ended with an apology from L'Oreal Paris.

It can be seen that at the same price, it is more difficult for brands to carry out live broadcasts without the help of Internet celebrities. L'Oreal's apology must be a decision based on weighing the pros and cons.

6 Conclusions

Through research and analysis of the L'Oreal Group. This study believes that the impact of live streaming on the sales of online flagship stores is positive. The two play a complementary role in increasing brand sales. However, if we want to maintain and increase sales, this study believes that we must do a good job in the management of the live broadcast team and improve after-sales service. Online flagship stores should be closed after sales. Secondly, at this stage, under the conditions of the same price, even a beauty giant like L'Oreal is difficult to carry out live broadcasts without the help of Internet celebrities.

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