

client Faber-Castell **Cosmetics**

project consumer behaviour and digital trends

the company

Faber-Castell was founded in 1761 and is one of the world's largest and oldest manufacturers of pens, pencils, other office supplies and art supplies, as well as high-end writing instruments and luxury leather goods. Headquartered in Stein, Germany, it operates 14 factories and 20 sales units throughout the world. The Faber-Castell Group employs a staff of approximately 7,000 and does business in more than 100 countries. The House of Faber-Castell is the family which founded and continues to exercise leadership within the corporation. The company manufactures about 2 billion pencils in 120 different colors every year. In 1900, after the marriage of Lothar's granddaughter with a count of Castell, the A.W. Faber enterprise took the name of Faber-Castell and a new logo, combining the Faber motto, Since 1761, with the "jousting knights" of the Castells' coat-of-arms.

the company's cosmetics division

Established in 1978, Faber-Castell Cosmetics is recognized today as one of the leading private label cosmetic manufacturers world-wide, focusing on colour cosmetics and nail care.

Faber-Castell Cosmetics successfully combines the heritage, tradition and sustainability policy of the Faber-Castell name with the modern challenges of the dynamic cosmetics industry.

The synergy of chemical and technical core competences within the Faber-Castell Group allows to continuously offer customers points of differentiation and individual product development with cosmetics specializations.

Innovation, quality, reliability and efficiency characterize Faber-Castell Cosmetics' products and services.

Thanks to an intelligent modular system of formulations, packaging and accessories Faber-Castell designs and develops state-of the art standard and customized products as well as individual product developments for nearly every make-up application.

objectives of the workshop

“Digitization” is the trend of this decade. However, many companies wonder how to digitize their products, and how digital trends influence consumers’ buying behavior – particularly in large and technology-driven markets such as China. Thus, the aim of this explorative workshop was to gather insights on the following questions:

- Q.1 How do Chinese consumers purchase cosmetics?
- Q.2 How do Chinese consumers make a purchase decision if they have not experienced the brand previously?
- Q.3 How could Faber-Castell’s cosmetics products be digitized?

methodology

Insights were gathered by explorative analysis: focus group interviews and observation of expert discussion. In total 40 consumers and experts participated in this explorative workshop.

major results

Q.1 The buying behavior and process of making a purchase decision differs tremendously among European and Asian consumers. Many Chinese consumers make their purchases online, via e-commerce platforms. Even cosmetics are primarily purchased online, although the physical trial of the products seems to be particularly important when purchasing cosmetics. Thus, consumers require digital tools that may aid in “testing” the product digitally, e.g., a magic mirror, and help in the world of e-commerce to reach a purchase decision. Extensive and costly product presentation, addressing all senses of the consumer, in physical stores [stationary trade] is clearly forfeiting relevance. As a result, allocation of marketing budget needs to be reconsidered and adapted.

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Visualization of a “magic mirror” as imagined by discussants, being a useful tool to help consumers test cosmetics digitally.

Q.2 As possibilities to test products digitally are still very limited, many Chinese consumers purchase unknown brands based on referrals of celebrities or influencers. Purchase decisions are mostly made based on subjective and oftentimes manipulated suggestions by opinion leaders. Thus, marketing strategies that involve endorsers play a vital role in marketing cosmetics to Chinese consumers.



2018年8月, Dior开通官方抖音账号“爱尚迪奥”, 单条信息浏览量 **14.7万**

奢侈品牌拓展客源新“套路”

“美宝莲”邀请angelababy及50名网红在天猫进行直播。**2小时直播**, 500万次观看, **10000只新品售罄**



Influencer marketing by Dior and Maybelline, referred to by discussants as an example of how opinions on cosmetics are formed in China.

Q.3 Lastly, options to digitize Faber-Castell cosmetic products [providing added value to the consumer rather than providing a funny but useless feature] were discussed with Chinese consumers as well as managers from a large electronics company.

achievement

Faber-Castell Cosmetics has gathered valuable insights on the buying behavior of cosmetics by Chinese consumers, and is better equipped to adapt marketing strategy, allocate resources, and further develop its products to respond to the consumer behavior in China and future trends.

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