

Consumer behaviour within loreal



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In the latter half of the 20th century a rapid growth of the global market resulted in a significant increase in the amount of brands and products present in most, if not all, industries with a focus on the end consumers. Companies are obliged to identify the underlying aesthetic reasons for the consumption as consumers have access to numerous choices. This alteration causes a need for differentiation in order to beat the competition by offering products that not only fulfil basic needs but also add value to the lifestyle customers desire to be a part of. Such “brand intangible” features of the brands that do not include any explicit qualities, are vital for providing exclusive aesthetic experiences for their customers.

The objective of a company is to create an image, a sign of recognition and quality (Schmitt & Simonson, 1997). Positive memories created in consumers’ minds can provide loyalty and premium price setting in the future as people are keen to return to the brands that previously delivered trustworthy satisfaction. The expansion of benefits of a strong brand is crucial (Keller & Lehmann, 2006). The company behind the strong brand may, for example, gain easier access to new markets by utilising a brand extension- the process where novel products are released under the existing brand. This strategy effectively stimulates a feeling of recognition and approval the consumer might have towards the original brand line.

The professional hair care industry serve as a good example where creating an aesthetic experience plays a big part in influencing consumer behaviour. For instance, we have experienced that many styling products often serve little utilitarian purpose and are not necessarily useful from a practical point of view; nevertheless these products seem to create intangible value and

significance for the user. Professional styling products are being sold exclusively in hair salons and departmental stores where a symbolic atmosphere is created. The whole buying process is shaped around generating a social interaction, impulse and feeling. As a result hair product customer is not only influenced by the companies' visual output but also by becoming emotionally connected with organisational values and beliefs. People often purchase products spontaneously without any clear consideration whether a certain product is actually needed or worth the price paid. Mick & DeMoss (1990), suggest that this self-gifting phenomenon is provoked by the endeavour to motivate and indulge, relieve stress or just do something nice for oneself.

Paula Begoun, author of the book “ Don't Go Shopping for Hair-Care Products without Me” (1999), explains in an interview to CBS news (2005), that wasting money is not beautiful at all and asks the question:

“ What is sexy and attractive about rinsing money down the drain?”

She finishes with the statement that,

“ There is absolutely no difference between expensive products and inexpensive products, and I say that unequivocally.”

Why do people buy expensive styling products although there are cheaper, easily accessible hair care alternatives? Does the answer rest in getting cleaner, shinier hair or to obtain a confirmation that individuals by using these products will feel beautiful and indeed fit in the picture organisations

create? Lastly, are there winning strategies for organisations to pursue in order to beat the competition in this multi-billion industry?

This essay discusses the consumer buying behaviour for hair care products. This paper also discusses how marketers address these consumer behaviours using L'Oreal as an example.

Consumer buying behaviour

Society, individuals and organisations create a never-ending cycle in which the three largely affect each other. In order to be a part of the society, people have to fulfil certain unwritten norms and communicate in a way that is widely accepted and understood by other members of that same culture (Bowditch & Buono, 2005). Consequentially, individuals often base their purchases on these premises – to fit in within the group. According to McCracken (1986) this is a cause for organisations to constantly redevelop their product lines in order to match the expectations in society. When this occurs, cultural norms are passed on in products. When these later are purchased the meaning is once more shifted, this time to the customer, and the continuous cultural circle of society, individuals and organisations transform once more (please refer to the figure below).

Figure: Transfer of cultural meaning, McCracken (1986).

Beauty is a subject which is difficult to grasp especially since it is perceived differently and related to various cultural or social norms. Beauty might be seen as a powerful tool that can help one to achieve higher ambitions which might be significant for future growth and development (Hamermesh & Biddle, 1994). According to Eco (2004), the word beautiful expresses

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something that we are fond of, enjoy looking at. For that reason a sense of personal fulfilment as well as indulgence is created (Prettejohn, 2005). Hair styling has emerged as one of the key fashion points in recent years as individuals, particularly young consumers realise that styling hairs in a trendy manner has an impact on people's perception of their fashion sense. Hair styling is particularly interesting for consumers because hairstyle is one aspect of appearance which can be set in different styles as compared to rest of the face which the individuals can do little about except for wearing makeup.

Aesthetics is defined by Berthon, et al., (2009) as a science of perception that relies on our ability to distinguish value or significance in the object of interest and thereby develop taste.

In advertising beauty is produced by aesthetic images and symbols which are interpreted by consumers (Vacker, 1993). For that reason, as Schmitt & Simonson (1997) state, aesthetics can be used as an influential tool for organisations to differentiate their products with. However, emotions can be easily abused by organisations and hence produce a false view of the “scientific truth” (Jensen, 1999). For instance, illusions can be formed by companies, that state that certain products are better than others and that customers gain more for the money they pay. As a result the companies will neglect the truth as long as consumers are convinced that the information is correct. Jensen discusses the problem further by claiming that a false rationality is eventually created in order to justify the purchases made. There is extensive scientific documentation that aesthetic experience undoubtedly

affects consumer behaviour in several ways (Berthon, et al., 2009; Hirschman, 1983).

Further, by using experiential and sensory marketing strategies (Schmitt, 1999), closely studying consumer attitudes and preferences (Gupta, et al., 2008), creating symbolic (Levy, 1959) and emotional (Bauman, 2001) values organisations can produce a luxurious and overpowering feeling of desire (Belk, et al., 2003) that hopefully end in both increased profits and improved consumer value. Thus, it is essential for organisations to identify what consumers desire, often before they actually know that themselves, and use the marketing strategies to enhance that desire.

L'Oreal's marketing strategy involves using attractive models with different hairstyles; Using these models L'Oreal creates a false perception among consumers that using L'Oreal's products will make them look like the models. L'Oreal's models use extensive makeup which highlight the fact that L'Oreal's consumers are very sensitive about their appearance and may use lot of make up as well.

Another key aspect of L'Oreal's marketing strategy for hair care products is using models with different skin colours. This could be a strategy to improve the aesthetic appeal of L'Oreal's hair care products.

One key aspect of L'Oreal's marketing strategy is to advertise a single shade of a hair colour. For example; when it advertises red hair colour, all the models in the advertisement will be wearing different shades of red hair colour only.

2. 1 Emotional experiences

Franzen & Bouwman (2001) state that individual perceptions and memories are linked to emotional reactions. The cognitive part of the human brain reflects, analyses and makes decisions, the emotional part of the brain, on the other hand, reacts spontaneously on the perceived external stimulation. When a person is exposed to new information the brain has to make a choice whether or not, or to what extent he has to pay attention. Emotional experiences are actual impulses that cause human behaviour and it is possible to identify two types of recollections of emotional experiences; implicit and explicit emotional experience (Franzen & Bouwman, 2001). People perceive most marketing unconsciously and superficially but they are still influenced by it in the future purchasing behaviour. As a result a perception of the brand can be seen as unconscious and implicit unless it has already been connected to concrete experiences which have led to explicit cognitive recollections (Franzen & Bouwman, 2001). L'Oreal's marketing strategy is to market L'Oreal as a wholesome brand rather than as individual product lines which means that when consumers actually decide to purchase any product they are likely to remember L'Oreal brand.

Through a multi-sensory experience, created by sensory perceptions, people respond to external stimulations as well as they react to emotional images which are either consciously or unconsciously. This creates possibilities for hedonic consumption which is, as explained by Hirschman & Holbrook (1982, p. 92), a phenomenon that: "...designates those facets of consumer behaviour that relate to the multi-sensory, fantasy and emotive aspects of one's experience with products". It is essential for companies to identify the

symbolic meaning of consumer goods which are increasingly becoming a part of our consumer identity and image. Symbolic meaning of hair care products such as hair colour is to give the hairs a colour which matches the personality, mood, occasion and the rest of the attire. This is often witnessed in case of air colour advertising by L'Oreal as often the products are advertised using models who are wearing the clothing and makeup which matches the hair colour. Thus, L'Oreal tries to symbolise hairs as one part of the body which needs to be dressed like rest of the body to make the look complete.

For hair care products, L'Oreal's marketing strategy is to highlight the hairs as the most important part of the looks. This is often done by highlighting the hairs so that everything else looks meaningless (as is evident from some of the advertisements shown below):

All these advertisements highlight hairs as the main part of the look. By highlighting the hairs as the most important part and noticing that it is possible to alter the appearance of hairs (by styling and colouring), L'Oreal tries to convey the message that it is possible to achieve the model looks. In other words, the highlight are the hairs which have been treated with L'Oreal products which means that the looks of the model in the advertisement are a result of L'Oreal's product and hence the consumers can get the same looks if they use L'Oreal products.

2. 2 Consumer behaviour and human needs

When clarifying the consumer behaviour several authors describe purchases from a need-goal perspective (Schiffman & Kanuk, 2000). With some

difference in terminology they explain how a need is created for a human being, for example, a feeling of hunger or the aspiration to become an esteemed member of society. Maslow (1943) presents a hierarchy of needs and argues that the level below is always more important than the one above. The lowest level consists of what could be called innate or primary needs and higher up in the pyramid are the acquired or secondary needs. The above example of being an esteemed member of society fits into the second highest of these levels labelled “ esteem”).

Figure: Maslow’s pyramid. The levels represent different parts of the hierarchy.

Needs work as motivation to reach a goal that can be generic or product-specific (Schiffman & Kanuk, 2000). A generic goal to cleaner hair would be shampoo; a product specific goal would in turn be shampoo from one of the various brands in the market. L’Oreal’s marketing strategy targets both. For example, for hair colouring products, the generic strategy can be good and trendy looks while the product specific strategy can be to market L’Oreal hair colour products. L’Oreal extensively uses its brand name in marketing L’Oreal products

2. 3 Marketing

Gagliard (1996) explains that when the object is being experienced in a physical, tangible reality it is acknowledged through sensory experiences. Organisations can, in this context, be seen not only as physical settings that produce products but also as a brand with the capacity to nourish and promote people’s senses. Artefacts can be defined as a form of message,

existing either independently of its creator, or being perceived by the senses. Through these, organisations can contribute to promoting their goals.

According to Franzen & Bouwman (2001) a brand can be defined as a sign or a symbol of recognition in form of logos, labels, names and colours which evokes associations in people and is commercially linked to saleable goods and services. It is a source of value to both consumers well as the companies. By maintaining a strong brand firms achieve loyalty and steady future sales. L'Oreal invests significantly in advertising L'Oreal brand. In fact, the brand L'Oreal is highlight of almost all marketing communications that the firm undertakes irrespective of the product. By highlighting the name 'L'Oreal experts' the firm aims to send a signal that it is expert and hence trustworthy at producing the particular product. L'Oreal also uses the word 'Paris' in its branding; this is to associate L'Oreal with Paris, the Meccah of fashion. Associating a brand with Paris automatically symbolises a high end fashion product and this strategy is wisely used by L'Oreal to influence its customers who may exhibit desire for French fashion.

Around the very core of the product there are a more or less equally valued attributes. Not only is a shampoo a hair-cleansing device but there are several other aspects that are taken into consideration during the creation process. Such attributes include quality, design, package, colour, smell and much more. L'Oreal packs its products in high quality packing with glossy covers. There is also product specific packing; for hair colours the packing will contain the face of a model with the same colour as the one in the pack. This is informative packing as L'Oreal aims to educate the consumer about

how the hair will look after colouring using that particular colour. This is often done to reduce customer's disappointment; for example, if detailed picture is not given, consumers may use the colour only to find that it does not look the way they hoped it to and this may lead to divorcing the brand altogether. To avoid this, L'Oreal, or in fact most of hair colour manufacturers provide an image of a model with the same hair colour.

Gardner & Levy (1955) define the brand as more than a label, established to distinguish the company from its competitors. Instead they view it as a symbol which makes up a complicated net of various attributes which are sent out by the company. Later these are interpreted and re-valued by the customers and results in an overall public image. For the company, the feelings and attitudes the customers have towards the brands are essential not only to promote and sell any current products but also to attempt to launch new products under the same brand umbrella. This view of the brand as a symbol that creates awareness, loyalty and associations has later become known under the summarising definition brand equity (Kotler, et. al., 2005).

As Franzen & Bouwman (2001) puts it, " brands that succeed in strategically linking emotions to them are generally connected to products that have something to do with these emotions." In other words, when the emotional response reflects the brand and also the very product itself, the brand-owner has succeeded in what all companies seek to do today, to create a unified message to the consumer.

2. 3. 3 Sensory marketing

Consumers respond to the overall product or service characteristics, both tangible and intangible, produced by a total product offering. Through sensory marketing, appealing to the consumers through smell, music, design and taste, companies not only differentiate their image and create a strong identity but also construct an overall satisfactory personal experience. The figure below shows how the bodily senses; either separately or in a combined way, creates an experience and reaction from the consumer.

Figure: Senses attributing to a combined customer experience, Hultén et al. (2008).

For example, the sight sense comes through the visual images such as product design, packaging or particular style. It is essential for people who consume the final product to make sure that they can see the product of interest. L'Oreal achieves this by providing the customers with the image of a model wearing the same hair colour as the one in the pack. Kotler (1973) suggests that the key factor is actually the place, or in other words the sensory quality of the space in which the product or service is purchased. In some cases it is more influential than the offering itself and can overrule the primary product.. The right atmosphere does not only draw potential customers but also send a message about its position or status and therefore increase the probability for future purchases. The importance of the possibility for a purchase and the atmosphere is presented by Kotler (1973) below:

Figure: The Casual Chain Connection Atmosphere and Purchase Probability, Kotler (1973).

The place aspect of advertisement is addressed by L'Oreal by selling its products through departmental stores and hair salons.

2. 3. 4 Experiential Marketing

This theory states that consumers are viewed not only as rational decision makers, concerned with functionality and personal benefits, but as emotional human beings, willing to achieve something extraordinary, for instance a memorable and enjoyable experience (Schmitt, 1999). This is a strategy often used by L'Oreal who aims to market the message that by using its products it is possible to achieve model looks. As mentioned earlier, this is done by highlighting the hairs in the marketing images to suggest that hairs the most critical aspects of particular model's looks and that the looks of these hairs is because of the marketed L'Oreal product. In other words, use this particular product and you can look the same.

By generating the uniqueness effect and selecting certain attributes that purchasers value, organisation are awarded with premium price which exceeds the extra costs required for the differentiation (Porter, 2004).

Figure: Difference in price consumers are willing to pay for professional and retail products.

The figure above shows the price difference in products which consumers are willing to pay. The question mark represents the unknown factors that enable consumers to buy professional hair care products at such a high price

compared to retail alternatives. L’Oreal hair colour products are in mid to expensive range and cost more than many of its rivals. These products may be strategically priced a bit high to increase their symbolic value. For example, if hair care products are priced too low, consumers may perceive the product as low standard. Raising the prices too much would have an impact on the consumption level; consumers will either not buy or will not use the product that frequently. The problem with the latter is that if the consumers tend to become satisfied with their looks without using these products, they might stop the consumption of these products altogether. It is important for these firms to maintain the desire for these products and hence products are priced to stimulate consumption.

Conclusion

In conclusion L’Oreal uses its marketing strategy according to ‘desire’ aspect more than anything else. It selects the targeted consumer segments and addresses the desires of this consumer segment by using appropriate marketing signals. L’Oreal’s marketing strategy involves proving to the customers that it is possible for them to achieve the same looks as the models in its advertisements by using L’Oreal products.

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