

The Research on Fast-Moving Consumer Goods Promotion Strategies on the Chinese Short Video Platform Douyin

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Abstract: With the surging popularity of the short-video platform Douyin (also known as TikTok), a significant transformation is occurring in the realm of retail. Retailers are increasingly leveraging this platform to promote their fast-moving consumer goods through a range of effective strategies. The underlying importance of this research lies in its potential to facilitate the rapid promotion and substantial increase in sales volume of the fast-moving consumer goods. This study adopts a qualitative research approach, focusing on the utilization of renowned online celebrities to delve into this subject matter. The primary findings shed light on the tactics embraced by famous beauty and skincare online celebrities to captivate a larger customer base. Notable techniques include personally testing products, employing concise and lucid language in their content, and offering enticing rewards to customers. These strategies have proven to be considerably more efficient in promoting their consumer goods. In essence, this research serves as a valuable resource for retailers seeking insights into the effective strategies employed by online celebrities on Douyin. Furthermore, it holds the potential to inform marketing decisions for businesses and enhance the understanding of online celebrities on how to efficiently promote products within the realm of short-video platforms.

Keywords: fast-moving consumer goods, Douyin, beauty online celebrities

1. Introduction

In recent years, along with the rapid development of science and technology, a variety of social media platforms are created to change people's way of life and purchasing behaviors. Douyin is owned by Beijing-developed parent company ByteDance. Douyin is the sister app Tik Tok, and it has attracted almost 743 million active users per month in China at the end of 2022. Established in September 2016, Douyin is familiar to almost 90 percent of people in China, who have spent most of their time on this platform. Until now, Douyin has many competitors, like Kuaishou, Xigua video, WeeSee, and Huoshan video, etc. However, Douyin is the most impressive with the largest number of daily active users, adding up to 600 million. What Douyin attracts is the young people, especially for females aged from 25 to 30, who prefer to purchase products on this platform in their everyday life. The data shows that due to the popularity of Douyin, almost 22.9 percent of people in China buy the fast-moving consumer goods through this platform, which makes it more advantageous than JD.com. This promising data means that more and more people, especially for Gen Z, prefer to choose fast-moving consumer goods on Douyin platform [1]. Douyin's marketing power is huge, because it has attracted

an increasingly larger number of people to enjoy selling something and buying products on this platform. It is amazing that by 2021, the e-commerce on this platform added up to 800 billion RMB for its gross merchandise volume. In addition, one year later, the total number of sales just tripled, with nearly 320 percent increase. Among the different kinds of products, the food and beverage, and beauty and skincare products come to the supreme record, which occupies almost 48 percent of the total gross merchandise volume in fact.

The reason why Douyin's fast-moving consumer goods are sold in a faster speed is that the active users usually spend at least 120 minutes per day on this platform. The Douyin users have a positive responsiveness to its advertising and live-streaming. 43 percent of consumers believe that Douyin advertising is easily accepted by people and they are joyful to watch. It can be found that most of actors and online celebrities make most of this platform to make money. A lot of famous actors and actresses, like Jia Nailiang, Shu Chang, Li Jiaqi, etc. They utilize their popularity and attractiveness to advertise different brands of products, attracting more consumers to buy. The majority of buyers are young people. Therefore, Douyin plays a significant role in promoting the fast-moving consumer goods. In near future, Douyin will be familiar to everyone, as a valuable tool for marketing in China. It is estimated that until in 2025, in China, there will be almost 835 million users and they will spend an average of 120 minutes on Douyin each day. Still, active user will consider other strategies to win more fans, and presently, most of online celebrities prefer to get more likes and the follow-buttons. These millions of fans or followers can purchase products if their beloved online celebrities promote a brand of products with the form of live-streaming to a larger degree. Above all, live-streaming is an effective way for retailers to promote the fast-moving consumer goods in people's everyday life.

2. Literature Review

In terms of the research on the fast-moving consumer goods promotion strategies on the short video platform Douyin, a number of scholars have conducted their studies on this topic from different perspectives. First of all, Douyin is the primary choice for people to purchase their consumer goods, when it offers all people with opportunities to open their accounts and share their personal stories to gaze people's attention. Haenlein proposed that Chinese people start to use short-video platforms, like Instagram and Douyin, to navigate the new era of influencer marketing. Influencer marketing is popular since 2020, as a 10 billion dollars industry. A lot of firms engage in the influencer marketing to promote their brands [2]. In recent years, a rising number of Chinese people are willing to choose the e-commerce as online shopping, rather than go to real stores for purchasing. Hu analyzed that due to China's digital ecosystem, most of Chinese people would like to buy consumer goods online with mobile payments systems. They rarely use cash to pay for their goods, but they usually choose WeChat and Alipay or credit cards to finish their buying activity, which is more convenient and effective [3]. Their studies focus on the popularity of Douyin for the promotion strategies of fast-moving consumer goods.

In addition, Douyin's dominance and popularity depend on its various digital advertising presented to consumers every day. Chen found that people everyday contact a large amount of digital advertising medias, and digital advertising is more powerful than traditional advertising. Douyin is powerful, because it uses artificial intelligence to understand mobile users' specific needs in a certain time. Therefore, Douyin platform will automatically recommend their needed consumer goods, which can effectively affect their purchasing decision to a larger degree [4]. Different from traditional ads, digital advertising on Douyin is intriguing and attractive. It is hidid in an interesting short story, which is characterized by the plot, characters and climax, etc. Li, et al proposed that the short-video platform Douyin uses the covert advertising to influence consumers' purchasing intention. Within this study, the authors selected 100 covert short-video advertisements for analysis. The result shows that digital advertising on Douyin uses a totally different genre through rhetorical moves [5]. Digital

advertising is another characteristic, which is green advertising. Chen, et al proposed that more people have a full awareness of green advertising on short-video platform, Douyin. The purpose of this study is to focus on the awareness of green advertising on Chinese social media platforms. The advent of Douyin has promoted the green advertising strategies, which has been widely accepted by customers. Therefore, the green advertising on Douyin is a natural driving force for consumers to purchase goods on this platform, while attracted and influenced by the various green advertisements [6]. From this point, it demonstrates that digital advertising dominates on Douyin and it has attracted a number of people to use this platform to buy goods and products in their everyday life.

Moreover, Douyin's another powerful tool is the popularity of live-streaming. Online celebrities firstly create some interesting contents to grab people's interests and attention. When they have millions of fans, they usually open live-streaming room to sell some consumer goods. Xiao, et al stated that more individuals engage in this platform to make a living. A lot of anchors in the live-streaming room promote their products and a number of users stay in their live-streaming room for watching and purchasing. This is the most effective way for firms to promote their brands, under the help of the anchors and online celebrities [7]. Still from Yang and Ha, they argued that live-streaming attracts consumers by its directness, vividness, authenticity, modals, and some comments from those who have bought it, etc. Most of Douyin users will judge the products according to these comments and its total sum of sales in recent days, which can affect their ultimate decision intentions [8].

Apart from that, Douyin would like to use artificial intelligence and algorithms to know what customers want to buy. AI and algorithms can help Douyin platform directly find out their highly-related target customers, which can greatly promote the consumer goods with efficiency. Jia and Stan argued that Douyin is an AI-powered startup, which receives its fastest speed of development. Douyin is able to recommend their different customers the suitable products, using algorithms and AI to monitor users' conversations and speaking. Therefore, this platform can recommend products they would like to buy urgently. This can shorten their process of buying some products and increase the sales speed at last [9]. Take clothing brand as an example, Chen and Ni found that Douyin platform knows to find out their female customers for a certain age scope. Young women can frequently be recommended with the cosmetics and clothes in a live-streaming, and the anchors' communication skills and promotion strategies will attract them to buy their products. They usually put on cosmetics on spot to convince their users [10].

Although there are a number of scholars conducting studies on this topic, few scholars focus on the research on the fast-moving consumer goods promotion strategies on the short video platform Douyin. This research topic is really significant, because it can offer some insightful suggestions to individuals who are able to improve their promotion strategies on this platform. In addition, it also encourages users to choose this platform and buy their consumer goods, after they recognize the popularity and benefits of this platform. Therefore, this paper aims to explore fast-moving consumer goods promotion strategies on Douyin platform through the qualitative research method: observation.

3. Methodology

To make this research reliable and convincing, the qualitative research method: observation, will be adopted. In specific, the researcher will observe the famous makeup blogger on Douyin during these three years from 2020 to 2023. Top 10 in China will be mentioned, including Li Jiaqi, "Jun Ping Da Mo Wang", "Zhang Kai Yi Kevin", "Benny Dong Zi Chu", "Shen Ye Xu Lao Shi", "Shan Zi NO-FAN-NO-FU", "Ren Zhen Shao Nü Yan Jiu", "Shuai Ni Yi Lian Mao Dan", "Chong Chong Chonny", "Xiao Zhu Jie Jie". These online celebrities share something in common, which shows that they are focusing on the beauty and skincare products in their live-streaming room. The reason why the researcher observe these top ten online celebrities on Douyin is that they have affected people's purchasing intentions and decisions after watching their short videos and live-streaming marketing

strategies. These online celebrities are eloquent, who use many nonverbal languages to attract customers to purchase their products, like facial expression, smiles, hands gestures and actions, etc.

4. Results

According to the research method of observation, these ten online beauty and skincare celebrities use the similar live-streaming techniques to promote their beauty products. These online celebrities use their experiences to convince audience.

At first, if they want to promote a certain beauty product, they will put them on their faces to encourage their customers to believe in the effects. For instance, take Li Jiaqi's live-streaming room as an example, when he recommends the lipsticks of the brand MAC, he just holds the mirror in his left hand and begins to paint his lip with the red color lipsticks. His behavior is more convincing and reliable in the eyes of consumers.

In addition, they usually use the concise language with no redundancy. Take Li Jiaqi as an example, he just says "buy it, three, two, one, give the links". he also says, "the total number is not sufficient, please scramble it at once". This has created the hunger marketing effect.

Moreover, they would like to give some presents to customers in their live-streaming rooms. To grab more people's attention and enter his live-streaming room, he will deliver some prizes iPhone cellphone for the lucky ones. Therefore, most of people come to his live-streaming room for winning this big prize.

5. Discussion

Based on the results shown above, the specific reasons and influence of the results will be elaborated. At first, the online celebrities would like to test and try their beauty products in their live-streaming room, in order to win trust from their audience. One significant reason why influencers and promoters in the beauty industry encourage their audience to try the products is to establish credibility. By personally trying the products they are promoting, these influencers demonstrate that they have confidence in the authenticity and effectiveness of those products. This firsthand experience allows them to speak more convincingly about the benefits and results, helping their audience trust their recommendations. When influencers are genuine users of the products they promote, it reinforces the idea that they are not just endorsing them for financial gain but genuinely believe in their quality. Another essential aspect is building and maintaining a harmonious relationship with their fans and audience. Encouraging the audience to try the products reflects a commitment to transparency and honesty. It shows that influencers value their audience's opinions and well-being. By involving their audience in the product experience, influencers create a sense of community and shared interests. This engagement goes beyond a transactional relationship and fosters trust and loyalty among their followers, ultimately benefiting both the influencers and the brands they collaborate with. In addition, giving buyers time to decide whether they want to purchase the promoted products is a thoughtful and consumer-centric approach. Beauty product choices can be highly personal and dependent on individual preferences, skin types, and needs. Influencers recognize that their audience may need time to research, consider their options, and make informed decisions. By not pressuring their followers into immediate purchases, they respect the buyer's autonomy and encourage a more deliberate, informed, and satisfactory buying experience. This patient approach aligns with building trust and credibility, as it shows that influencers prioritize their audience's interests over quick sales. This promoting technique will bring some influences positively and negatively. For the positive one, it will help them attract more fans who will enter their live-streaming room for purchasing. For the negative influence, it will be common to customers, and customers will be tired of this technique.

Under this condition, these online celebrities are suggested to adopt other new techniques to grab their audience's attention and interests in most cases.

In addition, the online celebrities will use concise language to urge customers to order the products. The reasons are as follows: 1) To save time and increase the total sales volume, 2) To cause the hunger marketing effect and give customers less time to hesitate their decisions, 3) It is just like public speaking, and most of audience will be led by this step. This technique is also widely adopted by these beauty online celebrities. It will pose some influences. For the positive one, it will urge hasty buyers to order the products without hesitation. For the negative one, it will cause more sales return, which causes more financial loss for these beauty online celebrities. To avoid these negative influences, they need to use more convincing method to win customers' hearts. For instance, they need to offer the reasonable price for audience and ensure the authenticity and high-quality products they are selling.

In the third place, in their live-streaming room, they usually offer some prizes to their fans. The reasons are as follows: 1) To attract more people to enter their live-streaming rooms, 2) To win affection from their fans, 3) To increase the total number of likes in their live-streaming rooms, which helps them earn more profits. This technique also brings some influences. For the positive one, it will help them obtain more likes and rate of flow. For the negative one, it lasts for less time and customers must wait for longer time, so that they have no patience and leave the room. To get rid of the negative influence, the online celebrities are suggested to shorten the time of offering the prize.

6. Conclusion

To conclude, this research mainly identifies the study on the fast-moving consumer goods promoting strategies on the short video platform Douyin. More and more individuals are willing to use this digital platform to promote some brands of products in a faster speed. To make this research reliable and accepted, the author has adopted the observation research method of observing the top 10 beauty online celebrities during these three years. How they promote their sales techniques in the live-streaming rooms has been discussed. They usually test products on their own to convince audience, use concise language to win customers' trust and give some big prizes for customers as a driving force to attract more fans and customers. Above all, Douyin is an effective platform for the effective promotion strategies of fast-moving consumer goods in the present and in near future.

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