



Proposed Marketing Strategy to Increase Sales for Lip Tint (Case Study: Feyrely)

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ABSTRACT: Feyrely.id is a local makeup brand under PT Orion Care Indonesia. Established during the COVID-19 pandemic era, Feyrely.id utilize digital marketplaces for its sales. The brand mainly offers lip products, including lip tint, at affordable price. While the cosmetic market shows significant growth and lip tint products are trending, data indicates low and declining sales of lip tint products, coupled with low brand awareness among consumers. Therefore, this research is conducted to help increasing Feyrely.id's sales and brand awareness. This study employs both qualitative and quantitative methods. Questionnaires are spread through various consumers to obtain data, along with interviews with Feyrely.id internal team. Secondary data from books and online sources also compliment this research. This research results in the new segmentation, targeting, and positioning for Feyrely.id and a new marketing mix, including product, place, price, and promotion. It can be concluded that Feyrely.id has a solid standing in cosmetic industry with their lip tint products but needs several adjustment to keep being competitive.

KEYWORDS: Brand Awareness, Cosmetic, Marketing Strategy, Lip Tint, Sales

INTRODUCTION

Makeup has long been a cornerstone of women's beauty rituals, serving as a mean to cultivate an attractive appearance and enhances one's features. It has evolved into an integral aspect of identity and lifestyle. While the term makeup encompasses wide aspects such as wearing certain clothes and decorations, cosmetic remains focused on the application of beauty products to enhance facial features and cover imperfections.

Recognizing the significance of the cosmetics industry, it has been designated as one of the national priority sectors in Indonesia's National Industrial Development Master Plan (RIPIN). Over the past decade, the value of cosmetic import has surged by nearly 250% (Technobusiness, 2023). However, this growth has intensified competition within the Indonesian cosmetic market, particularly with the influx of foreign brands, posing challenges for local players, including well-established ones.

Among the vast variation of cosmetic products, lip tint stands out as a favorite among Indonesian women (Angelia, 2022). Lip tint, originally from Korea, is a long-lasting liquid lip color typically in red, orange, or pink. It creates a gradient effect from bright to lighter shades, offering a fresh look without the boldness of lipstick. Preferred by teenagers, lip tints produce brighter, more striking colors compared to traditional lipsticks. One of the local brands that offers this product is Feyrely.id.

Established under PT Orion Care Indonesia management on May 2020, Feyrely.id adapted swiftly to the challenges posed by the COVID-19 pandemic by embracing digital commerce. While conventional retail faced heavy restrictions, the brand capitalized on digital platforms such as Tokopedia and Lazada, supplemented by several stores in Jakarta. The brand mainly sells lip products such as lip gloss, lip cream, and lip tint.

However, Feyrely.id faced a decrease in sales from December 2023 to February 2024. Moreover, the brand's sales in Jakarta are lower than other provinces in Java. This indicates that Feyrely.id has encountered challenges in establishing market dominance and struggles to compete effectively with other brands. Concerns arise regarding potential financial losses and the sustainability of Feyrely.id amidst escalating business competition. To address these challenges, Feyrely.id should develop and implement comprehensive marketing strategies aimed at bolstering sales, particularly within the Jakarta region.

METHODOLOGY

Author collects primary and secondary data for this research. The primary data will be collected by using quantitative methods through distributing questionnaires to learn more about customer behaviour in purchasing Lip Tint and by using qualitative methods through in-depth interviews with the COO and employees of Feyrely



$$n = \frac{N}{1 + N(e^2)}$$

Whereas;

n = number of samples

N = total population

E = error tolerance (significance level 0.1)

The population data was obtained from xxx, where Indonesia's total population with the age over 12 years old is xxx. In this calculation, the significance is 0.1. Based on Slovin calculation method, the minimum number of target respondents in this research is 100.

RESULT AND DISCUSSION

A. Internal Analysis

Resource-Based View (RBV) Analysis

Feyrely.id possesses a range of tangible and intangible resources that contribute to its competitive advantage in the cosmetics industry. Tangible resources include a dedicated workforce comprising 15 employees across Marketing, Sales, and Product Development divisions. While the company does not own plant and equipment for production, it efficiently outsources manufacturing to third-party facilities. Additionally, Feyrely.id relies on logistics services for product distribution, with no direct ownership of vehicles. Financially, the company maintains a cash reserve to cover monthly operational expenses, including production, shipment, and employees salaries., while managing inventory through a warehouse systematically. Despite a limited color range, Feyrely.id prides itself on product quality supported by a well-formulated product line.

Intangible resources highlight both Feyrely.id's strength and challenges. The brand is distinguished by its strong reputation, attributed to exceptional customer service and product quality, although there is a need for increased awareness among consumers. Moreover, Feyrely.id's proprietary recipes, developed by its own employees, represent valuable intellectual assets. These resources collectively underscore the brand's potential, but also highlight the areas that need improvement to overcome industry challenges and achieve sustained growth.

Valuable Rare Inimitable Organize to Capture Value (VRIO) Analysis

Feyrely.id's VRIO analysis highlights its strategic strengths and competitive advantages within the Indonesian cosmetics industry. The brand's resources and capabilities are valuable, with a focus on teamwork and maintaining a harmonious work environment. Feyrely.id's products are rare in the market due to their light texture, which offers a more pleasant experience for consumers. The inimitability of Feyrely.id's offerings is ensured through in-house product development using proprietary formulations, despite bench marking against other brands. Strong internal management and efficient resource use result in high-quality makeup product recipes.

A key sustainable competitive advantage for Feyrely.id is its secret recipe for producing lip tint. This proprietary formula, utilizing quality ingredients, is valuable, rare, costly to imitate, and well-organized to capture value. Consequently, Feyrely.id's lip tint stands out in the market, offering a product that feels light on the lips and meets consumer preference.

Porter Value Chain Analysis

For primary activities, inbound logistics and production are outsourced to third-party manufacturers to prepare materials and produce products using Feyrely.id' recipes. The brand has 18 resellers in Jabodetabek and Bandung for outbound logistic, managing orders and sales through these channels. Marketing is driven by social media platforms like Instagram and TikTok, while sales are mainly conducted through digital marketplace. After-sales services include exclusive discounts and Buy One Get One deals exclusively for members.

In secondary activities, procurement and technological development are solely managed by third-party manufacturers, ensuring efficient material sourcing and production technology. Human resources management is notable for a low turnover rate, supported by regular one-on-one feedback sessions between employees and management, keeping a supportive work environment.



Segmentation Targeting Positioning (STP) Analysis

The analysis for Feyrely.id identifies key market segments based on geographic, demographic, psychographic, and behavioral variables. Geographically, the target market is concentrated in the regions of Jabodetabek and Bandung. Demographically, the focus is on unisex individuals aged 19 to 30, including student and working-age adults, primarily from the middle class.

Psychographically, the target market consists of individuals who are not overly obsessed with cosmetics but desire a neat and well-groomed appearance. They prefer products that offer high pigmentation while feeling light on the skin. Behaviorally, these consumers seek products that provide a neat and sleek look suitable for daily activities without being overdone. Their decision-making is significantly influenced by reviews and TikTok videos, indicating a level of unawareness about the brand itself. Consequently, they rely on social media content to guide their purchasing decisions. At the buyer readiness stage, these consumers are often unaware of Feyrely.id and depend on reviews or TikTok content to make informed choices about their purchases.

Marketing Mix

Feyrely.id's offers 4 color variants of lip tint with 4.5ml size. The current price for their product is very affordable at Rp56,000 and the product is distributed both through resellers and digital marketplace. For marketing, Feyrely.id relies on social media platform such as TikTok and Instagram, with notably 10,500 Instagram followers.

B. External Analysis

Politic Economy Socio-culture Technology Environment Legal (PESTEL) Analysis

Politically, Indonesia has experienced stability over the past decade, presenting an opportunity for Feyrely.id to grow in a stable environment. Economically, the country shows an increasing Gross Domestic Product (GDP) trendline and a growing cosmetics industry, signaling favorable market conditions for the brand.

From a socio-cultural perspective, lip products are the most desired cosmetic items, with sales reaching \$7.95 billion and a projected annual growth rate of 5.81%. Technologically, social media platforms have become essential for advertising and introducing new brands to the public, providing a significant marketing channel for Feyrely.id.

Environmentally, the plastic-reduction policy in Indonesia poses a challenge for Feyrely.id, as the brand currently uses plastic packaging. Legally, Feyrely.id products are compliant, being registered and certified by Food and Drug Supervisory Agency (BPOM), ensuring safety and regulatory standards.

Porter's Five Force Analysis





From the five points of view, the bargaining power of buyer is high due to the inflated of alternative cosmetic brands, giving consumers considerable leverage. Likewise, the bargaining power of suppliers is also high, as Feyrely.id tends to depend on specific third-party manufacturers that already learn the brand's recipe.

The threat of new entrants is moderate. Although entering the cosmetic industry requires significant investment and extensive research and development, the sector's continuous growth in Indonesia reflects opportunities and challenges for both new and existing business. The threat of substitute products is low because lip tints offer distinct functions and textures, and the likelihood of consumers switching to alternative products is negligible due to its current popularity. Existing rivalry is high, with intense competition from established brands such as Luxcrime, Secondate, Dear me, and Bare and Bliss.

Competitor Analysis

Some of Feyrely.id's competitors for lip tints product currently can be seen in the table below:

Table 1.

4P	Luxcrime	Secondate	Dear Me	Bare and Bliss
Product				
	3.5 ml	3.2 ml	3.5 ml	3 ml
Price	Rp79,000	Rp118,000	Rp65,000	Rp62,100
Place	Digital marketplace, Retail, Physical store	Digital marketplace, Retail, Physical store	Digital marketplace, Retail	Digital marketplace, Retail
Promotion	Instagram, In-store	Instagram, In-store	Instagram	Instagram

The four share similarities with Feyrely.id for the lip tint product size, ranging from 3ml to 3.5ml, and place of sale and promotion — utilizing digital marketplace and social media. The notable difference lies in the pricing, with Feyrely.id offering the most affordable price at Rp56,000.

Proposed STP

Proposed Segmentation

Author divides her analysis results into three clusters as below:

Table 2.

Aspect	Cluster 1 (Highest preference for lip tint)	Cluster 2 (The most budget conscious)	Cluster 3 (Lowest preference for lip tint)
Gender	Dominated by female	Dominated by female	Dominated by female
Age	Dominated by people aged 19 to 24	Dominated by people aged >35	Dominated by people aged 19 to 24
Domicile	Jabodetabek	Central Java	Central Java
Occupation	Students	Private sector and/or state-owned enterprise employees	Private sector and/or state-owned enterprise employees
Education	Undergraduate	Undergraduate	Undergraduate
Average monthly spending	Rp 2,500,001 to 5,000,000	Rp 2,500,001 to 5,000,000	Rp 2,500,001 to 5,000,000
Behavior	Most frequently purchase lip products and have a preference for lip tint, thus spending the most money on lip tint. However, they only use lip tint on important occasions.	Most frequently purchase makeup products and use lip tints daily, but spend the least on lip tint	Least preference for moisturizing lip product and prefer lipstick
Important Aspect	Price, place, promotion	Price, place, promotion	Price, place, promotion



Product	Choice of color is the most important factor and they prefer Emina lip tint. Interested in learning more of Feyrely.id lip product	Choice of color is the most important factor and they prefer Luxcrime lip tin. Not interested in learning more of Feyrely.id lip product	Choice of color is the most important factor and they prefer Emina lip tint. Interested in learning more of Feyrely.id lip product
Price	Willing to spend Rp30,000 to Rp50,000	Unwilling to spend more than Rp30,000	Willing to spend Rp30,000 to Rp50,000
Place	Purchase on Shopee and find Feyrely.id's lip tints there as well. Buy lip tint at Sociolla and found Feyrely.id's lip tint at Guardian	Purchase on Shopee and find Feyrely.id's lip tints there as well. Buy lip tint at Sociolla, and found Feyrely.id's lip tint at Guardian	Purchase on Shopee and find Feyrely.id's lip tints there as well. Buy lip tint at Sociolla and found Feyrely.id's lip tint at Watsons
Promotion	Highly influenced by ads and/or reviews in Instagram, discovered the product through TikTok	Highly influenced by ads and/or reviews from colleagues or family, discovered the product from colleagues and family	Highly influenced by ads and/or reviews in Instagram, discovered the product through Instagram

Proposed Targeting

After analyzing those clusters above, the author chose Cluster I and III as the target markets due to higher willingness to buy lip tints from Feyrely.id.

Table 3.

<i>Aspect</i>	<i>Market Target</i>
Gender	Dominated by female
Age	Dominated by people aged 19 to 24
Domicile	Domiciled in Central Java and Jabodetabek
Occupation	Students and private sector and/or state-owned enterprise employees
Education	Undergraduate
Average monthly spending	Moderate spending per month
Behavior	Purchase makeup and lip products less than two times in a month, but spend Rp50,000 to Rp100,000 for lip tint purchase in a month
Important Aspect	Product, place, promotion
Product	Importance on lip tint color variations
Price	Willing to spend Rp30,000 to Rp50,000 for lip tint
Place	Shopee
Promotion	Influenced by digital advertising media such as Instagram and TikTok

Based on the proposed segmentation and targeting, author proposed positioning for Feyrely.id is for the brand to offers a variety of lip tint colors at affordable price for young and dynamic individuals seeking new experience with the product. Feyrely.id should emphasize color quality and provide attractive discount offers through digital marketplaces to meet consumers need.

C. Proposed Marketing Mix

Based on the analyses, Feyrely.id needs to implement several changes to enhance its market presence:

- Product: Feyrely.id should introduce a more economical size variation of its lip tints, offering 3 to 3.5ml options in addition to the original 4.5ml. Furthermore, expanding the color range will provide customers with more choices, catering to diverse preferences.



- Price: The new 3ml size should be priced at Rp38,000 and the 3.5ml size at Rp44,000. Given that Feyrely.id's lip tint prices are already lower than those of competitors, and consumer willingness to buy at Rp30,000 to Rp50,000, these competitive prices will further attract more customers.
- Place: The brand should continue to utilize digital marketplaces for product distribution. These platforms offer extensive reach and convenience, aligning with consumers shopping behaviors.
- Promotion: Feyrely.id needs to create more engaging content across various social media platforms. With creative and appealing content, the brand can enhance its online presence, attract new customers, and retain existing ones.

CONCLUSIONS

The research aimed to propose effective marketing strategies to increase sales and brand awareness for Feyrely.id's lip tint products. Through comprehensive analyses, the study identified Feyrely.id's strengths in product quality and customer service, alongside the need for increased consumer awareness. The external analysis highlighted the competitive yet opportunistic nature of the Indonesian cosmetic industry, driven by the rising popularity of lip tints and social media use. Targeting young, dynamic individuals in key regions, the proposed marketing mix emphasizes product diversification, competitive pricing, strategic digital marketplace use, and engaging social media promotion. Implementing these strategies will enhance Feyrely.id's market presence, attract new customers, and retain existing ones, leading to increased sales and brand awareness, and sustained growth in the competitive market.

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