

Comparative Analysis of Purchasing Decision Making between Swiss Customers and Chinese Customers of Cosmetics

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Abstract

Since 1978, China has experienced an extraordinary economic boom which has attracted Western companies to the country. Although many have been successful, even large corporations have struggled in the Chinese market. One of the reasons for this failure, as pointed out by several authors, is the strong differences between Western markets and China. In order to facilitate the understanding of culturally influenced behaviours, the present research analysed consumers in China and in Switzerland, which represents a market that Western manufacturers are familiar with. Due to regional differences within both countries, the study analysed consumers from Shanghai and Harbin, and the French and German-speaking areas of Switzerland. They answered a qualitative test which included projective questions. The study found out that there are large differences between the behaviour of consumers in Switzerland and China, but also within each country, particularly China. However, there are some similarities between the behaviour of consumers from Switzerland and Harbin. The findings provide a good insight for marketers wanting to enter or change their strategy in China or Switzerland, but particularly for Western manufacturers who are already present and familiar with the Swiss market and want to succeed in the Chinese market.

Keywords: Consumer Behaviour; Purchasing Decision; Cosmetics; China; Switzerland

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Introduction

For the past three decades, China has experienced an extraordinary economic boom (Whyte, 2009), reaching second place in the World's largest economies ranking, only behind the United States (World Bank, 2016). Many Western brands have been attracted to invest in the Chinese market, making it one of the top Foreign Direct Investment destinations in the last years (United Nations, 2015).

However, after years of openness to foreign companies, even large brands are still failing to succeed in China (Marquis and Yang, 2014) such as Garnier and Revlon (Roberts, 2014). The reason behind the failure of Western companies is often based on cultural aspects and misconceptions, which results in companies adopting the wrong approach to the market (Marquis and Yang, 2014) and explains why further research on the Chinese market and culturally influenced behaviours is important and necessary.

One of the main challenges companies approaching foreign markets face is to adapt their marketing strategies to the varying choices of different customers (Kaur and Chawla, 2016). Understanding Chinese consumer behaviours and attitudes could help marketers to design an effective mixed marketing strategy to gain repeated purchases customers, create brand loyalty, and expand domain in the Chinese market share (Nguyen, 2012). Therefore, the purpose of this research is to understand the differences between the purchasing behaviour of Chinese and Swiss buyers of cosmetics, going through the different steps of the purchasing process, providing a perspective for Western manufacturers of what needs to be taken into account when approaching the fast-growing Chinese market. The Swiss market represents a country which Western manufacturers know well and are experienced in: large players from France, Germany and the U.S. have been present in the Swiss market for a long time (Euromonitor International, 2016; Cosmetics Business, 2012), helping to provide a basis for comparison. The cosmetics market represents a strong market in both countries under analysis: China is the second largest market in the world (Reportlinker, 2015) and Switzerland has the second highest per-capita expenditure in cosmetics in Europe (Cosmetics Europe, 2016).

Although the Chinese cosmetics industry has been object of a number of analyses (e.g. U.S. Commercial Service Hong Kong, 2015; Fung Business Intelligence Centre, 2013; HKTDC Research, 2015), there is still little research on new developments of this fast changing market (e.g. the emergence of new customer segments) (SSRCC, 2016). The research on the behaviour of cosmetics consumers in China is also limited, particularly when comparing it with the behaviour of customers from other countries. Therefore, the present research aims to identify the gap between the purchasing behaviour of Swiss and Chinese customers of cosmetics, providing useful data not only for practical applications within the cosmetics industry but also for the theoretical knowledge of the purchasing behaviour process in China and Switzerland.

Switzerland and China are both very diverse countries. The French-speaking part of Switzerland is culturally more similar to France and gravitates more towards French brands and communications, whereas the German-speaking part is more similar to Germany and feels more comfortable with German and American brands (Javidan and House, 2002; La Bua, 2011). In China, different city tiers differ in levels of income

and in terms of consumer behaviour (Davies and Raskovic, 2018). Therefore, this research studies consumers from French-speaking and German-speaking Switzerland and from the Chinese cities of Shanghai (tier 1) and Harbin (tier 2).

Literature Review

Culturally Influenced Behaviours

Much recent analysis of culturally influenced behaviour appears dominated by a conception of culture which focuses on the national level (Søderberg and Holden, 2002; Shenkar, 2001), and applies national cultural distance models widely and often inappropriately. “Culture” is often broadly cited as a success factor or as contributing to failure, but often it is the application of national culture dimensions (e.g. Hofstede, 1980). There is a tendency for authors to abuse the models by failing to recognise the impact of relative power and agency; by ignoring culture as construct, by eliding small and large cultures (Holliday 1999, 2011) and assuming national culture primacy in analysis; and by falling into the so-called ecological fallacy (Robinson 2009; Hofstede, Bond and Luk, 1993). While national culture models may have some relevance and application when analysing encounters at a national level, the encounters analysed in this paper are between individuals or small groups.

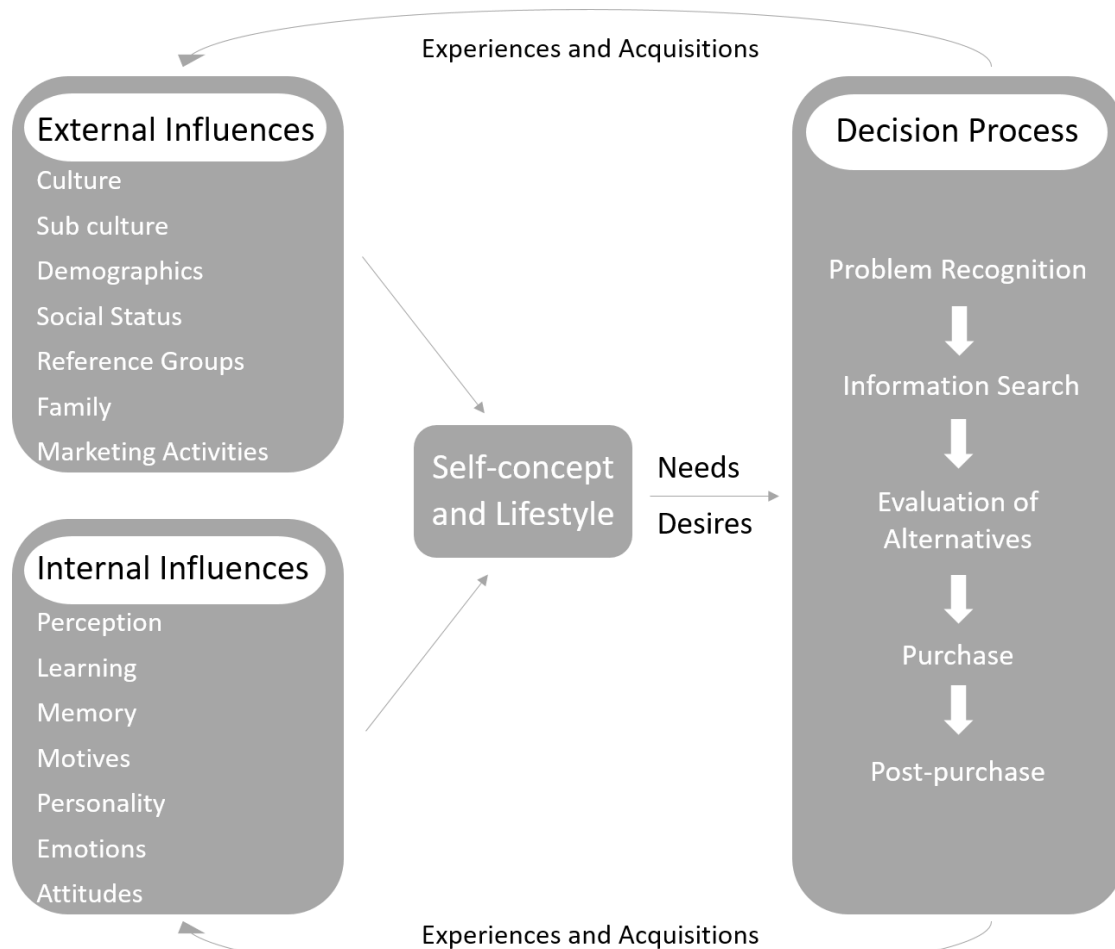
A more useful analysis for the current research would need to consider the degree to which culture is negotiated in context. Bjerregaard, Luring, and Klitmøller (2009) argue for a focus on agency, process, interests and motives, and analysing intercultural communication through the nexus of culture, actors and the context of communication. As the communication process continues, a concurrent process of small culture (Holliday, 2006) formation is taking place represented by the forming and re-forming of boundaries between and around the protagonists. By focusing on real behaviours, actual interactions and bottom-up culture development rather than an essentialised and deterministic culture model, the analyst can reduce the negative impacts of the national culture paradigm (Jeive 2016).

As this research seeks to investigate both intra and international variations in purchasing decision making between two sample of Swiss and two samples of Chinese Customers, the authors have followed Bjerregaard et al (2009), Holliday (2011) and Jeive (2016) in focussing on the actual behaviours and attitudes rather than abstracted dimensions. As a result, consumers’ behaviour and attitudes were investigated in detail to uncover cultural preferences inductively.

Consumer Behaviour

Consumer behaviour is considered to be at the heart of marketing (Zaichkowsky, 2015), as it provides a better understanding not only of the subject of purchases but also of the purchasing motives and purchasing frequency (Schiffman & Kanuk, 2007). It is the product of the interaction of many variables and several authors have developed models that explain this interaction (Engel, Kollat and Blackwell, 1978; Kotler, 2000; Hawkins and Mothersbaugh, 2010). According to Hawkins and Mothersbaugh (2010), consumers’ self-concept and lifestyle are influenced by external and internal factors. They result in needs and desires that are present in their

daily life, many times resulting in a purchase. Their final decision, and the process to get to it, will then cause learnings that will affect many internal and external factors.



Source: Adapted from Hawkins and Mothersbaugh, 2010

Figure 1: Overall Model of Consumer Behaviour

Purchasing Decision Process

The final stage of the consumer behaviour process is the purchasing decision. Consumers may or may not purchase a product, depending on their response to the process (Weber and Capitant de Villebonne, 2002). Engel, Kollat and Blackwell (1978) described it in five different steps, later integrated in Hawkins and Mothersbaugh's model: problem or need recognition; information search; evaluation of alternatives and selection; purchase and post-purchase evaluation.

Problem or Need Recognition

Problem or need recognition is the result of a discrepancy between the way an individual perceives his or her feelings at the present time and the way they want to feel (Gerhardus Mostert, 2002; Tan, 2010). This discrepancy is a consequence of the combination of internal factors, such as one's own beliefs, personality or perception, and external factors, such as marketing activities, culture, social class, reference groups and lifestyle (Sandhusen, 2000; Punj and Srinivasan, 1992; Łatuszyńska,

Furaiji and Wawrzyniak, 2012). Although there are no previous studies on the purchasing decision process of cosmetics in Switzerland, Choi, Kim and Kim (2007) studied the consumer behaviour of university students and Beijing and found out that the main reason that leads consumers to buy cosmetics is the dissatisfaction with their current products.

Information Search

Once a problem is recognised, consumers will perform an internal search from past personal experiences to find satisfactory known solutions for the problem. If no solution is found, they will proceed to an external search (Gerhardus Mostert, 2002) that can be based on impersonal sources (e.g. mass media), marketer sources (e.g. activities of personal selling, advertising and point-of-sale contacts) and personal sources (e.g. friends, peer groups and family) (Tan, 2010). Information from personal sources has been found to be particularly influential in consumer decision-making and consumers often rate personal sources as the most important source of information (Katona & Mueller, 1955; Price & Feick, 1984; Robertson, 1971). Choi, Kim and Kim (2007) found that the main information sources used by university students in Beijing before buying cosmetics are recommendations from friends and colleagues and beauty magazines. Furthermore, Li and Su (2007) found out that the purchasing decisions of Chinese consumers are highly influenced by their reference groups.

Brand awareness will increase the probability of the brand being included in the consumers' evoked set (Cobb-Walgren, Ruble and Donthu, 1995). In fact, previous studies (Huang and Sarigöllü, 2012; Pouromid and Iranzadeh, 2012) have shown that brands are more likely to be considered or chosen based on the consumers' brand awareness.

Evaluation and Selection of Alternatives

Evaluation of alternatives is affected by internal factors like beliefs and attitudes and external factors such as previous shopping and consumption experiences (Tan, 2010). Hawkins and Mothersbaugh (2010) describe three types of choice: affective choice, which evaluates a product on the basis of how it will make the user feel; attitude-based choice, which involves emotions and impressions to make a choice; and attribute-based choice, which requires knowledge about the attributes of the product and compares brands based on the different attributes. According to Choi, Kim and Kim (2007), the main factors why university students in Beijing choose a cosmetic product over a similar alternative are function, effects and price. Other important criteria include brand image, colour, fragrance, convenience of purchase, feeling when using the product and advertisement.

Purchase

After selecting an alternative, the purchase occurs either in a retail-type environment or through in-house shopping (Gerhardus Mostert, 2002). The store environment is critical to developing positive purchase intentions (Chao and Schor, 1998). In fact, according to a study from The Henley Center (1996, cited in Connolly and Davison, 1996), 73% of the purchasing decisions are made in-store. Merrilees and Fam (1997 cited in Fam et al., 2011), consider promotions and price markdowns as being two of

the key dimensions of in-store marketing. According to Arkes et al. (1994), unexpected price discounts result in higher expressions of willingness to pay for unrelated discretionary items. Fam et al. (2011) also highlight the importance of retail personal service. Although some customers enjoy a shopping experience with helpful and friendly shop assistants, a significant number also report negative shop experiences due to overly aggressive assistants, bad service and lack of product knowledge (Jones, 1999; Yip, Chan and Poon, 2012). The findings of Hou, Wu and Hu (2013) also support that consumers need individual space and may feel unhappy if sales personnel are excessively attentive.

Post-Purchase

The final stage of the purchasing decision process is the post-purchase. If the purchased product fails to satisfy the customer's needs, they may take no action at all, may switch products, brands, or engage in negative word of mouth (Hawkins and Mothersbaugh, 2010). Choi, Kim and Kim (2007) found out that, when not satisfied with a cosmetic product they bought, most Chinese consumers exchange it for another product at the place of purchase. On the other hand, if the customer is satisfied, the result can be repeated purchases or brand loyalty. For marketers, the ideal scenario is to develop a loyal customer, because customers who repeat the purchase are still subject to competitors' actions, and loyal customers are emotional attached to the brand and are likely to recommend it (Hawkins and Mothersbaugh, 2010). Customer loyalty can be generated through improving customers' overall satisfaction and offering high product value (Yang and Peterson, 2004).

Methodology

The primary purpose of this study was to understand the factors that Swiss and Chinese consumers considered in cosmetic purchasing throughout the 5 steps of the purchasing process in two different areas of each country. This way, it was possible to understand the regional differences within each country and the possible cultural gap between the purchasing behaviour of two Swiss and two Chinese customer groups. The research followed an inductive qualitative approach, as the objective of the research was to acquire understanding of human behaviour and the reasons of occurrence of that behaviour (Khalid, Hilman and Kumar, 2012).

A test incorporating projective questions was delivered online in September and October 2016 in the German-speaking and French-speaking Switzerland, in German and French, and in person during October 2016 in Shanghai and Harbin, in Mandarin and English. The test was structured based on key consumer behaviour topics from the review of previous literature for each of the five steps of the purchasing decision process. Projective tests derive from psychotherapy and are based on the idea that respondents are more willing to project their feelings onto others, animals or cartoons, than they are to attribute these feelings to themselves (Belk, Fischer and Kozinets, 2013). The researcher can access feelings, perceptions and attitudes that would be hard to access with more direct questioning techniques (Haire, 1950; Catterall and Ibbotson, 2000). In this study, projective techniques used asked the respondents to indicate the first word or thought that came to their minds; construct a story from a stimulus picture; describe their feelings if a brand was no longer available; and complete sentences, stories, an argument and a dialogue. Dialogue completion was

used as in the following example, in order to understand what information sources consumers trust most when looking to buy cosmetics.



Source: Modified by author from http://wdy.h-cdn.co/assets/cm/15/10/54f5f5ffe41f3_-_women-shopping-for-makeup-mdn.jpg

Figure 2: Example of Dialogue Completion for Swiss Consumers



Source: Modified by author from <https://www.dreamstime.com/stock-photography-women-buying-soap-two-smiling-shop-image30992822>

Figure 3: Example of Dialogue Completion for Chinese Consumers

Although the dialogue is the same, images showing people ethnically more similar to the respondents were used in each locale, in order to make it easier for them to project themselves into the situation and provide more reliable answers. Since the focus of the present research is on the purchasing decision in both China and Switzerland (rather than focussed on brand recognition or perception), no particular brands were mentioned, giving respondents the freedom to talk about any brand.

A non-random convenience sample of 65 female cosmetic consumers aged 20 to 39 was selected, since previous studies have identified this age group as the most relevant for the Chinese market (Fung Business Intelligence Centre, 2015) and the second most relevant in Switzerland (Zulauf, 2002). Respondents came from diverse backgrounds (students, low-skilled workers and high-skilled workers) better to represent the broad characteristics of the buying public.

Data was analysed using a thematic analysis. Thematic analysis is a method for identifying, analysing and reporting patterns (themes) within data, organising and describing it in detail. It is considered free from any pre-existing theoretical framework, which means that it is used within different frameworks (Braun and Clarke, 2006). According to the same authors, thematic analysis can be a realist, constructionist or “contextualist” method. The present research follows a realist approach, as it aims to find out, examine and compare the “experiences, meanings and the reality of participants” (Braun and Clarke, 2006, p.9).

Following the division of data collected according to the five steps of the purchasing process, different themes were defined for each step. Table I provides an example of how themes were generated from for each step in each region. The complete coding process is available from the authors.

Table 1: Example of Coding Process

	Initial codes	Potential themes	Changes in themes	Final themes
Shanghai				
Problem recognition	<ul style="list-style-type: none"> • Others’ opinion • Coming across a prettier woman • Not popular among friends • Special event • New job • Self-awareness • Skin problems • Want to look pretty 	<ul style="list-style-type: none"> • External factors • Internal factors • Skin problems • Pursuit for beauty 	<ul style="list-style-type: none"> • External factors 	<ul style="list-style-type: none"> • The importance of others’ opinion

A discussion and comparison of the different themes obtained was completed, allowing classification of the behaviour variation as: minor, when respondents in both groups share similar ideas; significant, when additional ideas from one group are not present in the other, but core ideas are shared; and fundamental, when the core ideas are completely different. In a first phase, findings from different areas of each country were compared, in order to understand how regional differences affect the purchasing decision. In a second phase, general findings of Swiss and Chinese consumers were compared, in order to find out the cultural gap between the two broad groups of consumers.

Results

French-speaking Area of Switzerland

Consumers in the French-speaking area of Switzerland tend to use cosmetics because of skin problems and see them as part of their health and well-being routine:

F-4: "Cosmetics are part of a ritual for health and well-being";

F-11: "She saw a wrinkle".

When looking to buy cosmetics, although they will listen to recommendations from personal sources, their own experience is the most important source of information. Moreover, the use of samples and testers seems to be relatively common in the region.

F-1: "I learn about the good quality of a product when friends tell me about their experiences/preferences. Anyway I will buy it, test it, if it is not good I will not buy it again";

F-5: "I know the product is good because I tried a sample".

French brands are the most recognised among respondents in the area, mostly because they are currently using them and like the quality or they remember seeing advertisements for the brand recently. However, they prefer to buy French brands of skin-care products and American brands in the make-up segment, mostly due to own use and proven results.

When choosing between similar alternatives of products, they tend to look at attributes such as low price, good smell, high efficacy and whether the product is bio.

F-6: "It's the most effective";

F-12: "It's cheaper".

They will consider the recommendation of a shop assistant for a different product, but tend to take it as another information source rather than an absolute truth. They will carry out more research and compare it with the product they originally wanted to buy.

F-1: "She will maybe take the assistant's opinion into account, however if after a first experience it does not quite fit her expectations, she will buy the other product in order to compare and verify her research";

F-8: "She verifies the information and buys the one that really suits her best".

However, when faced with in-store sales, respondents will seize the opportunity to buy extra products, without necessarily knowing the products on sale, or needing them at that moment.

F-4: “She leaves the store with many extra products”;

F-7: “She bought other products because they are cheaper”.

If not happy with a product they bought, many respondents will not take any active action besides throwing it away or leaving aside, but some will complain and not recommend it to other people.

F-5: “I will not use it anymore nor recommend it to anyone”;

F-9: “I will just put it aside”.

On the other hand, if they like a product, they tend to be very loyal customers, showing feelings of sadness and disappointment if their favourite brand disappears.

German-speaking Area of Switzerland

Most respondents recognise the problem that leads them to buy cosmetics as driven by internal factors, such as bad feelings about their body hygiene or skin issues like dryness and pimples.

G-7: “My skin is dry, I am not happy”;

G-9: “We should take care of our hygiene, health and compatibility”.

However, psychological and social issues were also identified as a reason to buy cosmetics.

G-5: “Her boyfriend broke up with her”;

G-8: “Cosmetics make you feel more confident”;

G-13: “She experienced social discrimination due to beauty reasons”;

G-13: “A healthy mind can only exist in a well-groomed body”.

Before buying a cosmetic product, most consumers will base their information search on their own previous experiences or personal sources such as recommendations from friends or colleagues. They are willing to buy new products, as long as they are recommended by someone close to them.

G-1: “A friend told me about it. She has been using it for a long time and is happy with it”;

G-6: “I buy what I always bought or something that a friend recommended me”;

G-8: “I buy products I already tried, or somebody recommended them”.

Consumers are mostly aware of French and German brands, due to longstanding use and American make-up brands, due to their quality. When buying cosmetics, they prefer German and French brands, due to frequent use.

When deciding between similar alternatives, most respondents will base their choice mainly on attributes such as cheaper price, a high quality/price ratio and product specifications, but also on how attractive the outlook of the product is.

G-3: "It has a benefit that the other product doesn't have";

G-6: "It's cheaper".

Very few respondents are not influenced by in-store environment. They will buy a different product suggested by the sales assistant if she or he presents good and professional arguments.

G-8: "If the salesperson is professional, she might change her mind";

G-14: "It depends on whether the arguments of the saleswoman are convincing or not. If they are, then she changes the product. Otherwise she thanks her for the advice and keeps her selection".

If there are in-store sales, they will take the opportunity to buy extra products, but only if it is something they also need, regularly use, or expensive products that are not usually on sale, like sunscreen.

G-1: "She buys the product she intended. If a brand she likes is also on sale, she will maybe buy a second one";

G-8: "I will get more products I regularly use because now they are all on sale".

If not happy with a product, a few respondents mentioned they would complain and not recommend it, but most would not take active actions.

G-4: "I will throw it away";

G-6: "I will never buy it again, and will write a bad review";

In general, consumers proved to be very loyal towards brands they use often, when they showed sad feelings if a brand was to disappear.

Comparison of the Purchasing Process of Customers from the French and German-Speaking Switzerland

The table below summarises the themes that arouse from consumers' responses that best describe their purchasing decision process. Overall, in both regions, consumers' purchasing processes are quite similar, the only significant difference being registered in the problem recognition step.

Table 2: Themes and Quotes from Swiss Consumers

Purchasing steps Regions	Problem Recognition	Information Search	Alternative Evaluation	Purchase	Post-purchase
French-speaking	Theme Skin problems and well being	Importance of samples and testers	Selection based on product attributes	In-store influences taken into consideration	Some active complaining behaviour and loyalty
	Quote F-4: "Cosmetics are part of a ritual for health and well-being"	F-5: "I know the product is good because I tried a sample"	F-12: "It's cheaper"	F-8: "She verifies the information and buys the one that really suits her best"	F-5: "I will not use it anymore nor recommend it to anyone"
German-speaking	Theme Skin problems and social issues	Own experience and personal sources	Selection based on product attributes	In-store influences taken into consideration	Some active complaining behaviour and loyalty
	Quote G-13: "She experienced social discrimination due to beauty reasons"	G-8: "I buy products I already tried, or somebody recommended them"	G-6: "It's cheaper"	G-8: "If the salesperson is professional, she might change her mind"	G-6: "I will never buy it again, and will write a bad review"
Intra-country Purchasing Behaviour Variation	Significant	Minor	Minor	Minor	Minor

Harbin, China

Some external concerns about image are present in consumers' minds:

H-2: "I came across a boy I like, or I have an interview";

H-9: "Oh! I don't look good! Or "someone said: Look at your face! Look at your hair! - It's time to do something";

However, respondents from Harbin are mostly concerned about their skin and use cosmetics to make sure it is in the best possible condition.

H-11: "The sun is very strong, I need to buy sunscreen so that my skin doesn't become black";

H-12: "My skin is flaccid, because I haven't used my cosmetics continuously, no rules, whenever I remembered. I'm already 34 years old, I need professional care, to take good care of myself before I become old".

When gathering information about a product, respondents will mostly trust their own experience with the product, or, if they have never used or tried it, they will trust personal sources, such as the opinion from colleagues or friends.

H-4: "I don't buy products that I haven't tried or that I don't know, usually if the recommendations and reviews are very good, then I go buy it; I don't buy completely new products";

H-10: "I used it myself, or a friend recommended it".

They are mostly aware of French brands, due to their good reputation or a particularly famous product (e.g. Yves Saint Laurent's lipstick) and Korean and American brands, due to frequent use by the respondents. But when buying, respondents prefer Korean and Japanese brands due to "good feelings" and "good moisturising" when using them, and American brands due to longstanding use.

If selecting between similar alternatives, the most important criteria is that products are compatible with their skin. Other criteria are a cheaper price and package outlook.

H-4: "It's more suitable for my skin";

H-11: "It moistures better";

When purchasing these kind of products, they are aware that shop assistants sometimes get commissions from selling certain products, but still regard them as cosmetic professionals and sometimes will follow their advice.

H-7: "She trusts her research more than the recommendation of the sales assistant. If she hadn't done any research, she would consider, but since she researched a lot, she will stick to her own product. Because their recommendations are maybe related to their earnings";

Regarding in-store sales, respondents will take advantage of larger sales, but only under certain conditions. Most of them will only buy from the sale if it is something they are in need of, and many agree they should not buy something that they do not know just because it is on sale.

H-4: "If it suits me or I need it, I would buy extra products from the sale";

H-15: "She buys the original product and only buys more if she already knows the products".

Respondents are also suspicious regarding very large sales (e.g. whole store 50% off).

H-15: "I would not buy face-care products, only hand-care".

After the purchase, if they are not satisfied with a product, they will take no active actions complaining about it.

H-1: "I would give it to my mother";

H-2: "I would throw it away".

Furthermore, they do not show loyal feelings towards any brand.

H-2: "No feelings, I would change, I am happy to try new ones";

H-14: "I would just change. I don't have to always buy that brand".

Many also believe that when they have been using a brand for too long, they will stop seeing results, and therefore should change to another brand.

Shanghai, China

When considering buying cosmetics, respondents in Shanghai place a lot of importance on external factors, such as other people's opinion about the way they look. They mostly relate cosmetics to beauty, and that is the main reason they buy these products.

S-16: "She's starting her career and needs cosmetics to make her look more professional".

S-18: "People need them, women need cosmetics to help them look beautiful and full of energy".

S-19: "Her boyfriend used to tell her that even without make up she looked beautiful. Now he told her without make up she doesn't look good".

Besides gathering information from their own experience and close personal recommendations, a particularly trendy source of information are online reviews and the opinion of beauty bloggers.

S-7: "My friends recommended it; I check information on sites like WeChat or WeiBo";

S-11: "I saw some information on blogs, so I would choose it directly, I trust their reviews";

Respondents are mostly aware of French and American brands, mainly due to the popularity of one specific product (e.g. Chanel and Yves Saint Laurent's lipstick) and current trends.

S-11: "Currently there's an online trend in China, which is if your boyfriend does not buy you an Yves Saint Laurent lipstick, it means he does not love you".

They are also aware of Korean and Japanese brands, due to frequent and recent use. When purchasing, they prefer to buy Korean and Japanese skin-care products, as they see them as more suitable to the Chinese skin, but prefer European and American make-up brands, because of their stronger colours.

Besides a cheaper price and good quality, when choosing between similar alternatives more subjective impressions such as the design of the package or the brand reputation are often the decisive criteria to choose one product over another.

S-11: "I choose the famous brand - it's a safer choice";

S-12: "It seems to be more beautiful, she prefers the colour".

Respondents are very suspicious about store assistants and do not change their minds when given a different recommendation, as they consider that they recommend the

product that is most convenient to them and not necessarily the one that best suits the customer.

S-11: “Shop assistants are not trustworthy. In China, most times they recommend you products that they want to sell and not the ones that are suitable for you. She should trust her own research”;

S-20: “Her job is to sell, if she sells more, she gets more money. She doesn't recommend the one that is most suitable, but the one she will get more money from selling”.

When surprised with in-store sales, customers also adopt a defensive approach. Smaller sales are not popular and do not make them change their minds. Larger sales are more popular, but they will only buy products that they already know and that they require. They are also afraid of quality issues on larger sales.

S-15: “If I don't know these products, I would ignore the sale”;

S-16: “I would check, but there would be a reason behind this kind of sales. If products are of good quality, I would buy extra”.

If not satisfied with a product, consumers will not take any active complaining action.

S-15: “I will throw it away”;

S-23: “If it's a face product, I will use it for hands or body”.

Although many respondents are not particularly loyal towards any brand, some are starting to see value in some brands, especially those that help to improve particular conditions, such as dry skin.

S-5: “I don't have any feelings, I would just change brands, it's easy to find similar brands”;

S-8: “What to do? Who can save my skin? Finding an equivalent brand is not easy”.

Comparison of the Purchasing Process of Customers from Harbin and Shanghai

The table below summarises the themes that arouse from consumers' responses that best describe their purchasing decision process. Overall, the purchasing process of consumers from both regions are rather different, with similarities being seen in the purchase and post-purchase steps.

Table 3: Themes and Quotes from Chinese Consumers

Purchasing steps		Problem Recognition	Information Search	Alternative Evaluation	Purchase	Post-purchase
Cities						
Harbin	Theme	Need to protect the skin	Not willing to try completely new products	Most suitable for the skin	Distrust for large sales and in-store recommendations	No active complaining behaviour and not loyal
	Quote	H-12: "My skin is flaccid, because I haven't used my cosmetics continuously (...)"	H-10: "I used it myself, or a friend recommended it"	H-4: "It's more suitable for my skin"	H-15: "She buys the original product and only buys more if she already knows the products"	H-14: "I would just change. I don't have to always buy that brand"
Shanghai	Theme	Importance of beauty and others' opinion	Popularity of online reviews and opinion makers	Subjective aspects	Distrust for large sales and in-store recommendations	No active complaining behaviour and some loyalty
	Quote	S-19: "Her boyfriend used to tell her that even without make up she looked beautiful. Now he told her without make up she doesn't look good"	S-7: "My friends recommended it, I check information on sites like WeChat or WeiBo"	S-12: "It seems to be more beautiful, she prefers the colour"	S-20: "(...) She doesn't recommend the one that is most suitable, but the one she will get more money from selling".	S-5: "I don't have any feelings, I would just change brands, it's easy to find similar brands";
Intra-country Purchasing Behaviour Variation		Fundamental	Fundamental	Significant	Minor	Minor

Comparison of the Purchasing Process of Customers from Switzerland and China

After the analysis of respondents' answers to the test, it was evident that the characteristics of the purchasing process of customers in Switzerland are very similar, but those of consumers in China differ quite a lot. For that reason, it is not possible to group Harbin and Shanghai together, and it is necessary to draw a comparison between the two individual Chinese cities and Switzerland.

Problem Recognition

In Switzerland and Harbin, respondents use cosmetics due to personal and internal reasons, such as skin issues and well-being, but also social and psychological reasons, such as lack of confidence or social discrimination. In Shanghai, the predominant reasons to use cosmetics are external, however, they are more related with beauty and taking others' opinion into consideration, rather than feeling good about one's self.

Information Search

Basing their search on own experience and close personal sources is common to all consumer groups. However, in Switzerland and Harbin respondents are more reluctant to buy products that they have never tried before, whereas in Shanghai there is an increasing popularity of online reviews and beauty bloggers as sources of information before the purchase of cosmetics.

Evaluation of Alternatives

Consumers in Switzerland and Harbin tend to base their selection of alternatives on product attributes such as cheaper price, better smell or product characteristics. Besides those attributes, consumers in Shanghai are also influenced by attitudes such as the reputation of the brand or the look of the package.

Purchase

Respondents from Switzerland find in-store sales and the recommendations from sales personnel valuable, and are more easily influenced by them than are those in Harbin in Shanghai. In both Chinese cities, respondents showed a high degree of distrust towards in-store stimuli, both the recommendations and the sales and rely much more on their own research. The latter finding was of particular interest as it highlights an area for further research and one which is of immediate importance to brands and retailers.

Post-purchase

Consumers in Switzerland tend to value a brand if they like it and become loyal to it, while in China that only happens in Shanghai if the consumer has some kind of specific issue that some particular brand is able to attenuate. Regarding complaining behaviour, consumers in Switzerland are to a certain extent more active in complaining if not happy with a product than are those in Harbin and Shanghai, where no complaining intentions were registered.

The table below summarises the variation on the purchasing behaviour between Switzerland, Harbin and Shanghai.

Table 4: Variation on the Purchasing Behaviour between Consumers from Switzerland, Harbin and Shanghai

		Problem Recognition	Information Search	Switzerland Alternative Evaluation	Purchase	Post-purchase
Harbin	Problem Recognition	Minor				
	Information Search		Minor			
	Alternative Evaluation			Minor		
	Purchase				Fundamental	
	Post-purchase					Fundamental
Shanghai	Problem Recognition	Fundamental				
	Information Search		Significant			
	Alternative Evaluation			Significant		
	Purchase				Fundamental	
	Post-purchase					Fundamental

This research found significant intra-country differences in the behaviour of consumers of cosmetics, particularly in China. These findings are consistent with Bjerregaard et al (2009), Holliday (2011) and Jeive (2016) and prove that national level culture models may not be sufficient when studying in-country variation in the behaviour of consumers, as they fail to recognise the impact of smaller groups and contexts. Therefore, it is important that academic and business consumer research takes into consideration that a national cultural dimension may be too broad to identify the particularities in the behaviour of consumers and that there is a need to focus on smaller contexts and real interactions in order to be able to design a suitable market approach.

Conclusion

One of the first conclusions of this research is that it is not possible to group the purchasing behaviour of cosmetic consumers of different cities under one individual country, particularly in China. Switzerland is a relatively small country and shows small regional variations on the purchasing behaviour. However, as one of the world's largest countries, regional differences in terms of economy and attitudes are too accentuated to allow a generalisation of the purchasing behaviour of cosmetics in China.

Consumers from the four regions mentioned similar aspects in several purchasing steps, such as the awareness for French brands or the evaluation based on the price/quality ratio. However, the most illustrative factors that best described each purchasing step were most times different. Stronger similarities are seen between Switzerland and the city of Harbin in the “need recognition”, “information search” and “evaluation of alternatives” phases. The two regions have similar needs when it comes to cosmetics, mainly related to health and well-being reasons, are influenced

by similar sources of information, such as own experience and personal sources and base their evaluation of alternatives on the same factors, such as price and skin compatibility. Major differences are seen in the “purchase” and “post-purchase” phases, due to variances in in-store influences, loyalty towards cosmetic brands and complaining behaviour.

This study did not find significant similarities between the purchasing process of consumers in Switzerland and Shanghai. Respondents have very different perspectives on the motives for using cosmetics with consumers in Shanghai being mostly concerned with looking beautiful. When gathering and comparing product information Swiss consumers are not as influenced by impersonal sources and impressions about brands as those in Shanghai. During in-store purchase, Swiss consumers are more influenced by in-store environment and prefer Western rather than Asian brands. In post-purchase behaviour, Swiss consumers are more loyal towards brands and have a more active complaining behaviour than consumers from Shanghai. As noted above, the relative distrust of large sales and in-store recommendations on both Harbin and Shanghai raised interesting questions. On further reflection, these results can well be explained by established trust literature. In the case of Harbin, trust in the product is initially low and based on cost benefit calculations, but may rise with additional product knowledge (see e.g. Lewicki and Bunker 1995 or Jeive 2018 forthcoming). The Shanghai results are a little more complex, but can be explained by the ABI model of trustworthiness (Mayer et al 1995) when applied to a trust system (Luhmann, 1989) rather than an individual. ABI represents the three elements of trustworthiness, namely ability, benevolence and integrity. Shanghai respondents appear least likely to accept the benevolence and integrity of the retailer assuming that achieving sales targets outweigh ensuring the customer is sold the most appropriate product in stores and amongst retail staff (Jeive 2018 forthcoming).

Theoretical Implications

The present study followed the five steps of the purchasing process and provided useful findings for each of them.

The findings supported Sandhusen (2000) in confirming that problem recognition derives from a combination of internal and external sources.

When searching for information, personal sources are in most cases the most reliable information sources for consumers, supporting Katona & Mueller (1955), Price & Feick (1984) and Robertson (1971). However, regarding brand awareness, the present findings do not match those of Huang and Sarigöllü (2012) and Pouromid and Iranzadeh (2012), since the most recognised brands are often not the most purchased in our samples.

Of the three aspects mentioned by Hawkins and Mothersbaugh (2010) in evaluating alternatives (attitude-based choice, attribute-based choice and affective choice), the most prominent one identified by this study among all groups of consumers was the attribute-based choice. This type of evaluation was based on attributes such as price, smell or price/quality ratio. Attitude-based choice was present in Shanghai, where

some consumers base their choice on impressions such as advertisements or brand reputation.

In the “Purchase” step, Arkes et al. (1994) stated that price discounts result in a higher willingness to buy extra products. However, the present research has not confirmed this information, as it depends on the level of discount and attitudes of consumers. Regarding sales personnel’s recommendations, both the findings of Jones (1999) and Hou, Wu and Hu (2013) were confirmed in the present research, since consumers’ reactions may vary depending on multiple factors.

Finally, in the “Post-purchase” step, this research registered all the aspects mentioned by Hawkins and Mothersbaugh (2010): when not happy with a purchase, some customers take no action, others switch products or brands and some engage in negative word of mouth.

Limitations and Future Academic Research

This study has taken a first step towards understanding the behaviour of groups of Chinese and Swiss consumers, as a way to facilitate the understanding of different culturally influenced behaviours. It did not focus on any particular cosmetic categories and provided an overview of the purchasing decision process, not focusing on any particular step. In general, the behaviour of consumers depends on many abstract factors that may not be instantly evident and are only visible when going deeper into small details. Therefore, further research that focus on particular cosmetic categories and/or on particular purchasing phases is needed, to which the present research provides a good basis.

Furthermore, the results have opened an additional research area in investigating variations in interpersonal and system trust especially in the purchase process for Chinese consumers or at least female Chinese cosmetic consumers aged 20 to 39. Both trust development linked to knowledge of the product and trustworthiness linked to perceptions of ability, benevolence and integrity are areas which could profitably be investigated further.

Implications for Business Marketing Practice

The findings of this study provide valuable information for cosmetic manufacturers wanting to enter or change their marketing strategy in the Chinese or Swiss market, but particularly for Western manufacturers that are already present in Switzerland and aim to enter or change their strategy in China.

According to the present study, the first issue to address is that a brand’s strategy should be adjusted by region in China. There are significant differences in the purchasing behaviour between Shanghai and Harbin, which is a tier 1 and tier 2 city respectively, but even stronger variations may be found when analysing the behaviour of consumers from tier 3 and tier 4 cities.

Regarding the pre-purchase behaviour, advertisements seem to work in the four regions as a trigger to buy cosmetics, as source of information and basis for evaluation of alternatives. However, it has been losing ground to other tactics. In Switzerland,

marketers should consider the importance of giving out samples and having testers available, as well as sales and new products launchings. In Harbin, they should consider how important skin health is for consumers and draw attention to features related to that on their products. In Shanghai, the importance of promotions on social media should not be neglected, since it is one of the main communication channels between experts and consumers and it is where users share their experiences with products.

Consumers in Switzerland enjoy in-store sales and shop assistants' recommendations. However in China, large sales can be seen as a way to sell out products with some kind of quality issues and recommendations can be seen as a way for assistants to earn commissions. Marketers should consider the degree to which they can build trust with their customers by focussing on perceptions of the brand's and retailer's ability, benevolence and integrity and increasing customer's product knowledge. Chinese consumers will not buy a product that they do not know in these circumstances. Therefore, marketers should take into account that when launching a new product, in-store sales or having sales personnel recommending the product too much, can be a bad beginning for the product and/or brand.

Regarding post-purchase behaviour, consumers in China tend not to be very loyal towards cosmetic brands. However, several respondents in Shanghai are becoming more loyal towards brands they found have a unique specificity or effect. Therefore, a good strategy to increase customers' loyalty could be to emphasise a unique feature of the brand or product that is hard to find on others. Another post-purchase issue to address is the lack of active complaining behaviour. Although more active in Switzerland than in China, passive complaining behaviour can be a problem for cosmetic manufacturers, as they do not have the opportunity to address possible issues directly, which could mean losing one or many customers. Therefore, marketers should encourage feedback from users, and provide them with special channels for that purpose.

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