Introduction of Marketing Strategies in China
China’s GDP Growth Rate

In recent 5 years, global economic situation became worse. Meanwhile, China’s GDP growth fell from 18.5% to 6.4%.

Source: National Bureau of Statistics of the People’s Republic of China
China’s GDP Structure

The proportion of service industry in China’s GDP increased in 2015, taking more than half share. It was marked as a new phase of China’s economy and social development, meaning that China’s industrial structure and consumption structure have upgraded to a new level.

Source: National Bureau of Statistics of the People's Republic of China
China’s Global Market Positioning

With the rapid development of Chinese economy and acceleration of economic globalization, China market has become the apple in the eyes of global marketers. Most foreign enterprises not only position China as a manufacturing place but also the world’s largest market, hence with no intention to withdraw their investment in China.

The Number of Foreign-funded Enterprises in China

Source: National Bureau of Statistics of the People's Republic of China
China’s Global Market Positioning

With its massive population and staggering business opportunities, China attracts a large sum of investment from a lot of foreign companies. The utilization of China’s foreign direct investment reached the highest at $126.3 billion in 2015, along with optimized industrial structure.

Source: National Bureau of Statistics of the People’s Republic of China
The Motivations of Entering China’s Market

• As Chinese economy developed, urban population increased and foreign investment saw a significant growth in these years. Increasingly more foreign companies seek larger market share in China or try to have an easier access to enter into China market.

• To achieve those purposes, global marketers need to be informed of more marketing knowledge, marketing strategies and marketing technics on China markets.
Develop Marketing Strategies in China

The China market is evolving rapidly, hence you need to continually develop your China marketing strategies.

if you want to approach Chinese audience, effective marketing strategies are needed to help raise your image and profile, and to understand your business.
China’s Media Landscape
China’s Media Growth Rate

According to the data from CTR, the scale of China’s pre-movie ads and Internet ads significantly expanded in 2015 with growth rates reaching 63.8% and 22% respectively. However, the budgets placed on traditional media continued to drop, especially for print media.
Time Spent on Media by Chinese Users

The time Chinese audience spent on TV per day is getting less while the total time on digital media is becoming longer, among which PC’s share is shrinking while mobile’s is significantly rising.

### Usage of Different Media by Adult Users in China per Day

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>TV</th>
<th>Digital (mobile)</th>
<th>Digital (PC/desktop)</th>
<th>Radio</th>
<th>Newspaper</th>
<th>Magazine</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>6h8m</td>
<td>2h40m</td>
<td>3h5m</td>
<td>11m</td>
<td>10m</td>
<td>1m</td>
<td></td>
</tr>
<tr>
<td>2015H1</td>
<td>6h8m</td>
<td>2h40m</td>
<td>3h5m</td>
<td>11m</td>
<td>10m</td>
<td>1m</td>
<td></td>
</tr>
</tbody>
</table>

Source: eMarketer, June 2015
Chinese Users’ Digital Media Usage

- More and more Chinese people are using mobile phones to get online. With the popularity of smart appliances, netizens now can be provided with online services via TV networks.
- Workplace and home are still remained as the main places to surf the internet.

Source: CNNIC the 33rd-36th Statistical Report on Internet Development in China
Chinese Users’ Online Behaviors

Among all online behaviors, instant social networking, news reading and information searching rank top 3.

Users with Different Online Behaviors in June 2015(million)

Source: CNNIC the 33rd-36th Statistical Report on Internet Development in China
Basic Rules for Marketing in China
Basic Rules for Marketing in China

• Before you develop marketing strategies in China, you should consider about all kinds of potential international risks, including cultural differences, language barriers, and local legislation.
• It is also important to understand the strategic approaches to enter China market, such as assessing the market and competition, choosing the entry channels and models.
• It’s crucial to make the best of this unique juncture in time and implement the most effective marketing strategies for a firm position in China. Some considerations should be taken into account in the process of launching products into China market.
Do Market Research

- It is important to carry out market research before investing significant time and resources to promote brands in the China market. General information of China is easy to find, and a huge amount of market information can be acquired through desk research.
- By using the information about Chinese audience’s demography, behavioral patterns and preferences, you will be able to understand your target Chinese audience.

- Local statistical bureaus
- Government websites
- Local industry associations
- Consultancies and research agencies
- Third party organizations
Find the Right Partners

• The right marketing partners should not only be experienced in marketing area, but also have many insights in terms of the industries.
• For example, in 2013, UCWeb, teamed up with Evernote in a marketing campaign to help this US company gain a deeper understanding of the Chinese mobile web consumers ahead of its formal China launch later that year. These strategic relationships have delivered positive results for all parties involved.
Cultural Immersion

- It should be noted that companies need to fully understand the needs and preferences of local Chinese audiences, particularly in consumer market, which are often influenced by China’s unique culture.
- Moreover, in order to understand the vast and complex Chinese business landscape, you must see and experience China by yourself. First-hand knowledge of Chinese business will strengthen your position as a partner, and meanwhile it will facilitate you to develop creative, unique approaches for different segments of the overall China market.
Get to Know Chinese Calendar

- While western marketers gear up for the big pre-Christmas shopping days of the year, Black Friday and Cyber Monday at the end of November, the big festivals in China are different from the west.
- Singles’ Day, a Chinese shopping festival that happens in 11 November, targeting people who are single and offering them an excuse to buy themselves gifts in celebration of their single status.
- Singles’ Day has already gain huge popularity among young Chinese people, and is now the country’s biggest shopping day of the year, despite the fact that it’s not a cultural tradition.
- Retailers start marketing Singles’ Day at least a month before the day, and finally on the day, they will offer big discounts (sometimes up to 50%) on products to attract consumers.
- Meanwhile, lunar new year is another big commercial festival in China, and for marketers it is as exhilarating as the Christmas in the west.
# Big Festivals in Chinese Calendar for Marketing

<table>
<thead>
<tr>
<th>Festivals in Chinese Calendar</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Year’s Day</td>
<td>1 January</td>
</tr>
<tr>
<td>The Spring Festival</td>
<td>The 1&lt;sup&gt;st&lt;/sup&gt; day of the first lunar month</td>
</tr>
<tr>
<td>The Lantern Festival</td>
<td>The 15&lt;sup&gt;th&lt;/sup&gt; day of the first lunar month</td>
</tr>
<tr>
<td>Valentine's Day</td>
<td>14&lt;sup&gt;th&lt;/sup&gt; February</td>
</tr>
<tr>
<td>Women’s Day</td>
<td>8&lt;sup&gt;th&lt;/sup&gt; March</td>
</tr>
<tr>
<td>Tomb-sweeping Day</td>
<td>4-6&lt;sup&gt;th&lt;/sup&gt; April</td>
</tr>
<tr>
<td>Labor Day</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; May</td>
</tr>
<tr>
<td>Dragon Boat Festival</td>
<td>The 5&lt;sup&gt;th&lt;/sup&gt; day of 5&lt;sup&gt;th&lt;/sup&gt; lunar month</td>
</tr>
<tr>
<td>Chinese Valentine’s Day</td>
<td>The 7&lt;sup&gt;th&lt;/sup&gt; day of the 7&lt;sup&gt;th&lt;/sup&gt; lunar month</td>
</tr>
<tr>
<td>Mid-Autumn Festival</td>
<td>The 15&lt;sup&gt;th&lt;/sup&gt; day of the 8&lt;sup&gt;th&lt;/sup&gt; lunar month</td>
</tr>
<tr>
<td>National Day</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; October</td>
</tr>
<tr>
<td>Double 11</td>
<td>11&lt;sup&gt;th&lt;/sup&gt; November</td>
</tr>
<tr>
<td>Double 12</td>
<td>12&lt;sup&gt;th&lt;/sup&gt; December</td>
</tr>
</tbody>
</table>
Marketing Communications

- As in any market, customer is the key factor to consider when developing your China marketing strategy. No matter you are targeting local Chinese audience or business, it should be ensured that marketing messages are translated into Chinese and can be easily understood by the Chinese audiences.
- It is worth investing time in your marketing materials such as flyers, product brochures, technical data sheets etc.
Marketing & Communication Approach_ Digital

Email
After initial contact has been established, you can use an email to introduce the company, and specific products and services that may be of interest to the audience, with more details.

Website
Meetings in the workplace should be used to move the relationship forward, once the potential customer has shown some interests. Deals will almost always be closed in face-to-face meetings.

Online media
Business networking sites such as LinkedIn and Tianji can be used for networking purposes, while blogging sites can be used effectively for product promotion and as a forum to collect market feedback.
Marketing & Communication Approach_ Non-digital

Exhibitions & conferences
Establish the first contact with new customers regularly and strategically, and raise brand awareness in the market.

Face-to-face meetings
Meetings in the workplace should be used to move the relationship forward, once the potential customer has shown some interests. Deals will almost always be closed in face-to-face meetings.

Sending details by post
Direct mail can be an effective way to draw the interests of the customers. Contrary to popular belief, the Chinese are more receptive to direct mails than most Westerners.

Relationships & networking
Networking is an important complement to marketing efforts at all times. You should attend relevant events, and try your best to develop business relationships.
Marketing Tools in China
Popular Marketing Tools in China

Exhibitions & conferences

Regularly but strategically, to establish the first contact with new customers and to maintain brand awareness in the market.

Face-to-face meetings

Workplace meetings should be used to move the relationship forward, once the potential customer has shown some interest. Deals will almost always be closed in face-to-face meetings.

Post

Direct mail can be an effective way of generating initial interest. Contrary to popular belief, the Chinese are, if anything, more receptive to direct mail than most Westerners.

Mobile

Marketing

Big Data Marketing

SEO

Social Media Marketing

Marketing by Technology

Programmatic Ad Buying

Video Marketing

TOOLS
Mobile Marketing Scale

China’s mobile marketing is vigorous and developing rapidly. According to EnfoDesk’s data, China’s mobile marketing ads are expected to reach CNY149.32 billion in 2016, up by 65% compared with previous year.

![China's Mobile Marketing Ads Graph](image-url)

Source: EnfoDesk
Mobile Marketing Structure

With the fast development of mobile internet and high penetration of mobile terminal device, the commercialization course of China’s mobile marketing was accelerated. App ads grew rapidly, reaching 25.1% of the total market share in 2015. Though search ads still held the largest share, its market share was expected to decrease in the next 2-3 years.

Source: EnfoDesk
Mobile Marketing - Payment

In recent years, more and more Chinese audience are willing to buy products on mobile – 20% bought a product on a mobile device in a month (2% higher than the UK and US), with 15% claiming to have searched a product on their phone. Hence, mobile payment has become an important part in the O2O (online to offline) retail industry in China.

In order to bring more superior digital consumption experience for consumers, mobile payment function was incorporated in many apps such as Alipay and WeChat payment.

Source: theguardian, 6 October 2015
Mobile Marketing _ Payment

Alipay promoted a campaign named “Alipay Day” in May 2015, which has involved 17 brands of convenient stores.

GIALEN promoted its brand on WeChat payment.
Map of Mobile Marketing Industry
Mobile Marketing_ Case Study

Coca-Cola Ad Placements on Moji China Platform

Based on the functions and features which can be tailored in Moji China platform, Coca-Cola advertising programs were promoted on this platform. Different products will be displayed according to weather conditions. The campaign enabled users to have a knowledge of characteristics of different Coca-Cola products.

Yihaodian Marketing Programs

During the 5th and 6th anniversary promotion, Yihaodian took full advantage of feeds ads to deliver promotion information to mobile devices. This has created a variety of new festivals that even have challenged the Guinness World Record, including milk festival and mask festival.
Big Data Marketing

The popularity of big data changed the traditional marketing model, and big data marketing has become the main trend of China’s advertising industry.

Advantages of Big Data Marketing

- Combination of data and media
- Customer orientation
- Precise audience targeting
- Lower cost
- Link between online and offline
- Proactive marketing
- Break the limits of time and space
Big Data Marketing_ Value

User Profiles

New Market Insight and Research

Channel Optimizing, O2O Marketing

User Experience Improvement, CRM

Precise Promotion, Programmatic Buying

Ads Monitoring, Customizing & Optimizing

Big Data Marketing
Big Data Marketing Function

Enable marketing and consumptive behavior to become more data-orientation

Enhance the value of social media marketing channel

Make programmatic buying ads more reasonable

Improve the effect of personalized service
Big Data Marketing _ Case Study

1. Taobao
According to the data, the peak time that Internet users were online was before 12pm. Some Taobao sellers took advantages of the peak time to carry out promotional skill (the quick selling of newly advertised goods) campaign at midnight, which can improve sales.

2. JD.com’s mail marketing based on big data
   • According to some users, JD.com can read their minds, which was supported by JD.com’s big data mining technology.
   • Users’ behaviors in JD.com can be fetched, including behaviors of searching, viewing page, clicking, consulting, paying attention, putting in the shopping cart, placing an order, and filling in the address.
   • Moreover, JD.com built a model based on these data, and recorded every users’ profiles, including age, gender, marriage status, and favorite brands, etc., for JD to better target users according to every users’ preferences.
   • Then, JD.com proposed the scenarios, on which different strategies can be applied.
Big Data Marketing - Case Study

3. Tencent Intelligent Data Management Platform

- To tackle the pain point of finding target audience, Tencent promoted an intelligent data management platform connecting internal data with external data. It can provide the advertisers with diversified, open, and safe communication service platform.
- Tencent classified user data into more than 3,000 tags based on different dimensions, including basic attribute, social interest, entertainment interest, media preference, viewing habit, application of tool. These tags can help to customize the profiles of target audience.
3. Tencent Intelligent Data Management Platform

BAIC MOTOR's 15,000 car owners' information was input into Tencent platform. Hence Tencent can monitor and analyze ad impressions, audience's interests, and users who clicked and registered on the multimedia platform, which help BAIC MOTOR to select the target audience.

CLEAR used Tencent platform to launch different ads to various people. This platform can identify the gender of target audience, and then deliver different male and female shampoo ads to corresponding people.
Programmatic Ad Buying_ Value

- Programmatic ad buying typically refers to the use of software to purchase digital ads, as opposed to the traditional process that involves RFPs (require for proposal), human negotiations and manual insertion orders. It utilizes machines to buy ads.
- Moreover, programmatic ad buying can meet the marketing needs for Internet advertising more easily.
Programmatic Ad Buying_ Advantages

- Wider platforms
- Precise audience targeting
- Digging people’s characteristics
- Establishing interaction with audience
Programmatic Ad Buying_ How it Works

• Artificial intelligence technologies having algorithms can analyze a visitor’s behavior allowing for real time campaign, therefore is more likely to convert the customers. Programmatic companies have the ability to gather this audience data for a more precise targeting. The data may come from their own organization or from a third party data provider.

• Programmatic ad buying includes the use of DSPs, SSPs and DMPs. DSPs that facilitate the process of buying ad inventory on the open market will help you reach your target audience due to the integration of DMPs. DMPs collect and analyze a substantial amount of cookie data, then allow the marketer to make more reasonable decisions based on the info of their target audience.

• On the publisher side, publishers manage their unsold ad inventory through an SSP. An SSP reports data such as how long a visitor was on a specific site or how many pages were viewed per visit. SSPs will ultimately be in charge of picking the winning bid and will serve the winning banner ad on the publisher’s site.

Note: DSP=demand side platform; SSP=supply side platform; DMP=data management platform
Programmatic Ad Buying_ Scale

In China, programmatic ad buying has grown fast in recent years, and reached CNY10.47 billion in 2015, up by 100.2% than 2014. With the rapid development of mobile internet, more and more companies in China started up the programmatic ad buying on mobile, which has contributed to the explosive growth of mobile programmatic buying.

Source: Analysys
A large FMCG company bought the advertising resources of main variety shows on some video media, including Youku and iQIYI, and made an agreement on the traffic return. It means that PBD would carry out real-time monitoring and traffic management accurately. It will limit the displaying frequency within 4 times for the internet users who had viewed this advertisement. Video PBD can reduce every users’ costs by 20%, compared with the routine advertising.

A luxury e-commerce company improved its sales by RTB. Firstly, the company’s website loaded the visitor code and conversion code. Secondly, the company created a unique calculation for visitors by scoring the visitors in different dimensions. It promoted the ROI to 9.3 accompanied with dynamic and creative template and many optimizing methods.

A large shopping mall can use DSP to target more nearby audience, especially the female audience. The click rate of the campaign after using it was 0.96% more than the average level.

Note: PBD=Programmatic Direct Buying, RTB=Real Time Bidding, LBS=Location Based Service
SEO

• SEO refers to search engine optimization. It is the process of getting traffic from the free, organic, natural search results on search engines.
• All major search engines have primary search results, where web pages and other content such as videos or local listings are shown and ranked based on what the search engine considers most relevant to users’ searches. When the ad is involved, it becomes another form.
• SEO is essential in China market, and also presents as a long-term strategy for marketers, which will allow them to enjoy constant stream of benefits.
China’s Search Engine Market Share

- A few years ago, Baidu had acquired the dominating position in China’s search engine market, with 85.1% market share in the second quarter of 2016.
- Sogou and Google China took the second and third for 6.5% and 4.8% respectively.

China’s Search Engine Market Share in Q2 2016

Source: Analysys
SEO_ Baidu Orientation

- When doing SEO in China, there are a few things you need to be aware of.
- Although Google has overwhelming advantages over the other search engines in the world, this is not the case in China market. Baidu, Chinese version of Google, is the leading search engine in China. It offers a large range of services and products for its users, including pay-per-click advertising, web search, news search, image search, music search, video search, Zhidao (question and answer), Baike (Wiki), Tieba (Post bar), etc.
Marketing with Technology_ H5

• In 2013, a mini game named “Catching the nervous cat” was hot in WeChat moments. With the strengths of higher flexibility, lower cost and short period of producing, H5 (HTML5 page) was gaining more popularity in recent years in China market.
• Nowadays, H5 has become a must for many companies’ mobile marketing in China, while WeChat is a main platform for H5 marketing. H5 on WeChat allows marketers to create some interactive pages for users. This is a new interactive form on social media.
• In 2015, most excellent mobile marketing cases have involved H5 technology, such as Dianping and Tencent.
Marketing with Technology_ H5

- Victoria Secret took advantage of mobile’s touch screen. It released cool H5 page on its official WeChat account to preheat for Valentine’s Day’s promotion. The first H5 page was a blurring photo, and a sexy VS model would show up once you touched the screen with your finger. After the model’s photo you would get the brand brief with special promotion packages.
- Creative technical gadget made interaction easy and attractive. The integration of a few popular techs made this H5 one of the most sharable promotion on WeChat.
Marketing with Technology_ VR/AR

- Some marketers held that VR (Virtual Reality) would replace H5 as a marketing trend in 2016. More and more industries and companies promote their business with VR, including game, film and TV, education, healthcare, real estate, automobile, fashion, FMCG, media, technology, hotel, etc.
- Certainly, VR/AR marketing was expected to continue shine through 2017 in China market. According to the China's VR marketing white paper from Baofeng and SocialBeta, 55.9% of the advertisers and advertising agencies were using VR marketing in 2016, and 39% of them will increase the budget of VR marketing.

Source: Baofeng, SocialBeta
Marketing with Technology_ VR/AR

• BMW Mini launched AR glasses to assist the driving in Guangzhou Car Show, and also introduced two 360° VR videos to create an interesting experience for consumers.
• By means of VR marketing, BMW Mini helped the customers to have a good brand experience and remember the brand spirit.
Marketing with Technology_ QR Code

• Despite QR code is disliked by many western marketers, it is still an essential promotion part for brands in China, and the distinctive black and white images can be found on billboards and product surfaces all over the country.
• Thanks to WeChat developing the QR code and the WeChat wallet, consumers can buy goods from physical stores via phone in China instead of using cash or credit cards.
• Last year, Alibaba launched “dotless visual codes” for brands to place product packaging so that consumers can use their phone to check a product’s authenticity and get information, discounts and recommendations based on their own preferences.
Marketing by Live Platforms

Marketing by live platforms is a new way of advertising and marketing along with the real-time progress of the event. This marketing form relies on live platforms, which enables the companies to enhance their brands or promote their sales in real time.

<table>
<thead>
<tr>
<th>Ranking</th>
<th>App Name</th>
<th>MAU(million)</th>
<th>DAU(million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ingkee</td>
<td>15.67</td>
<td>2.04</td>
</tr>
<tr>
<td>2</td>
<td>YY</td>
<td>11.46</td>
<td>3.79</td>
</tr>
<tr>
<td>3</td>
<td>DouYuTV</td>
<td>8.82</td>
<td>4.07</td>
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<td>4</td>
<td>HuYa</td>
<td>6.75</td>
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<td>5</td>
<td>HuaJiao</td>
<td>6.54</td>
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<td>6</td>
<td>Zhibo8</td>
<td>5.53</td>
<td>1.32</td>
</tr>
<tr>
<td>7</td>
<td>QQ Sports</td>
<td>4.53</td>
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<td>8</td>
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<tr>
<td>9</td>
<td>FanXing</td>
<td>3.9</td>
<td>0.32</td>
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<tr>
<td>10</td>
<td>LongZhu</td>
<td>3.83</td>
<td>0.61</td>
</tr>
</tbody>
</table>

Note: MAU refers monthly active users, DAU refers daily active users
Marketing by Live Platforms

Marketing by live platforms is an important and creative form of marketing, and can also take advantage of the features of online videos. Its advantages are as follows:

- **It is a kind of event marketing**
  It can get more active social interactions with good news and advertising effects. It also can attract audience’s attention more easily.

- **It can fetch the features of different user groups**
  Users should enter the live page at a specific time to watch live videos. The limit of broadcasting time will help to identify the loyal user groups more precisely.

- **It can react with users in real time**
  The biggest advantage of online videos is that it can not only allow users to watch videos, but also make comments.

- **It can establish deeper communication between brands and users**
  Live broadcasting can easily gather a group of people who share same interests. Moreover, their emotions can affect each other.
Marketing by Live Platforms_ Case Study

1. Film promotion and actor
   • In May 2016, in order to promote the movie which was directed and acted by Wang Baoqiang, he decided to go live on DouYu platform.
   • It is the first time for Wang Baoqiang to conduct live-broadcasting, attracting 5 million audiences in 30 minutes.
   • During the live-broadcasting, Wang not only introduced the movie and food, but also interacted with the popular anchors on the DouYu platform.
Marketing by Live Platforms_ Case Study

2. Campaign for the sales of new products
   • In April 2016, Durex conducted a campaign with the topic of “100 couples do the same things at the same time”, broadcasting on three major live platforms.
   • Though the public reaction to this campaign was dissatisfactory, and the government departments banned this kind of campaign. Durex still attracted 5 million audiences’ eyes.

Therefore, we can say that live-broadcasting can cater to the users who have curiosity and prying desire.
Marketing by Live Platforms _ Case Study

3. Consumer products
   • In May 2016, the Papi’s auction was broadcast live on Taobao platform, attracting 500,000 viewers. Taobao has successfully motivated the users to join the campaign.
   • According to the data from Taobao, the users on Taobao live platform were more than 10 million, with 1,000 anchors and 500 live shows per day. More than 50% of the viewers were post-90s.
   • The new function of “buying while watching”, which was supported by Ali Baichuan, can let viewers add goods to the shopping cart when they are on the live platform.
Email Marketing

Email marketing refers to sending a commercial message directly to a group of people. It can be carried out through different types of emails, including transactional emails, direct mail (EDM), and mobile email.

THE EMAIL MARKETING PROCESS

1. DEFINE
   - name a campaign
   - name a subject
   - enter details

2. TEST
   - test through browsers, email clients

3. SEND
   - deliver immediately or send at scheduled time

4. MEASURE
   - opens, click rates
   - recipient activity
   - worldview, etc

5. REPORT
   - email client usage
   - bounce summary
   - social sharing, etc
Email Marketing in Tourism Industry

- China’s tourism industry was in a golden development period, and was expected to grow at high speed for a long time.
- According to the data from Webpower, the proportion that Chinese companies utilized both email marketing and SMS marketing in 2015 was 48% higher than previous year. Moreover, China’s tourism industry has been paying more attention on email marketing in recent years.
- The average delivery rate of EDM in China’s tourism industry was at 97.01%, with average unique opening rate at 6.31%.

Source: Webpower
Email Marketing in Tourism Industry

- The average delivery rate and opening rate of EDM vary with the season and vacation in China.
- In January 2016, the average opening rate, unique click delivery rate, and unique click opening rate reached the peak of the year.

China's EDM Performance in Tourism Industry

Source: Webpower
Email Marketing in Tourism Industry

- It’s important to decide when to send emails, which has a great influence on the conversion rate.
- According to the data from Webpower in 2015, 8am to 10am and 13pm to 16pm were the peak time for the opening rate and click rate of emails in China’s tourism industry.
- The opening rate of email in tourism industry is at 13.87%, 14.26%, 12.00%, 10.09% from 8am to 11am, with click rate at 3.51%, 4.06%, 3.31%, 2.85%.
- Moreover, the click rate of mail in tourism industry was at 8.06%, 8.83%, 8.89%, 8.76% from 13pm to 16pm, with click rate at 2.06%, 2.52%, 2.52%, 2.59%.

Source: Webpower
Email Marketing_ Case Study

• K11, the first brand integrating art, culture and nature, can bring unprecedented shopping experience for customers.
• K11’s email marketing plays a key part in communicating with and maintaining its fans.
• With email marketing, K11 optimized the service, and increased user experience. It also leveraged the culture influence of K11 to raise its brand awareness.
• K11 also has a well-established membership system based on email marketing. Once a customer becomes the golden card member, he/she will receive some personalized mails, including welcome mails, birthday mails, member scores mails, and member scores bills.
• K11 connected with their members very closely, and tries to penetrate their life.
Video Marketing

• Video becomes a much more efficient form for advertising. You can not only watch movies, short films or music videos, but also can deliver a message, target a customer, engage your customers and make them buy.
• It is a tool integrating pictures, texts, and audio. That is the reason why it is a really efficient marketing tool.
• The number of Chinese video viewers is constantly increasing year after year due to the booming of smartphones and digital devices.
• According to ChineinternetWatch, 49.4% of Chinese users watched videos on smartphone and it was expected to rise to 76.7% in 2016.

Source: ChineinternetWatch
Video Marketing _ Case Study

One brand who has succeeded in video marketing is Tiffany. The brand is always making efforts to advocate for women being strong in their daily life. In Tiffany’s video, we can see the story of Ms liu Wen who showed her life and career in New York City. This video is mainly focused on storytelling of this woman’s life, and many women can somehow see the resemblance of themselves in the video.
Social Media Marketing

• Social media has become an important way for people to obtain information in China. If you want to use digital marketing to accelerate your business expansion in China market, social media marketing is a must.

• As most marketers know, marketing to Chinese audience are not exactly like marketing to those in other countries. You won’t be able to rely on Facebook, Twitter and YouTube in China. China has its own social media platforms, such as WeChat, Sina Weibo, Qzone, Youku, etc.
Social Media Marketing _ Structure

- In the first quarter of 2016, Tencent and Weibo maintained the leading position in China’s social media ads and marketing, with Tencent holding 56.1% market share, and Weibo holding 25.4%.
- Other important social media include Momo, Baby Tree, Baidu Tieba, etc.

China’s Social Media Ads in Q1 2016

Source: Analysys
Social Media Marketing _ Case Study

1. Tourism Bureau of New Zealand
   - In 2011, Tourism Bureau of New Zealand signed up with famous Chinese actress Yao Chen as their brand ambassador in mainland China. At the time, she had more than 40 million followers on Weibo.
   - During a tour of New Zealand she sent out regular ‘tweets’ about the country to her social network. The tweets resulted in hot discussion and drew nearly half a million visits to a microsite that was the main platform of the campaign. On its homepage, there were images of the actress, video messages, air packages and links to New Zealand tour operators.
   - The increased traffic led to almost 20,000 referrals. According to Tourism Bureau of New Zealand, Yao Chen’s social media activity has promoted the destination image of New Zealand among Chinese people, and thus encouraged them to book a trip.
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2. Coca-Cola nickname bottle campaign
Coca-Cola released special nickname campaign in China during the summer of 2013. The nicknames were picked following Chinese internet culture such as Share A Coke with Your “White Rich Beautiful Girl”, “Tall Rich Handsome Guy” etc. Lots of people looked for the nicknames that would suit themselves or their friends, and shared the nickname on the bottle actively on social media. The success has proved that the social media can be something more than just a tool, it can be critical for brand communication.

3. Jumei VIP
Jumei WeChat public account is the first platform specialized in cosmetics and skincare trial products. By answering questions correctly and sharing information to WeChat moments, consumers could have opportunities to get free trial products. Jumei targeted female consumers precisely because its content, such as skincare methods and fashion, can cater to the needs of female consumers.
SCRM

- SCRM (Social CRM) has the functions of marketing & public relations, sales and customer service.
- The main advantage of SCRM is that it can help companies to monitor the trend of brand and its competitive products or services. It also can target Chinese audience in social network, achieve precise marketing, as well as respond to the customers in real time.
- In 2015, Sina Weibo and SocialBakers jointly developed a SCRM tool based on big data, which covered six aspects of Weibo marketing, including behaviors of fans, content, interaction, customer care, ads effect, and market trend. This tool can be combined with internal user data to establish more precise fans profiles. Currently, more than 3,000,000 companies have used this tool.
Influencer (KOL) Marketing

- Influencers, also known as key opinion leader (KOL), are those who can really affect the purchasing intention of Chinese audience who are targeted by the brand.
- Growing number of brands preferred the popular and influential bloggers, as super stars means high expenses for marketers.
- The influential bloggers are digitally savvy, especially for the trends of their field. Beauty and fashion bloggers have become an important part in cosmetic industry. Some of them not only propagate the products in their contents, but also take part in the products’ R&D.
- In order to develop the reputation, image or awareness, brands have to cooperate with KOLs. These online influencers have already built a community around themselves with a lot of fans.
Influencer (KOL) Marketing

- In China, the main SNS, where KOLs can advertise themselves and communicate with fans, is Weibo.
- Nowadays, most brands have their own accounts on Weibo. In order to get traffic or more fans, most of them make full use of KOL’s influence.

How to work with KOL

Engage with KOL:
Let KOLs discover what your brand is, and "entice" them.

Event:
Organize event and meet them. It is similar to public relation, and marketers need to build relationship with them and give them some benefits.

Brand ambassador:
Invite them as your brand ambassador, which is a good way to make the most out of their influence.

Pay them:
Most KOLs will accept a contracted work to help promote the brand via posts.
Influencer (KOL) Marketing _ Case Study

• Fashion, luxury and cosmetic are the main fields where KOLs are most welcomed. Most consumers need advice before selecting the cosmetics, clothes or styles best suited for themselves.

• The girl in the pic is a KOL in cosmetics. She tested many beauty products and gave her feedbacks on social media platforms.
Content Marketing

• China’s content marketing is a strategic marketing approach focusing on creating and delivering relevant, valuable and consistent content for clearly defined audience, and to generate profitable customer actions.
• Content marketing in China is similar as that in other countries. Although Chinese audience tend to have some consumption behaviors different from westerners, the process for content marketing is the same in China as in Europe or in the United States.
Content Marketing

You should attract the Chinese audience with the content that can stimulate their interests and make their share your content.

You should win the fans with content by gathering people with common interests, and build the brand communities.

Your content should shed some light on people’s everyday life.

If you want to do content marketing in China, three important aspects should be considered.
1. Attracting young fans
- There are many ways to raise people’s awareness of a brand, and shooting drama may be the most delightful way in China.
- Chinese youngsters today grew up in an environment full of information and creativity. Hence what they pursue is personality and distinguishing features instead of simple plain things. Therefore, a brand’s marketing content should be created based on youngsters’ fashion concept, interests, and trends.
Content Marketing_ Case Study

1. Attracting young fans

LY.com shot a drama in early 2016, which was inspired by an Internet folk piece- “World is so big, and I want to have a look at it”. It told a story of youth, dream and passion, and attracts so many young fans.

OPPO’s marketing activity focused on entertainment and fans interaction. It preferred to shoot mini-series. In 2015, OPPO invited Li Yifeng to be its spokesman and shot a mini-series. Obviously, it is a marketing campaign aiming at attracting the star’s fans, who are always hungry for any content relating to their idol.
Content Marketing _Case Study

2. Targeting customers based on their interests and focuses

Nike, always focusing on the sportsman or sportswoman, released an original drama in 2016 which can inspire sport enthusiasts. The company wished to deliver not only the characteristics of products and brands, but also ideas and values.

In order to build the brand reputation among young families, Nestle made a talk show instead of popular variety shows. The talk show focused on family scenes.
3. Read consumers’ minds
Many companies had realized that consumers had no interests in watching advertisement, so they produced the IP(intellectual property) content about the brand, including film and TV series. However, most consumers feel annoyed by the ads in the film, so it's vital for brands to understand what kind of content the viewers really want to see first.

In 2016, SK-II launched an advertisement centering on the 3S ladies(Single, Seventies, Stuck), which uncovered consumers' pain points, and helped unmarried Chinese women rebuild their confidence and pursue true love bravely.
Content Marketing_ Case Study

4. Foster brand belongingness
Brand sells the products, while brand community should foster the brand belongingness. The ultimate goal is to make the brand community jump to one’s mind, when a brand is mentioned.

As a sport drink, Red Bull associates its brand with extreme sports. According to the report, Red Bull supported 600 athletes over the world, and the expenditure on marketing accounted for about a third of its revenue. Offline sport events were held by Red Bull regularly, attracting the fans for extreme sports. Nowadays, Red Bull is synonymous for extreme sports.

L'OREAL established a content factory in November 2015, which can provide real-time and local content for beauty brands. L'OREAL also set up a online platform bringing the beauty and fashion KOLs together, and inspiring audience with branded articles and videos.
Knowledge Marketing

- Knowledge marketing is an updated version for content marketing, which can differentiate your brand from your competitors.
- Content, media platform, and broadcasting channel are deemed as three important elements for content marketing.
- However, knowledge marketing is to integrate and deliver the knowledge based on high-quality content in a planned way. Brands can set up multiple channels to transmit knowledgeable information to the fans in this industry, in order to improve brand’s professional image among consumers.
Knowledge Marketing

- In 2006, Nike+ was created as a tool to record running miles. After several upgrades, Nike+ has become a digital community where people share sport experience and challenges. This has encouraged worldwide sport enthusiasts.
- In 2013, in order to establish member-based running ecosystem for all runners, Nike+ created a WeChat public account in China.
- Nike+, dedicating to promote running spirit and brand culture, attracted a huge number of fans through its knowledge marketing.
Charity Marketing

• The mission of a brand is not only to get profits, but also shoulder social responsibility. Charity marketing can have a positive effect on the reputation of the brand.
• Charity marketing will be more effective if it makes fully use of technology instead of slogan marketing.
• Johnson & Johnson sponsored “simile action” on WeChat platform. The users can join the campaign and help the children suffering from cleft palates by drawing a personalized smile on WeChat HTML5 page and share the smile on the WeChat moments.
• As of November 2015, this campaign had gathered 1,118,637 loving smiles.
Focusing on public service, C&A made some special fitting rooms. When a customer put his/her clothes on the coat hangers in the fitting rooms, a picture that a poor sleeping child in the mountain area would appear on the digital screen. This campaign is to call on customers to donate clothes for poor children in mountain areas.

It's impossible for someone else to truly comprehend the family's fear and pain when the child is taken away from his/her parents. In 2015, Tencent, together with the ministry of public security and some social service organizations, launched a new project named “QQ helps the family find the missing child”. Taking advantage of the large number of QQ users and LBS technology, QQ hopes to help families find their missing child by sending the rescue messages to QQ users in the city where the child was lost.
Customization

• Nowadays, increasing number of young Chinese are pursuing unique personalized products, and they cannot feel satisfied if being served with homogenous products. After being aware of this, many brands have started to provide consumers with unusual experience.
• Adidas, Nike, and New Balance created tailormade shoes for customers with 3D-printed technology applied in their shoes.
In FMCG industry, Coca-Cola, Budweiser, Snickers, and Oreo also made some innovation in the product packaging and logo. Campaigns like “nickname bottle”, “Lyrics bottle”, and “lines bottle” from Coca-Cola are the best evidences for the trend of customization.

Dobility, a drink brand, customized a set of stickers, which concentrated on popular words and phrases among post-90s and post-95s with funny Emoji.
Multiple Screen Integration

- Consumers are using multiple devices, such as IPad, smartphone, computer, and TV. Hence a brand needs to generate more traffic and engage with the consumer on multiple devices. The point is to present your ads on all devices and link them with your campaigns.

- TV shows are really efficient for these kinds of marketing campaigns, especially when you are marketing through very famous shows like “The Voice of China”. It has proved the possibility of marketing via multiple devices used by the target audience at the same time. While people were watching the show, they could comment on the official social media page of “The Voice of China”. And when they want to vote for their favorite singer through the mobile app, they would be able to see more exclusive videos on their IPad.

- Brands should encourage the users to use all the devices they have and motivate them to engage in your campaigns or ads.
Crossover Marketing

- Crossover marketing means the joint marketing of two different industries, which can more easily catch consumers’ attention.
- The application of crossover marketing will successfully enhance a brand’s awareness through the complementary user experience provided by two brands.
- Uber has succeeded with its crossover marketing, in which it has integrated with the food industry, presenting ice-cream, Japanese food, etc.
- On 30 October 2015, Uber promoted a campaign together with McDonald. They introduced a new product named “U hamburger”. In addition, the limited edition of Uber toys also attracted a large number of audience.
Thank You!