

Compare the Ways that Online Marketing is Used in the Chinese Market and the UK Market When Promoting Luxury Fashion Brand.

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Abstract

This essay explains the background and development of online marketing for luxury goods. Then, through analyzing the habits of customers who are buying luxury goods in China and Britain, it points out how to conduct online marketing in both countries. Finally, it compares the differences between Chinese and British luxury product online marketing, and points out the difficulties of online marketing in China, and puts forward suggestions to solve them. This essay will help luxury goods companies to improve their marketing methods and promote sales in China. This essay will research the ways that online marketing is used in the Chinese market and the UK market when promoting luxury fashion brand and to summarize the excellent experience of luxury online marketing.

Keywords

Luxury, Marketing, Consumer, China, the UK.

1. Introduction

Since the emergence of the Internet, an increasing number of prominent enterprises have developed their own e-commerce business models, as a result of which cyberspace has been made a "battlefield" filled with commercial competitions. Thinking of the concept of luxury, it is easy to understand why there is a worry about selling luxury goods online. Apparently, luxury goods are targeted at people in the higher classes. How to realize the exclusiveness of luxury products, a certain level of scarcity needs to be maintained by the industries. As argued by Brun et al (2013), one of the ways to achieve this goal is to restrict the distribution channels. In addition, it is vitally important for customers to put products on test before purchase of them. As claimed by Okonkwo (2009), it is difficult for customers to interact with the products and experience them physically under the context of shopping online. For above the reasons, various luxury industries tend to steer away from internet for selling their goods. In doing so, their brand image is maintained and the customers' experience of buying avoids being compromised. However, the current selling environment of luxury goods shows difference from a decade ago. With the advent of the internet age, the mass media and habits of audience have dramatically altered. Meanwhile, the buying behaviour of customers has been increasingly influenced by new media and social platforms. Consequently, under the unstoppable development wave of the internet, various luxury brands have gradually expanded their investment in e-commerce.

2. Differences between Chinese and British

2.1. Luxury Marketing in the Chinese Network Market

To carry out online marketing of luxury goods in China, it is necessary to understand China's highly developed Internet economy and spread the information through the Internet. The data

from the 43rd Statistical Report on Internet Development in CNNIC (2019) showed that the number of Internet users in China has reached 829 million in December 2018. Therefore, the Internet has become the main channel for Chinese consumers to access information. How to attract Chinese consumers, luxury brand firms can deliver their brand information through social media, which Chinese consumers often use. Berger (2012) said that 'Chinese luxury consumers may also be more prudent and cautious, as they rely heavily on the recommendations of others and rarely buy unknown brands.' Thus, the first step in how to develop online marketing in China is to use ordinary consumers for word-of-mouth communication on the Internet.

Secondly, successful luxury corporations in China started from the consumption psychology for purchasers, to shape the high-end image of luxury brand. The reason why the Chinese prefer to purchase luxury products is possibly not because of the brand history or culture, but more important reasons were the brand awareness. Liu et al. (2018) illustrated that the historical and cultural factors of luxury goods in Europe are not the critical segment in attracting Chinese buyers, and they seldom show their typical preference to the fixed luxury brands. For example, Chinese people who have lived in the collective places, their childhood like to pursue a feeling of being worshiped by the collective rather than focusing on the practical aspects of products, such as quality or style. As a result, successful luxury brands start with the customers' cultural psychology and use social media to promote their brand image and thus Chinese people can experience the specialty and worship in-group. In this regard, Dior has established cooperation with international Chinese stars such as Angela baby, who became the brand endorser and promoted the goods with charisma by social platforms.

Additionally, online marketing campaign provides another way to promote the products. In most advertisements, discounts or new pictures release can attract customers' attention by social media. The case analyzed by Fen et al. (2011) showed that after the Dior brand chosen to be cooperated with popular QQ space for long time, the brand has been widely publicized and obtained numerous customers source. At the same time, the study conducted by Fen et al. (2011) indicated that online promotion exerts a significant role of online marketing, since in the past people always asked their experienced relatives and friends for help when they bought some products, and at present they are more likely to search on the internet. Therefore, in the process of online marketing in China, successful brands usually do not forget to update advertisements and seasonal promotions.

2.2. Luxury Marketing in the UK Network Market

Online marketing of luxury brands in the UK market concerns more than fitting the changing patterns of consumer spending under the context of the Internet era for the purpose of keeping up their desired experience. On the one hand, the United Kingdom is quick to get adaptive to the development of the Internet and launch promotion across a variety of different online socializing platforms where customers are able to gain easy access to the information they want. As revealed by a study performed by Deloitte company (2015), 85 percent of luxury consumers visit a minimum of three online social platforms for information prior to making their buying decision. Therefore, to cater for the growing population of millennials, the luxury brands in the UK are targeting youngsters with instant and relevant information by creating the official accounts personal to them on social media platforms and increasing interaction with those active online followers.

On the other hand, even in the online battlefield, the luxury brands have yet to give up on the aristocratic experience that they have been sticking to for quite a long period of time in UK. Online marketing remains focused on the needs for luxury salespeople to be equipped with specialist knowledge and offer premium services, so as to retain consumer loyalty to the brands over the course of interaction. As an example given by Deloitte company (2015), "Tie Break"

app of Hermès delivers an immersive purchase experience expected by their consumers, for which every single user has the opportunity to derive experience in the charm of luxury on their mobile devices. At present, British consumers are increasingly demanding for products, as a result of which the luxury brands cease to be content with the current form online marketing takes. As stated by Greig Holbrook (2017), luxury brands apply video, live broadcast and Virtual Reality/Augmented Reality technology in UK social network to expand the network audience who search for a luxury experience, which motivates customer's desire of spending.

3. Comparison

Owing to the distinctions in the cultural environment, consumer psychology and spending habits, the luxury goods market in China is starkly distinct from that in the UK. The luxury brands are forced into carrying out online marketing to satisfy the diversified consumer demands so as to reach the different goals of enhancing brand loyalty in China and driving consumption in the UK. In China, it mainly exploits the desire of Chinese consumers to attract attention from others. In many cases, the purchase decision is triggered simply by the suggestion made by others, and the influential stars are known as group leaders on the network media platform, like Weibo and Wechat. Besides, by applying the "huge-crowd strategy" on the social platform, peer luxury shopping shares are prompted. In the UK, considering the rise of younger generations, luxury brands are in cooperation with social media to make recommendation for the newest products to young consumers, which provides a good way of driving consumption. Therefore, it is necessary to cooperate with more platforms for promoting product in China.

Apart from that, British consumers attach much importance to the quality of luxury goods, as well as the aristocratic experience in making purchase, and various latest technologies such as mobile application are preferred for connection of the web with customers. The problem in China is due to the massive huge copycat industry chain and the easy availability of copycat products in China, Chinese consumers remain distant from becoming loyal to luxury brands. Therefore, when the luxury goods launch online marketing in China, effort shall be made on ensuring the authority and activity of their official mobile application, release new product picture and interaction with spokesmen and consumers and increase brand awareness among Chinese consumers.

4. Conclusion

In conclusion, through an analysis of different cultural characteristics and consumption habits of luxury customers in China and Britain, it explains how to carry out online marketing of luxury goods in both countries. In China, it mainly utilizes international stars to enhance brand image, making one brand as a status symbol. Besides, improve brand awareness via consumers' sharing. In Britain, aiming to meet the consumption demand of the millennial generation, it makes promotions by network media and uses technologies such as mobile application, video and virtual reality to let online customers enjoy the experience of having luxury goods. After comparison, it shows the shortcomings of Chinese companies in online marketing. What China needs to learn from Britain is cooperate with more platforms and improve their buying experience by advanced technologies.

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