

Ancient Lessons to Win Over the Chinese Online Generation

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Confucius lived long before social media and other emerging marketing platforms but his teachings can help Western brands to understand and connect with millions of Chinese netizens.

Major global social media sites might be blocked in the country but their Chinese equivalents and their 265 million users are welcoming Western brands with open arms. There's only one condition: understand the philosophy behind the Chinese way of life and tailor your communications accordingly.

Social media

"When you have faults, do not fear to abandon them."

Chinese social networking sites might have started out as Facebook, Twitter and YouTube copy-cats but they realised early on that Chinese Internet consumption differs from the Western one and they were not afraid to alter their approach. So what are Chinese netizens like?

87% of social media users in China befriend or follow brands on social platforms, while only 12% of Americans are likely to do the same. In addition, 77% of Chinese netizens believe that social media presence makes brands more attractive.

They watch longer, professionally produced video content rather than short, user-generated content on Youku and Tudou (the local versions of YouTube) and their favourite way to engage with brands is to watch commercials and branded content on these platforms, indicating that strong video presence is essential.

Forums, Bulletin Board Systems (BBS) and microblogging are the most popular social media services in China. Sina Weibo, the Chinese equivalent of Twitter has 140 million users and more than 90% of them say that they trust brands more if they are present on the microblogging platform. While bulletin boards are not popular anymore in the Western world, 98 million Chinese still consider them a primary information source for product reviews and recommendations so these platforms shouldn't be ignored.

And what about Facebook?, you could rightfully ask. There's no such equivalent that aggregates all demographics because the Chinese prefer to join social networking sites that talk to 'their kind of people'. QZone with 481 million registered accounts is the first and largest social networking site and attracts teens from second- and third-tier cities. RenRen, the platform most similar to Facebook, attracts university students, while Kaixin001 is designed for white-collar workers living in tier one and two cities.

Multinational brand that got it right – BMW

BMW launched its brand page on Kaixin001 to raise awareness and engage with affluent young professionals. By integrating its cars into 'Car Parking', one of the most popular games on the platform, the brand managed to reach a significant portion of the 45 million

players who had installed the game on their profile.

In order to enhance the luxury feel of the brand, players had to make and pay lots of virtual money to own a BMW in the game. Still, more than half of those who played the game, felt proud and accomplished when they could finally afford to buy a virtual BMW . Exactly the emotion that the car manufacturer was aiming for.

eCommerce and Group-buying

“Men’s natures are alike, it is their habits that carry them far apart.”

The Chinese love a good bargain due to the fact that traditionally they are value-oriented, savvy shoppers. But unlike in the Western world, B2C eCommerce only accounts for 20% of all online transactions, as the Chinese online generation feels more comfortable with exchanging goods between themselves and paying in cash for the products.

Taobao, the eBay-like C2C platform is the ultimate online shopping destination at the moment but it is likely to change. EMarketer estimates that purchases from official e-retailers will represent more than half of all online transactions by 2015 due to changing shopping habits and the availability of more secure payment options. Currently the most successful B2C platform is 360buy.com but Taobao has been eager to challenge that by offering online storefronts for multinational brands at its Amazon-like ‘Mall’ platform.

Group-buying is another Western phenomenon that the Chinese social citizens are embracing quickly. Although Groupon is the market leader in the Western space, Taobao’s Juhuasuan has almost four times more visitors per month than the Chinese version of Groupon. On the other hand, the fact that the Groupon-Tescient venture has integrated its deals with QQ, the most popular instant messaging service – with 636 million registered accounts – might give the Western brand a much-needed competitive edge.

Multinational brand that got it right – Mercedes-Benz

Mercedes-Benz offered 200 ‘smart’ cars for sale on Taobao’s Juhuasuan platform. The mission was to sell the cars in three weeks in a group-buying scheme by offering a 23% discount.

The results: the cars were sold out in three-and-a-half-hours and the campaign attracted over 300,000 visitors in less than 24 hours.

Mobile Marketing

“Wheresoever you go, go with all your heart”

There's one thing that is very close to the Chinese heart: mobile phones. Since 70% of mobile phone users say they “couldn't live without their mobile devices”, interactive and on-the-go marketing activities are most suitable to reach this target audience.

Multinational brand that got it right – Puma

Puma used an integrated mobile marketing campaign around the Formula 1 Race to position itself as China's No.1 motorsport lifestyle brand, recruit new Puma fans and increase brand awareness.

They launched a mobile car racing advert-game, Puma 'F Wan' which could be downloaded from a mobile website. To generate buzz and encourage social sharing, players who submitted their scores via text message or invited friends to play, received extra points that could be exchanged for Ferrari gifts. In order to also drive foot traffic, as soon as someone downloaded the game, they also received a coupon to redeem mobile phone decorations at one of the Puma stores.

As far as results are concerned, the campaign drove 150.000 game downloads, 185.000 qualified database contacts, 70.000 coupons and 85 million page impressions.

Experiential Marketing

“I hear and I forget. I see and I remember. I do and I understand.”

Given that thousands of domestic and foreign companies compete for the attention of China's 1.3 billion consumers, brands need to be innovative and unique in order to stand out. And it's not just about the product they offer but the experience that comes with it.

According to a research carried out by Jack Morton Worldwide in 2010, Chinese consumers don't prefer experiential marketing to other media channels but they do think that it's more influential and that it's the "most engaging" form of brand interaction. 80% of the respondents said that such activities made them better understand brand benefits, while half of the surveyed also said that they took action after participating in a live event. And last but not least, 85% of them said that they told others about interesting brand experiences, proving that high interactivity turns consumers into brand advocates. Even in China.

Multinational brand that got it right – Ariel

In order to increase brand awareness and sales, Ariel created the "world's biggest T-shirt" and put it up as an outdoor installation in key Chinese cities. Then the brand turned stain creation and removal into a social gaming experience by dressing up Wii consoles to look like ketchup, mustard, soy sauce bottles and of course Ariel. Consumers with the 'sauce consoles' could have fun causing stains, while the 'Ariel fighters' could have the satisfaction of getting rid of them.

So how did Chinese consumers react to this cool brand experience? They started buying the product. According to official campaign statistics, sales rose by 113% in the first month, brand awareness increased by 300% and the stunt generated over 8 million views online.

Winning the wallet of today's Chinese consumer is not easy but it's a no-brainer that it's worth it. And brands that dare to ditch their global brand handbook to embrace the hectic mix of tradition and modernity that shapes the Chinese mind will certainly succeed. If not today, tomorrow. Because as Confucius said, "it does not matter how slowly you go as long as you do not stop".

Sources:

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