

How Social Groups Marketing are Driving New Consumer Brand Growth in China Based on Big Data Analysis Technology

Xiaoou Chen

School of Advertising, Communication University of China, Beijing, China

24075812@qq.com

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Abstract: The new consumption developed by domestic relying in China market on social media and e-commerce further released its vitality .In this research I summarize successful paths of new consumer brands using community for growth by doing more than 30 brand case studies.

Under the influence of the global epidemic in 2020, the new consumption developed by domestic relying on social media and e-commerce further released its vitality. The rise of new consumption in recent years is mainly reflected in three directions: the first is the traditional advantageous brands with new products and sub-brands for brand rejuvenation to meet the new consumption needs of the market [1]. The second is through online community, technological innovation, emerging channels and other advantages. Break the existing competitive pattern of mature categories to create new consumer brands. Thirdly, based on social media proliferation to spread new lifestyles, circle culture. Create new consumer categories, products or services to fill the current market gap.

According to the latest CNNIC report in December 2020, China's online shopping population as of was 782.41 million [2].The domestic brand marketing field has been chasing new consumption for more than 5 years. Now the brand's perception of new consumption has landed from the conceptual exploration of new demand insights to specific new products and services. Many high market value brands have emerged in the domestic market. Especially after the 14th Five-Year Plan proposed to promote new types of consumption and encourage new consumption models and new business models, domestic new consumption-related investment and financing has continued to be hot. According to the incomplete statistics of "New Consumption Daily" [3], as of mid-December 2020, domestic new consumption-related investment and financing has continued to grow. As of mid-December 2020, there were nearly 200 investment and financing cases for domestic new consumer brands (excluding platforms, services and channels). There are 28 companies with financing amounts over 100 million yuan, represented by Bubble Mart and Perfect Diary. The main focus is on food-related and beauty and personal care industries. According to Brand Star's list of the most watched new consumer brands in 2020 [4]. New consumer brands are mainly distributed in seven industries, in addition to the above-mentioned food and beverage, beauty and personal care industries, but also more concentrated in home life, mother and child, sports and fitness, pets, digital appliances and other segments.

A very representative example of the rise of new consumer brands is Perfect Diary. Its parent company, Yixian E-Commerce, successfully listed on the New York Stock Exchange four years after its establishment with Perfect Diary, Little Orting, and Perfect Son Heart Choice. From an unpopular pure online makeup brand to a market value of over \$7 billion, Perfect Diary [5] gained a lot of public domain traffic through KOLs from Xiaohongshu and Weibo, Taobao live, etc. in the early stage, and then the brand used its own WeChat community, small programs, and public numbers to deposit private domain traffic. Mainly through the refined operation of the community so that users continue to deep experience, direct purchase, consumption data precipitation, etc.. Reviewing the history of the rise of several new consumer brands. In this research, I found that new

consumer brands are different from traditional brands in terms of marketing, which is very important to be good at community building and operation. Here I summarize the underlying logic of three new consumer brands using community for growth.

1. Build Brand Communities with a Two-way Value Orientation

The target users of new consumer brands are mostly locked in post-95 and post-00, and they are more active in consumption compared to other generations. Meaning there is a higher willingness to try new categories, and there is no overwhelming preference for traditional brand names and emerging brands in brand selection. Research on Gen Z shows that they are willing to pay for hobby kryptonite and trendy culture than just big brand name. They are willing to spend time to understand the characteristics of the product itself and the story of the brand [6]. Considering the characteristics of the target users, both old and new consumers will think of actively using the Internet for marketing. New consumer brands in the development stage often have limited marketing expenses. In the current situation where internet marketing traffic is becoming more and more expensive, community becomes a relatively low-cost means to gain user stickiness and achieve sales conversion. However, how to operate a good community has become an important issue for new consumer brands, and the most important issue is the building of community structure. Community is a two-way value for new consumer brands, in addition to people-oriented to achieve user operations. For companies, how to connect with internal digital processes is what needs to be considered at the point of construction. For new consumer brands, the channel strategy often relies on the e-commerce path to achieve the DTC (Direct To Consumer) model. Therefore, establishing a two-way value orientation when building a community will improve the efficiency of R&D, production and even logistics and warehousing. In 2020 burst of fire in the meta-forest, three and a half dun all attach great importance to the digital creation of the enterprise.

2. Timely Capture of New Consumer Demand and Rapid Brand Iteration

In cyberspace, the formation of communities is often due to single labels such as consumption, culture and hobbies, which make strangers in the real world gather together quickly. While this gathering produces a scale effect in a short period of time, it is also easy to dissipate with the shifting interests of members. The characteristics of nomadism based on consumption and branding are more obvious in the post-95s and post-00s. For new consumer brands, after obtaining traffic from various marketing channels. Community is not a cold scale data, or a rapidly dynamic change of consumer aggregation. Considered from the perspective of brand value, compared to the traditional dominant brands. New consumer brands need to spend more energy to listen to consumers. With the implementation of China's population policy. The current target group of new consumption is often only children, they pay more attention to their own space, and are more willing to be impressed than to be disturbed. In capturing the new consumer demand, it is important for brands to really play with the users. In the context of the 2020 epidemic, more consumers are trying to live-stream their goods. In the middle of this in the snacks, health food, makeup and other segments produced some limited products produced according to the requirements of live fans. Community is an important reference for new consumer brands to keep their products alive continuously. Users need to be guided to actively participate in discussions in daily operations, and subsequent pre-sales and crowdfunding can be done. The opinions accumulated in the community will be implemented in the iterative transformation of products and services. Let consumers take the initiative to discuss and plant again with a sense of participation.

3. Multiple Ways to Actively Try to Superimpose the Brand Value

Brand is a moat for the sustainable development of enterprises, as mentioned at the beginning of this article. New consumption is often the advantage of a single marketing element, or seize the consumer market gap opportunity to rise quickly. For domestic new consumer brands early

development is often relying on low price and high quality, explosive products, social media buzz, etc. For the development of the middle and later stages, a variety of ways to superimpose the brand value is needed. Break through the dilemma of low product service threshold, single brand image, channels and other advantages can be easily replaced. In the field of new consumption, the most common and easiest way to land is to launch co-branded products between different brands. This is particularly prominent in the case of two brands, Xi Cha and Bubble Mart. Xi tea more than ten times a year to launch co-branded products with well-known brands, in the case of category limitations continue to expand the consumer experience. In the community to create new topics and heat. Bubble Mart is also known as the most co-branded IP, through the city co-branding, brand co-branding, IP licensing, and constantly occupy the minds of consumers, in through the company's membership system, official self media, tide play platform, WeChat group, and even second-hand trading platform. To achieve a higher than industry level of repurchase rate [7].

Brand co-branding tends to reap huge heat in the short term. In the long run, some of the new consumer brands that have developed in China have also started to experiment with multi-brand and multi-category strategies. In order to achieve greater brand value scale brand effect and return on investment. For example, the perfect diary mentioned in this article has repeatedly mentioned its target is L'Oreal Group since the angel round of financing. However, it is a long journey, how to release the imagination of the Internet for new consumer brands? How to leverage the potential of the community to leverage the brand's continued growth? The market has not yet seen the landed business results, but it is worth looking forward to. With the evolution of digitalization and the development of domestic promotion of consumption. New consumer brands will still have a growing market share in the domestic market, and perhaps some of them will be internationalized and conglomerated.

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