Chao Wu

THE EMERGING "FANS ECONOMY" MARKETING MODE IN DIGITAL CONSUMING PRODUCTS INDUSTRY IN CHINA

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and Marketing Logistic
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Satakunnan ammattikorkeakoulu
Satakunta University of Applied Sciences

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The purpose of this thesis was to identify the new marketing mode in the consuming products industry and to discuss its feasibility to apply the emerging marketing mode into other industries or countries. The new marketing mode is called the "Fans economy" marketing mode. The objectives of the thesis are comparing the new marketing mode with the traditional one rather than challenging it, so that the thesis can make the analysis about the advantages and the disadvantages of the new marketing mode.

The theoretical part contains the literatures review and the research background of this thesis. The literature review includes introducing the traditional marketing theories and cases and the current situation of marketing field in China. The research background includes presenting the business environment in China and also the development of Internet economy. These two aspects are the basis of research.

The empirical research part explained the general information of the cases companies. Xiao mi and Smartisan were chosen to be the study case companies. The thesis illustrated the marketing processes of Xiao mi and Smartisan respectively. The research methodology mainly used the qualitative analysis. The structured interview questions were created to collect the data and information for the research. Comparison of the new marketing mode with the traditional one was made after the demonstration of the emerging marketing mode.

In the end, the thesis dealt with the research findings by analyzing the advantages and the disadvantages for both the new marketing mode and the traditional one. Then it drew the summary and the recommendation.

CONTENTS

1 INTRODUCTION

The topic of the thesis is the emerging "fans economy" marketing mode in digital consuming products industry of China based on the internet economy. The thesis is trying to identify the latest marketing concept or mode behind the latest business behaviour in China nowadays.

From 2007 to 2015, the digital consuming products leading by iPhone have been keeping drawing the public's eye balls. Therefore, in Chinese consuming market, the topic about the digital products is becoming more and more popular among the public. Based on the data from the report of domestic mobile phone industry operation in China, by March 2015, the sales of smart phones in China is 37 461 000 units, the number of new launched smart phone modes is 130. From January to March in 2015, the sales of mobile phones in China is 109 000 000 units, and the number of new launched mobile phone modes is 371. It means that there are plenty of companies which are interested and invested in this industry. (Website of CAICT 2015)

On the other side, with the development of global Internet technology, there are a lot of changes in people's life. The internet changed not only the people's way of communication, but also their way of living. In China, the new Internet culture generated in the both young and middle-aged generation, followed by the changes in the business area.

People tend to be insensible when the new change came to us; they just accept it and consider it happened naturally. However, there are always reasons behind the phenomenon. Moreover, there is no permanent theory in the academic world. That is also the reason for writing this thesis. Nowadays, there are new things happening in the Chinese marketing field based on the background above. The thesis tried to dig out the reason behind them. After that, a theoretical analysis was implemented.

2 PURPOSE, OBJECTIVES AND CONCEPTUAL FRAMEWORK

2.1 Purpose of the thesis

In the marketing field, there are a lot of theories and modes about how to make the marketing strategy for a company. Especially, in the book Foundation of Market-ing, the authors David Jobber and John Fahy introduced a complete and various theoretical systems about the foundation of making the marketing strategy such as the 4Ps marketing mix and the STP process (Select target market, targeting and positioning)(Fahy &Jobber 2015,116).

These theories are very useful and helpful with the marketing strategy making pro-cess in the past. They have dominated the marketing field for several decades already. However, the world changes fast, especially with the rise of the Internet. The way of communication between different people is different with the one in the past. And the connection mode between different people also has changed. Therefore, based on these preconditions, the marketing methods also changed accordingly. But, on the other side, the old marketing theories are still useful and valuable. The classic marketing theory is always the base of the marketing field no matter how the world changes. So the purpose of this thesis is to compare the new "fans economy" marketing strategies with the old ones rather than challenging the traditional marketing theories, so that company can find a better way to design its marketing strategy and improve its sales performance.

Nowadays, in China, there are new phenomena occurring in the business marketing field. More and more companies are using the new strategies to market their products. This thesis is a research-based thesis; it identified and described the concrete new marketing strategies which the companies are using now in China and analysed the advantages and disadvantages of those strategies.

After the new strategies have been identified, some companies, especially, the digital consuming industries will get benefit from it, because there are many similarities

among digital products companies so that other companies can also apply those new marketing strategies when they are making marketing decisions.

2.2 Objectives setting

The expected objectives of this thesis are listed as follows,

1) To analyze the macro Internet environment in China.
2) To summarize the existed Internet marketing modes in China.
3) To explore the typical characteristics of case companies.
4) To identify the new marketing phenomenon in China.
5) To describe the process of "fans economy" marketing mode of case companies.
6) To analyze the "fans economy" marketing mode based on 4Ps theory.
7) To compare the "fans economy" marketing mode with the traditional marketing strategies.
8) To conclude the core characteristics of the "fans economy" marketing strategy.

Two Chinese companies, Xiaomi and Smartisan, were chosen as the case companies. As the research objects, they are the most representative companies nowadays in China. By researching the marketing behavior of these two companies, this thesis compared the new marketing strategy with the traditional theory and drew the conclusions. In addition, the new marketing trend nowadays in China was also summarized in the end of the thesis.

For achieving the final objectives, the thesis must be done step by step. Many questions must be answered one by one for solving the final problem. The following are the questions which need to be answered in order,

Stage 1:
• What is marketing?
• What is the classical and traditional marketing theoretical system?
• What is the business environment in China?
• What is the marketing strategy that most companies are using in China now?

Stage 2:

- What is the basic information of the case companies?

- What do the case companies do? / What are their main products or services?

- What the case companies are doing for their marketing now?

- What are the new marketing strategies which the case companies are using now?

- What is the process of implementing the new marketing strategy in the case companies?

- What is the difference between the new marketing strategy and the traditional one?

Stage 3:

- What is Internet economy?

- What is the current situation of the Internet economy in China now?

- What are the characteristics of the Internet economy?

- How related is the new marketing strategy with the development of the Internet economy in China?

- What is the reason for that new marketing strategy is coming out?

Stage 4:

- What are the advantages of the traditional marketing theory?

- What are the disadvantages of the traditional marketing theory?

- What are the advantages of the new marketing strategy?

- What are the disadvantages of the new marketing strategy?

Stage 5:

- What is the conclusion of the analysis?

2.3 Conceptual framework

The outline of the thesis can be reflected in the conceptual framework. At first, the thesis introduced the traditional marketing theories and modes in the beginning; this is the preparation for comparing them with the new ones later. Secondly, two kinds of background information were given. One is the introduction of the features of case

companies, the other one is the current development situation of Internet economy in China. Thirdly, based on the background information, the process of "fans economy" marketing strategy was demonstrated. Fourthly, a deep analysis of the "fans economy" marketing mode was implemented. Fifthly, the comparison between the new and old marketing strategy was made. In the end, the core characteristics of "fans economy" marketing mode and new marketing trend outlook in China were summarized. The conceptual framework is as follows,

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                    ┌─────────────────┐
                    │   Traditional   │
                    │ marketing theory│
                    └─────────────────┘
                           ↕
┌─────────────────┐  ┌─────────────────┐  ┌─────────────────┐
│ Chinese business│  │  "Fans economy" │  │ Features of case│
│   environment   │→ │  marketing mode │← │    companies    │
└─────────────────┘  └─────────────────┘  └─────────────────┘
      ↕↑                     ↓
┌─────────────────┐  ┌─────────────────┐
│ Development of  │→ │ Analysis "fans  │
│Internet economy │  │economy" marketing│
└─────────────────┘  │ mode based on 4Ps│
                     └─────────────────┘
                           ↓
                    ┌─────────────────┐
                    │ Comparison of two│
                    │ marketing modes │
                    └─────────────────┘
                           ↓
                    ┌─────────────────┐
                    │Summarizing the core│
                    │characteristics of the "fans│
                    │economy" marketing mode│
                    └─────────────────┘
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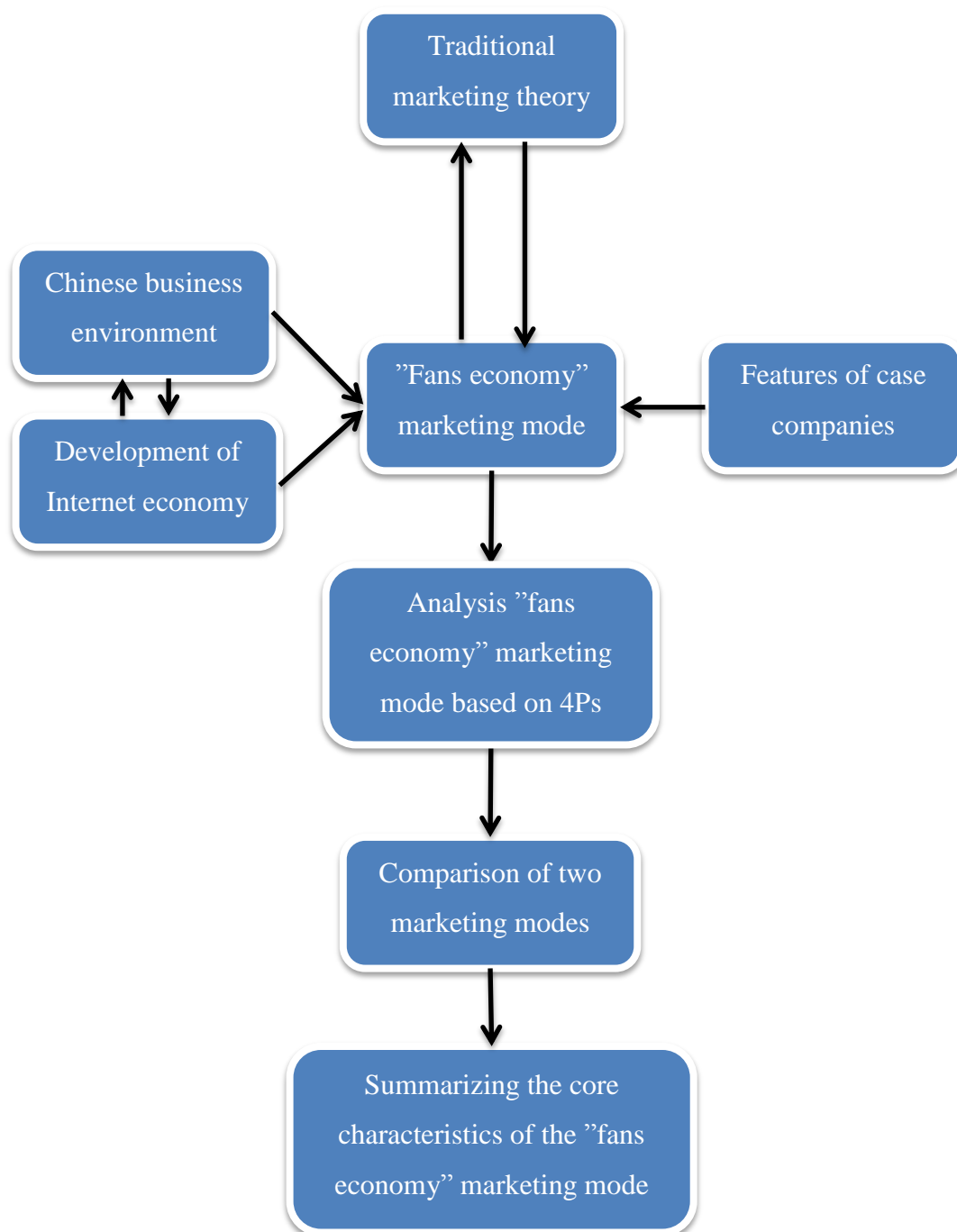
Figure 1. Conceptual framework of the thesis

2.4 Foundation and boundaries of the research thesis

There are three kinds of foundation information and theory by which the author of thesis used to achieve the objectives.

Firstly, the basic and traditional theoretical system should be known and stated in the thesis, because the basic and traditional marketing theory and knowledge is the cornerstone of the marketing field. Without the basic theory, we cannot compare it with the new marketing strategy so that we cannot do further analysis. In this part, the theory mainly comes from the book of *Foundation of Marketing* which was written by David Jobber and John Fahy.

Secondly, the general information about the case companies should be known so that we could know the features of the industry, and it helped to analyze the reason why the new marketing strategy was generated in those companies. Furthermore, it also helped to elaborate the marketing process of the case companies.

Thirdly, the overall Internet business environment in China and in the certain industry should be introduced; because it is necessary to think about if the new marketing theory also applicable in other industries or other districts.

In the thesis, all of the research and analysis mainly concentrated on the Chinese market. The marketing strategies which are used in other countries are not handled. Besides, the research and analysis also only focused on the digital consuming products industry; the marketing strategies which other industries are using are not discussed.

3 TRADITIONAL MARKETING SYSTEM

3.1 Definition of marketing

Based on the book, *Foundations of Marketing*, "The modern marketing concept can be expressed as 'the achievement of corporate goals through meeting and exceeding customer needs better than the competition.'"(Fahy &Jobber 2015, 04).

The American marketing association approved a latest definition about marketing on July, 2013. The definition says that "Marketing is the activity, set of institutions, and processes for creating, communication, delivery and exchanging offerings that have value for customers, clients, partners and society at large." (American marketing association 2013)

Then, in the book of *Marketing Management*, Professor Philip Kotler states that marketing is a social management process for the individuals or organizations to obtain the required stuff by creating products and values and exchanging products and values with others. (Kotler &Keller 2013)

There are many different versions of definition about marketing; almost each of them emphasizes that creating value for customers. Many people may think that marketing is about making the promotion or making the advertisements for the products, however, the core of marketing is creating value for the customers. This is a very important concept, because the discussion will be demonstrated around this concept throughout the whole thesis.

In general, about the topic of marketing, there are three kinds of definitions. The first one regards marketing as a theory for serving the customers; the second one studies marketing as a social phenomenon. The third one believes that marketing is a process which uses the marketing channels to combine the producing enterprises with the markets. The abundant categories of marketing definition illustrate the complexity of marketing. The complexity means that marketing is not a simple and unalterable concept. With the progress of human society, the marketing behavior is also develop-

ing constantly. Based on this reason, the new marketing modes appear continuously which make the marketing theory more and more abundant. Meanwhile, this also guarantees the practicality of the thesis.

3.2 Classical and traditional marketing theoretical system

Marketing is a crucial stage in the business operation. The origins of modern marketing can be traced to the Industrial Revolution that took place in Britain around 1750 and in the USA and Germany around 1830. (Fahy &Jobber 2015, 09)

Concerning how to make a marketing plan and strategy, there is a matured theoretic framework in the academic world. Whenever a company has a decision to make a marketing plan, it can always follow the existing and classic theory framework.

- Core concept
- Marketing concept

- Demand analysis
- Market segmentation
- Market target
- Market positioning

Basic theory

Strategic theory

Tactic theory

Management theory

- Product strategy
- Price strategy
- Place strategy
- Promotion strategy

- Marketing plan
- Marketing organization
- Marketing control
- Marketing audit

Figure 2. The marketing theory framework (Bachelor thesis, Wu, C. 2015)

The chart above summarizes the basic theory framework in marketing. It includes the key concepts in marketing theory. For studying the new marketing mode better, the basic and classic marketing theory should be understood well. The following chapters will review the traditional marketing theory by choosing several important concepts from the marketing theory framework.

3.2.1 Marketing plan

Before implementing a marketing campaign, a strategic and tactical marketing plan should be documented. The table 1 below illustrates a generic outline for a marketing plan. As it is shown in the table, marketing strategy is not just a simple concept or a brief idea; it contains many professional tools which are used for marketing analysis. The company should analyze and estimate many data and indicators so that the marketing department can make a satisfied and feasible marketing strategy according to the result. For example, the strength and the weakness of the company, the customer value, the consumer behavior, the marketing environment and so on.

For making a better comparison between the existing marketing systems with the emerging one, in this theory chapter, the thesis will introduce the existing marketing framework in a brief way.

However, even though the topic of the thesis is the new marketing mode around the "fans economy" in China, the thesis will not develop a new complete marketing theory or system. The goal of the thesis is identifying a new marketing mode in the mobile phone industry. Therefore, although the new mode has the differences with the traditional one, the core of marketing never changed. So, the existed marketing theory is very important for the thesis to do the research on the new phenomenon.

Table 1. Generic Marketing Plan Outline (Mooradian, Matzler& Ring 2012, 55)

I.Situation Assessment

  a.Market Definition

  b.Context(PEST)

  c.Customers

  d.Competition

    i.Strengths

    ii.Weaknesses

    iii.Offerings and Target Segments

  e.Industry Analysis

II.Company

  a.Firm Mission,Vision, and Objectives

  b.Value Chain

  c.Sustainable Competitive Advantages(i.e.,strengths)

  d.Weaknesses

III.Strategy

  a.Segmentation

    i.Basis

    ii.Description

    iii.Sizing and Valuation

  b.Basis of Competition(competitive advantages)

  c.Targeting

  d.Positioning(s)

  e.Strategy Summary

IV.Marketing Mix(s)

  a.Product

  b.Price

  c.Place

  d.Promotions

V.Projections

  a.Risks

  b.Forecasts and Budgets

  c.Financial and Profit Mode(pro formas)

3.2.2 Marketing audit

The more effective marketing plan a company wants to make, the more data and information it needs to require. Therefore, the first step of planning is analyzing the company's current situation includes both external situation and external situation. By doing the marketing audit, the company can get a clear picture about its strength and weakness, so a SWOT analysis is also made in the end of marketing audit.

Table 2. The external marketing audit (Fahy &Jobber 2015, 14)

Marcoenvironment
Economic: inflation, interest rates, unemployment
Social/cultural: age distribution, lifestyle changes, values, attitudes
Technological: new product and process technologies, materials
Political/legal: monopoly control, new laws, regulations
Ecological: conservation, pollution, energy
The market
Market: size, growth rates, trends and developments
Customers: who are they, their choice criteria, how, when, where do they buy, how do they rate us, promotion, price, distribution
Market: segmentation: how do customers group, what benefits does each group seek
Distribution: power changes, channel attractiveness, growth potential, physical distribution methods, decision-makers and influencers
Suppliers: who and where they are, their competences and shortcomings, trends affecting them, future outlook
Competition
Who are the major competitors: actual and potential
What are their strengths(distinctive competences) and weakness(vulnerability analysis)
Market shares and size of competitors
Profitability analysis
Entry barriers

Table 3. Internal marketing audit (Fahy &Jobber 2015, 14)

Operating results(by product, customer, geographic region)
Sales
Market share
Profit margins
Costs
Strategic issues analysis
Marketing objectives
Market segmentation
Competitive advantage
Core competences
Positioning
Portfolio analysis
Marketing operation effectiveness
Product
Price
Promotion
Distribution
Marketing structures
Marketing organization
Marketing training
Intra- and interdepartmental communication
Marketing systems
Marketing information systems
Marketing planning system
Marketing control system

The two charts above show the main items that a company should do in the market-ing audit. We can see that no matter in the marketing plan or in the marketing audit, the key steps or the key concept follow the basic marketing theory closely which also illustrates the importance of the basic marketing framework.

3.2.3 4Ps and 4Cs theory

4Ps marketing was created in 1960s in USA, followed by the appearance of marketing mix theory. In 1953, Nei Borden invented the term of marketing mix. With the development of marketing theory, in 1990, the American scholar Robert Lauterborn put forward the 4Cs theory to supplement the 4Ps theory. (Website of Baidu Baike 2015)
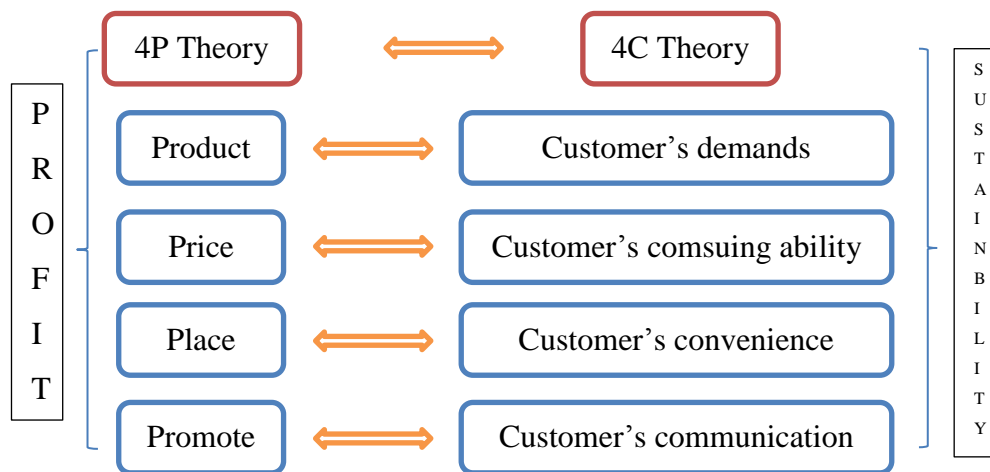

Figure 3. The relationship between 4Ps and 4Cs theory

3.2.4 STP Theory

The concept of market segmentation was made by Wendell Smith in 1956. Then Philip Kotler improved the theory and created the mature STP marketing theory. STP represents segmentation, targeting and positioning, it is the core part of strategic marketing plan. The essence of STP theory is choosing the target consumers and clients. Based on the STP theory, the whole market is a comprehensive, multi-layered, and diversified consumer demand group; any enterprises cannot fulfill all of demands. Therefore, the enterprise should segment the market and target its own customers according to their different needs, purchasing powers, consumer behaviors and demographic factors. (Kotler &Keller 2013)

STP theory is very important to the research of this thesis. Because, the biggest difference between the traditional marketing mode and the new marketing mode is re-

flected on this topic. The traditional STP theory emphasizes that the company should investigate what is their customer's preference. On the other word, the company should ingratiate its customer which means make the consumer happy and satisfied. However, the appearance of the new emerging "fans economy" marketing mode announced the termination of the consumer ingratiation era.

4 ANALYSIS OF CURRENT NETWORK ENVIRONMENT IN CHINA

When people are thinking about doing business in an area, the external macro environment is very important to the policy making inside the enterprise. Before the company is making the Internet marketing decision, a clear analysis of the external environment must be made. The current network environment in China includes the macro business environment and the online consuming environment. The macro environment refers to political environment, economic environment, social environment and technological environment.

4.1 PEST Analysis of the macro Internet environment

4.1.1 Political environment

Political environment contains the political institution, political system, political situation, laws and regulations. The Chinese government plays a very important role in the political environment. The government's responsibilities reflect on that it will make a series of policies and guidelines to stimulate the development of economy and it will restrict and supervise the behavior of enterprises.

The stable political environment is the basis of enterprise development. From the global point of view, Chinese political environment is very stable. Especially, the investment climate is very good; the market prospect is very promising. In 2015, China started a deeper economy reform and the Chinese government launched a series of policies which will bring a lot of benefits to the enterprises development. The

government pushed the country to be a more free market economy which also brings some challenges to the enterprises.

On the other side, as the reflection of the state will, laws and regulation have a direct effect on supervising the behavior of the market and the organization. From the economic point of view, laws have three functions. Firstly, laws guarantee the fair competition between different companies; secondly, laws protect the rights of the consumers; thirdly, laws protect the benefit of entire society. With the development of market economy in China, the business laws become more and more complete. Since 1994, the government published 38 policies and laws to monitor and supervise the Internet business which made a good cornerstone for the development of Internet economy. (Zhang, J. 2010, 32)

4.1.2 Economic environment

Economic environment refers to all kinds of economic conditions, economic features, economic links and economic indicators in one country. It is the elementary factor in the production and operation process. The economic environment related with this thesis includes two dimensions. The one is the traditional economic environment; the other is the Internet economic environment.

- Traditional economic environment

The traditional economic environment affects the Internet economy deeply. From the macro point of view, the Chinese informationized infrastructure construction needs a huge amount of investment; the source of money relies on the traditional economic environment. The popularity of the informatization in a certain area asks for a relatively well developed economic environment. GDP is a very important indicator to explain the economic situation of one country. In 2014, the GDP of China is 10 400 billion US dollar falling behind the USA (17 400 billion US dollar). The growth of GDP is 7.4% compared with last year. China followed the USA, becoming the second country in the 10 000 billion club. The better economy situation provides a solid foundation for the Internet marketing. (Website of National Bureau of Statistics 2015)

- Internet economy environment

Internet economy means the production, distribution, consumption and exchange activities based on the computer network. Its basis is information and its platform is Internet. According to the data from iResearch, in 2014, the scale of Chinese Internet economy is 125 billion US dollar, the growth rate is 37.3%. And the increasing trend will still keep in the future. (Zhang, J. 2010, 33)

Table 4. The Internet economy scale of China classified by industry in 2014 (Website of iResearch 2014)

Internet economy scale (PC terminal)		Internet economy scale (mobile terminal)	
Sales by specific industries(RMB:billion)		Sales by specific industries(RMB:billion)	
Industry type	Sale scale	Industry type	Sale scale
PC E-commerce	72.87	Mobile shopping	13.32
PC games	19.44	Mobile games	5.69
PC advertisement	24.85	Mobile ADs	4.68
PC payment	6.66	Mobile payment	1.24
Others	12.50	Others	9.39

- Social environment

From the consumers' point of view, Internet surfing is a private action. The consumers' interest and preference when surfing the Internet are decided by themselves. The opinions and the comments people made on the Internet are also formed based on their personal values. However, people's behavior on the Internet is also affected by certain cultural factors. Even though, the Internet is a free, open global network, people from different countries speak different languages. The cultural differences lead to the thinking differences.

On the other side, Internet also keeps changing people's values. Internet, as the media for information delivery, is much more convenient and faster. It expands the border of culture exchange; people from one country may feel curious about the life in

other countries. Therefore, with deeper and deeper culture exchange between different countries, there are more business opportunities for the enterprises, but, on the other hand, the difficulty of implementing the ideas also increases. (Zhang, J. 2010, 34)

Chinese culture is deeply affected by Confucianism. It is more restraining compared with the western culture. However, culture itself is a dynamic concept; it will change with the change of era. After the Chinese Reform and Open revolution led by Deng Xiaoping, no matter the traditional economy or the Internet economy developed very fast. At the same time, the foreign culture also brought a huge impact to Chinese culture, the traditional restraining and conservative opinion is disappearing. Chinese people are more open and welcome to the new fresh things which bring a more capacious market prospect to enterprises.

4.1.3 Technological environment

Deng Xiaoping, the chairman of China in the past, said that the science and technology are the first productive forces. The technological environment refers to the technological elements which will determine the economic activity of enterprises. The foreign development Internet technology can trace back to 1950s, when the ARPNET was born in the USA. Then the TCP/IP protocol came to us, and the World-Wide-Web was invented finally. However, the starting of Chinese Internet technology is relatively lately compared with the foreign countries while the development pace is fast.

We know that the IPv4 is an important indicator to measure the Internet scale of a country. The IPv4 is an Internet technical term, meaning Internet protocol version 4. According to the 25th report of Chinese Internet development situation, till the end of 2014, the number of IPv4 address in China is nearly 332 million, just falling behind the USA. Currently, the number of IPv4 and even IPv6 address in China are still increasing steadily every year; the average growth rate is around 16.5%. And till the end of 2014, the amount of Chinese domain name is 20.6 million, the growth annual-

ly is 11.7%. The figures below demonstrate the change of Chinese IPv4 and IPv6 amount during 2009 to 2014. (Website of China news 2015)

Figure 4. Chinese IPv4 address amount and the growth rate/Unit: 10 000 (Website of CNNIC 2015)

Figure 5. Chinese IPv6 address amount/Unit: piece/32 (Website of CNNIC 2015)

Moreover, by December 2014, the amount of Chinese websites is 3.35 million; the growth annually is 4.6%. At the same time, the amount of Chinese webpages is 18.99 billion; the growth annually is 26.6%. The figures below present how the website and the webpage amount change in China during 2007 to 2014.

Figure 6. The amount of Chinese website/Unit: 10 000 (Website of CNNIC 2015)

Figure 7. The amount of Chinese webpages and its growth/Unit: 100 000 000 (Website of CNNIC 2015)

In the end, the international export bandwidth is 4 118 663 Mbps by the end of 2014; the growth annually is 20.9%. The figure below shows how Chinese export bandwidth fluctuates from 2010 to 2014.

Figure 8. The Chinese international export bandwidth and the growth (Website of CNNIC 2015)

In summary, all the development level of political, economic, social and technological condition contribute a lot to the Chinese development of Internet economy. And the flourishing development of Internet economy becomes the solid cornerstone for the new "fans economy" marketing mode in China which will be discussed in detail in the research part of the thesis.

4.2 The current Internet marketing modes in China

The topic of the thesis is based on the Internet economy. The "fans economy" marketing mode is also one of the Internet marketing modes. For making a better research about the new Internet marketing mode in China, the summary about the existing Internet marketing modes are summarized as below.

4.2.1 Online advertising

The online advertising transfers the traditional advertising activities to the Internet world. The gist of online advertising is that the enterprise delivers its product information, company's value and company's image to the target audiences. The earliest online advertisement was made in USA in 1994. The huge increase of the number of Internet user created a booming development of online advertising. (Zhang, J. 2010, 16)

There are different forms of online advertising.

- Banner advertisement

The banner ad is the most common online advertising form. It is often put in the most striking place on the website. And the shape of ads looks like a banner that is why it is called banner advertisement. (Zhang, J. 2010, 17)

- Multi-media expanding banner

This kind of banner ads often uses the multi-media technology such as Flash and Java to make video, sound, animation or dynamic pictures. This dynamic form is more attracted than the still advertisement. (Zhang, J. 2010, 17)

- Interstitial advertisement

The interstitial ads are also called pop-up ads. It is a mandatory advertisement. When the Internet users try to open a new website, another website including text, pictures, or links will pop up automatically. The content in these websites are usually very tempting. It tries to draw people's attention and tempt them to click on the ad in the website. However, the effectiveness of this type of advertisement is very low, because the interstitial advertisement will disturb the Internet users and waste their time. Moreover, in China, many Internet browsers and software have the blocking function against this kind of advertisement. (Zhang, J. 2010, 17)

- Paid search advertisement

The paid search advertisement means the website alliance advertising service offered by the search engine company. For example, Baidu.com is the Chinese biggest search engine service provider, and other companies can bid for the search key words ranking in Baidu.com so that the Internet users can see the information easily which ranks in the top position of the website. (Zhang, J. 2010, 17)

4.2.2 E-mail marketing

The enterprise will achieve the marketing goal through the way of sending the text, HTML or multi-media message to their customers via E-mail. The cost of E-mail advertisement is very low, so it is more convenient and fast for the company to do the marketing activity without consuming too much energy.

The biggest advantages of E-mail marketing are cost saving and time saving. For example, the hotel booking website often send the latest discount information to customers, those E-mail ads are often set to be sent automatically by which it could save nearly 98% human labor cost compared with the traditional marketing methods. In addition, the E-mail ads can be sent to the target potential audience accurately. The user can choose to subscribe the ads service or not based on their own interests to the certain products or service. And the links in the E-mail ads can also create more click-through rate for the website at the same time. (Zhang, J. 2010, 18)

On the other side, the disadvantage of E-mail marketing is also obvious. According to our personal experience, a large amount of E-mail ads go to the rubbish E-mail box every day, which means many people will not even look at those E-mail ads at all.

4.2.3 Search engine marketing

The search engine is a system which provides the retrieve service to the Internet users. The search engine marketing is based on the search engine tools. The company can get the big data through collecting and studying the search behavior of the Internet users. By analyzing the big data, the company is able to know what are customers interested in or even what customers want to buy. Then the company can push the marketing information to its target potential customers. Besides, the difference between the search engine marketing and the other Internet marketing modes is that its target clients are not only from the personal consumer but also from the organizations. Therefore, the search engine marketing provides different marketing modes against the enterprises as follows,

- Search technology selling

This method is mainly used now by most of search engine companies. The search engine companies provide the search technology to web portals. The web portal should pay for each search request. (Zhang, J. 2010, 21)

- Search engine optimizing

Search engine optimizing aims to make customers search and acquire information more conveniently. In the past, the search engine is just a tool; however, the search engine becomes more intelligent now. It is able to analyze the users' needs and present the search result which the user prefers to get. At the same time, during the process of search engine optimizing, the traditional marketing theory should be used to analyze the target customers groups. Knowing what is the most popular key search words make the company choose the marketing keywords more effectively. (Zhang, J. 2010, 21)

- Keywords advertisement

Keywords advertisement means the ads are put in the search result webpage by which the marketing information can be spread to the specially target customers accurately. For example, if an Internet user searches the keyword "sport" through the search engine, then the ads from some sport equipment companies will appear on the search result webpages. (Zhang, J. 2010, 21)

4.2.4 Blog marketing

With the development of Internet technology, Blog marketing becomes a significant spread power. Its biggest effect is helping the company to build the image on the Internet by word-of-mouth marketing. Compared with the official company website, the personal Blog is more flexible and closer to the consumers. And compared with online advertisements, the direct cost of Blog marketing is very low.

Moreover, another effect of Blog marketing is bringing more potential customers to the company. When a consumer wants to buy something, he/she will probably make the decision based on the comment about the commodity. Nowadays, in China, many people tend to search the commodity comment online. Thus, the Blog becomes a very good channel to get that information. For example, there are many fashion bloggers in China nowadays; they often post their comments about some clothes, shoes, bags in their blog. Then the buyers can decide whether to buy a commodity or not by checking their blogs. (Zhang, J. 2010, 27)

4.2.5 E-commerce platform mode

The e-commerce platform marketing regards the e-commerce website as the platform, implementing the marketing activity by using the aggregation effect. When buyers and sellers get together in the same place, there must be a huge marketing value in that place. The traditional e-commerce is divided into four types: business to business, business to customer, consumer to consumer and online to offline. As the platform for trading online, the e-commerce platform is not only a place for money exchange but also a place for information exchange, the huge customer flow in the ex-

change platform makes the e-commerce website a very important place to publish the marketing information.

However, this mode also has its weakness in China. Firstly, the commodities online are intangible. The consumer cannot touch the products directly which makes the trade online not very stable. Sometimes, the information and the pictures of the products are not consistent with the real products. Therefore, when the customers bought something which they are not satisfied, it may affect the reputation of e-commerce. Secondly, the security for online trading cannot be guaranteed. The e-commerce is handled in the open public network environment, how to keep the safe and stable data transfer is still a big challenge. Consumers always worry about being attacked by the hacker or the computer virus. Thirdly, the credit system in China has not been built very well. The security standard and the online clearance standard have not been unified among different commercial banks. And finally, the logistics infrastructure level is not enough to support the needs of e-commerce, so the development of this marketing mode suffered its bottleneck now. (Zhang, J. 2010, 29)

5 RESEARCH METHODOLOGY

5.1 Research method design

The thesis was divided into two big parts. The first big part is the theory part and the second part is the practical research part.

In the research part, as the foundation of marketing, the traditional and classic marketing theories and systems were presented and reviewed first. Those core marketing theories refer to the definition of marketing, 4Ps theory, 4Cs theory, the STP theory, the process for marketing plan and marketing audit.

Then the next stage was to analyze the current network environment in China, because the current Internet environment is regarded as the hotbed for the birth of the "fans economy" marketing mode in China. The analysis contains two main parts; the

first one is the Chinese macro Internet environment analysis from the PEST point of view, the second one are the current Internet marketing modes in China.

Between the theory and the research parts, the background information about the case companies was given. Considering that these two companies are the classic representatives of the "fans economy" marketing mode, so they must have their own features. From this point of view, the basic information of Xiaomi and Smartisan become very important as the background information for the research implementation.

Then in the practical research part, the marketing processes of Xiaomi and Smartisan were described specifically. Those marketing processes are the so called "fans economy" marketing mode, the key topic of the thesis. For making a better research about the "fans economy" marketing mode, the marketing processes of case companies in detail is necessary to be known very clearly.

In the end, the formal analysis was implemented after the description of the specific market process. The "fans economy" marketing mode was analyzed first based on the 4Ps theory. It explained how the new marketing mode works in the product, place, price and promotion point of view and what are their relationship between each other. After that, the thesis made a comparison between the "fans economy" marketing mode with the traditional marketing channels, finding what are the advantages and disadvantages for both of the new and old marketing mode.

5.2 Data collection and analysis

The data collection method is qualitative data collection. The reference materials came from multi-channels such as books, literatures, textbooks, journals, dissertations and some other reliable data from the Internet.

Except for the sources mentioned above, a structured interview was designed. Several questions were made in advance according to the topic of the thesis. All of interview questions serve the research goals. In total, four interviews were made, one was for the staff of Smartisan, one was for staff of Xiaomi, one was for the fan of Smarti-

san and the last one was for the fan of Xiaomi. The answers collected were used to support the research part.

5.3 Evaluation of validity and reliability of the research

For guaranteeing the reliability of the research, if the data were from websites, they are official websites or famous authoritative websites; if the data were from the publication, then the latest and reliable version were chosen.

Concerning the interview questions, since the purpose and objectives of thesis were already confirmed, so the questions were made based on the purposes and objectives to guarantee the consistence of the thesis. The language of the questions was designed in a brief and accurate way, so that the interviewees can fully understand the question and the answers can support the research completely.

The practical research was implemented in an academic way. Arguments were provided to support all of the opinion in the thesis. Therefore, the validity and reliability of the thesis should be in order.

6 INTRODUCTION OF THE CASE COMPANIES

In the practical research part, two representative case companies were chosen to be the research objectives. Both of the case companies are very famous nowadays in China. They are also the most lively information technology companies in China. The companies' names are Xiaomi and Smartisan respectively. In the beginning of the research part, a brief introduction about the case companies is given as follows.

6.1   Xiaomi

Xiaomi was founded in 2010 by serial entrepreneur Lei Jun, who believes that high-quality technology doesn't need to cost a fortune. Xiaomi has brought together smart people from Google, Kingsoft, Microsoft, Motorola, Yahoo, and other Internet and tech companies from around the world to bring that vision to life.

Picture 1. The headquarters building of Xiaomi (Website of SogiWorld 2014)

The Chinese name "Xiaomi" means "tiny rice" in English. The company creates remarkable hardware, software, and Internet services for – and with the help of – their "Mi fans". Xiaomi incorporate their fans' feedback into their product range, which currently includes Mi 4, Mi 3, Mi Pad, Mi Box, Mi TV, Redmi 1S and Redmi Note, Mi Power Bank and other accessories. The company sells direct to customers to keep their prices competitive. And with more than 18 million handsets sold in China in 2013 and products launched in Taiwan, Hong Kong, Singapore, Malaysia, Philippines, India and Indonesia, Xiaomi is ready to march to the global market. (Website of Xiaomi 2015)

Picture 2. The management group of Xiaomi Company (Website of Xiaomi 2015)

6.2 Smartisan

Smartisan Technology, located in Beijing China, was founded in May, 2012, and Smartisan Digital was established in June, 2014. The founder's name of Smartisan Technology is Luo Yonghao.

Smartisan Technology Co., Ltd. (Smartisan Technology) is a company that creates mobile devices. Smartisan Digital Co., Ltd. (Smartisan Digital) is a wholly owned subsidiary of Smartisan Technology, whose business focuses primarily on the sale of digital products and providing related services.

Picture 3. The company logo of Smartisan (Website of SogiWorld 2014)

The company's mission is to draw upon a spirit of artisanship and perfectionism to create consumer electronic products (primarily smartphones) that offer a first-rate user experience, and to improve people's quality of life.

The English name "Smartisan" is a portmanteau of "smart" and "artisan," signifying "artisanship in the smartphone era."

Picture 4. The partial employees of Smartisan (Website of ESM 2015)

In the Android™ smartphone field, where there is a lack of innovative spirit and ability, the team of Smartisan stands out for its exceptional talent both in the design of graphical user interfaces and user experience and in the industrial design of hardware. (Website of Smartisan 2015)

6.3 Features of case companies

The reason for choosing these two companies is that both of the case companies are using the new marketing modes in their business operation. The two Chinese companies produce the digital consuming products, so they fit the topic of the thesis in a very good level and they are also not beyond the boundary of the thesis, focusing on the Chinese digital consuming products market.

As the digital product companies, they are in the digital fashion frontier, owning a lot of fans in their own fields. That is the basic reason why they can develop the new "fans economy" marketing mode. Besides, most of the staffs in these two companies

are very young people; it means they are very innovative and energetic in this certain industry. And the most important is they know what young people like and need, so they can use the latest thoughts and technologies to achieve companies' marketing goals. Another crucial feature of these companies is that both of them start from zero, which means that they dare to break through the tradition and be the pioneer in this industry. Compared with the big enterprises, the small and emerging companies often have more courage to make the first step, because they do not need to pay a huge cost in case that they fail in the future.

7 DESCRIPTION OF NEW MARKETING STRATEGIES IN THE CASE COMPANIES

The key word "fans economy" marketing mode has been mentioned many times in the first part the thesis. The review of the traditional marketing theory and the analysis of the current of Internet environment in China are made as the preparation of the formal description of the "fans economy" marketing mode. And the specific process of the new marketing mode is demonstrated in this chapter.

7.1 Marketing process of Xiaomi

As the founder and CEO of Xiaomi, Lei Jun is a senior enthusiastic fan of the mobile phone product himself. He knows that consumers prefer a mobile phone which has a good combination with software and hardware, and then of course, the price factor is also very important for the consumers to make the buying decision. In October 2011, the first generation of Xiaomi Mobile phone was launched, the price was 1999 RMB, around 290 euro (Currency rate is EUR: CNY=1:6.82). On 5th September 2011, the first booking opened for Xiaomi one, the booking amount with payment in advance reached to 215 000; and on 18th December 2011, the first turn of formal online selling opened, 100 000 Xiaomi one was sold out within just three hours. The sales story has been a legend in the sale history of Chinese mobile phone market. (Deng 2013, 17)

Basically, Xiaomi has three main marketing tools, considering that the topic of the thesis is the "fans economy" marketing mode, so the thesis will mainly describe the community marketing mode of Xiaomi, at the same time, a brief introduction of other two marketing tools will be given.

7.1.1 Fans economy and community marketing

a) *Establishment of online Xiaomi Fans community*

"Born to be enthusiastic fans" is the product value of Xiaomi. In the beginning of the company, the founder regards the company's value as "producing a high quality smart phone especially for the enthusiastic fans". With this value, the online community of Xiaomi was created in 2011.

Picture 5. The front page of Xiaomi community (Website of Xiaomi community 2015)

The picture above shows what Xiaomi online community looks like. The link of the community is www.xiaomi.cn. If you are a fan of Xiaomi, you can apply an account in this community, after that, you can make friends, exchange opinions, ask questions, introduce your experiences, study the mobile phone knowledge, share pictures or stories of your phones and even make parties in it. For instance, the advertisement showed in the homepage above is a notification about a Mipop music festival for all Xiaomi fans in Nanchang city in China.

b)   User interface developing participated with all Xiaomi fans

The best gift that Xiaomi Company brought to its customers is its MIUI. UI is the abbreviation of user interface. The user interface of a mobile phone can give the most direct image and experience to its users. Therefore, the quality of UI decides if a mobile phone is a success or not. In the traditional way, most mobile phone companies have the professional R&D department and the operation system is developed by the professional mobile phone engineers inside the company. However, for thinking about the consumers better, the management level of Xiaomi hoped everyone who likes Xiaomi mobile phone can participate into the process of development. Therefore, Xiaomi made a decision that they will open the R&D channel to the public online in its Xiaomi fans community. (Interview answer 2015)

Through this method, the company made the customer to be the producer. At that time, the registered users in Xiaomi community was estimated 5 million. The fans can take part in the developing process by different ways. The public can give advice and opinion about what kind of mobile phone operation they want. For example, someone said they do not like the uniformed themes in their phones; they prefer the system with more personalized apps icons, sounds of alarm, wallpapers and so on. Someone else said they think the horizontal sliding way to unlock the phone is too simple and boring, thus Xiaomi developed hundreds of way to unlock the phone. Moreover, if some fans are experts of programming, they can even upload their projects, software or solutions with the ready HTML, Java or C++ code.

Picture 6. Example of MIUI developed by employees and fans together (Website of Xiaomi 2015)

c)   A high-profile new product launching conference

Apple Company's product launching conference is one of the biggest concerns all over the world in every year. All digital products fans feel curious about the latest products and expect them to come as soon as possible. Watching the conference and hearing the speech from the CEO of Apple Company has become a popular trend among the young generation in the world, including the Chinese young people.

Following this trend, on 16th August 2011, Lei Jun, the founder of Xiaomi planned and organized a Xiaomi mobile phone launching conference which is similar with the Apple conference. The location of Xiaomi launching conference is chosen to be in the 798 art zone in Beijing, which is a place filled with romantic and ideal art atmosphere. Undoubtedly, this place is the best place to advertise Xiaomi's ideal value to its fans. Xiaomi is the first company which used this kind of conference to launch its products in China, and the conference earned a lot of attention for Xiaomi from both its fans and the public media. (Ding &Sun 2012, 59)

Picture 7. The first product launching conference of Xiaomi (Website of SinaPhoto 2011)

Except for the mobile phone itself, the CEO, Lei Jun is another factor which attracts people to come to this conference. Before founding Xiaomi Company, Lei Jun has been already a very famous person in the IT area of China. Lei Jun graduated in a very famous university in China. In the last year of his college time, he established a

software company with his schoolmates. Then, in 2000, he became the CEO of Kingsoft Company which is a leading software company in China. Besides, he is also an angel investor. He supported many famous companies at that time in China. All of these made him an idol or a mentor to the youth generation. Therefore, when he resigned the CEO of Kingsoft and started to build the Xiaomi Company, many people became Xiaomi's fans in a very short time. (Website of Baidu Baike 2015)

Picture 8. The Xiaomi fans were waiting in queue for the start of conference (Website of MyDrivers 2011)

d)   Events marketing in the community

Xiaomi likes to be the pioneer in the industry in China. This was reflected not only on being the first company which organized the launching conference, but also on being the first one which launched engineering sample mobile phones to the customers. Before selling the official and formal version of Xiaomi One mobile phone, the company decides to launch the engineering mode in advance. Moreover, the company published the special regulation of buying the engineering mode in the fans community. Since the amount of the engineering mode is limited, only 200 sample phones were sold every day online, so the people who want to get it must contend online in a certain time. The competing time lasted only three days, from 29th August 2011 to 31st August 2011. (Ding &Sun 2012, 59)

After this news was published in the Xiaomi fans community, many people started to ask and search how to participate this activity online. Then, the news spread beyond the fans community soon, more and more people learned this news. Afterwards, the click rate of the related news experienced a booming increase.

For guaranteeing the rights of members in Xiaomi fans community, the company made a new rule that only the member of Xiaomi fans club who has at least 100 points in the community can take part in this activity. However, this limitation made more and more people feel curious about the Xiaomi One mobile phone rather than made them feel disappointed with it. The people who are not qualified in the "sample phone selling" activity started to generate a strong desire to buy a real Xiaomi One mobile phone. All of them were expecting the date of 5th September 2011 to come, because that day was the first day that Xiaomi opened its formal selling channel online to the public. (Ding &Sun 2012, 59)

In addition, making topics and news in the community is another way for Xiaomi to implement the events marketing. Xiaomi made the sales miracle not only in 2011; in 2012, it also made some amazing records which shocked many people including its competitors. For example, in 4th January 2012, Xiaomi started the second turn for buying Xiaomi mobile phone in its website, then 100 000 phones were sold out within three and half hours. In 11th January 2012, in the third turn sales, 300 000 phones were sold within nine hours. In 28th February 2012, the new version launched, 150 000 phones were sold within thirty minutes. We can found that the sales speed was becoming faster and faster. And finally, in 6th April 2012, 100 000 phones were sold only in six minutes. (Deng 2013, 17)

Concerning that the price of Xiaomi One is only 1999 RMB, if we compared it with other brands which in the same price level, then we can find that the sales of Xiaomi One was far ahead at that time. The case of Xiaomi is the legend in the mobile phone history in China. Until now, Xiaomi 4i has been launched already, the sales of it will keep increasing in the future. The "sample phones selling" events and the sales legends showed above attracted a great attention for Xiaomi from both of the mass media and its fans. Xiaomi became a very hot topic among people in the Chinese mobile phone industry. (Interview answer 2015)

e)   The extension of Xiaomi fans community

Xiaomi fans community has been introduced in the first step of its marketing strategy. During 2011 to 2014, the company's business has increased a lot; the latest Xiaomi 4i mobile phone has been launched. Accordingly, the Xiaomi fans community also updated year by year. The new version of Xiaomi fans community now has more features and functions. The company integrated different modules of community into an organic body, so that it can serve better for Xiaomi's fans economy marketing strategy. (Interview answer, Ma 201)

In Xiaomi fans community, there are three kinds of fans classified by how much level they are keen on Xiaomi's products.

- A class: Fever fans that own more than one Xiaomi products and behave very actively in the community.
- B class: Medium fans that own only one Xiaomi products or just touched the Xiaomi product recently.
- C class: Junior fans that do not own Xiaomi products at all but feel curious and interested in any news about Xiaomi in Internet or in any other media. (Website of Alibuybuy 2013)

By classifying the fans in the community, Xiaomi made different strategies and gave different "missions" to its fans. But, of course, the missions are invisible; they are not the real tasks that the company gives to its customers. Firstly, the A class fans are the main force in marketing war of Xiaomi. They play important roles in Xiaomi's fans marketing strategy.

The A class fans are the best marketing personnel for Xiaomi, because this group often publish many good comment about Xiaomi's products either in the community or in their personal social website. We all know the power of word-of-mouth marketing. If they share the good comments or any stories of Xiaomi in their social websites, then they will affect many other people who were not fans of Xiaomi before. In this way, Xiaomi makes more people know about them without any cost of marketing.

The B class fans are the marketing power reserves for Xiaomi Company. They are the future potential fans marketing power. The goal of Xiaomi is affecting this group more and more deeply through improving its products. The company aims to make this group of fans to be their loyal buyers and fans in the future. Then the C class fans are not real fans of Xiaomi actually, most of them may just have an account in the community. However, the difference of this group with other public is they will pay attention to any news of Xiaomi even though they have not bought a real phone; they care about the latest progress of any Xiaomi products. Most of C class fans are digital enthusiasts, their habits or hobbies are writing or reading articles about the digital products in all kinds of IT websites. Therefore, when a new Xiaomi product was launched, they will discuss on it with many other people in Xiaomi community or other websites. At this moment, the propagation effect arises. Xiaomi becomes a hot topic in the Internet by their pushing. So, in summary, the three kinds of fans play different roles in Xiaomi's marketing strategy chain. They are the booster and catalyst of Xiaomi's success. (Website of Alibuybuy 2013)

On the other side, Xiaomi enriched the module function in its online community. As it is showed in the picture 5, in the latest homepage of Xiaomi community, there are seven main columns except for the "homepage", "online store", "customer service" and more "features". The seven main columns are as follows,

- Cool play lab: a place that the fans can learn the latest and coolest technology news about Xiaomi.
- Shooting moments: a place that the fans can share their pictures shoots by Xiaomi mobile phone. Moreover, the photography competitions are often organized in this place.
- Xiaomi academy: many courses about configuration, setting and DIY of Xiaomi phones are published here.
- App square: the users of Xiaomi can download the latest and most fashion Apps, themes, wallpapers, sounds and eBooks in this place.
- Party in town: in this place, the Xiaomi fans from the same city can exchange their information and opinion with each other, and they can also organize parties and festivals with other Xiaomi fans that live in the same place.

- Popcorn Journal: it is the official online journal of Xiaomi Company. The official news, in-depth report and interviews will be published here.
- Online store: the online sales and promotions for Xiaomi mobile phones, accessories, innovative products and side-line range of products are implemented here. (Website of Alibuybuy 2013)

In summary, we can see that Xiaomi offers more opportunities to its fans and consumers to interact with either the company or other fans. At the same time, it also gives consumers more space and time to experience the product after they buy it. In the traditional business mode, the consumers stop the relationship with the producers after buying the product except for the guarantee service. However, the better interaction relationship that Xiaomi created with its customers brought a great influence for Xiaomi.

7.1.2 Social media marketing

In addition to the community marketing strategy, another subsidiary channel, social media, is used by Xiaomi Company. Similar with the social media marketing, social media is also part of Internet marketing. Therefore, it is also rely on the development level of a country.

By the end of 2013, the amount of Internet users in China was 618 million. And by the end of 2014, the user of micro blog users in China was 249 million. Under this background, the social media has been a very popular marketing tool among more and more companies. (Website of CNNIC 2015)

After two weeks that Xiaomi launched its first mobile phone, the CEO of Xiaomi posted a piece of information in Sina Weibo that the price of Xiaomi One will decrease from 1999 RMB to 1299 RMB, and the one who had bought Xiaomi One already can get 700 RMB cash voucher which can be used to buy the next generation product. This information was retweeted by 15343 times after one day passed. At the same time, the corresponding promotion campaign was announced in Sina Weibo also, the company gave two Xiaomi mobile phones to the Weibo used for free in every hour. This also brought a good marketing effect to Xiaomi Company.

7.2 Marketing process of Smartisan

After the description of Xiaomi's marketing process, the marketing process of Smartisan, as the supplementary case, is presented in a relatively brief way. In Smartisan's marketing strategy, the CEO, Luo Yonghao himself is a very crucial factor.

Picture 9. Luo Yonghao, the CEO of Smartisan (Website of Wangyi Mobile 2014)

Before starting to build Smartisan Technology, Luo Yonghao was the CEO of an education company. He was famous for his humorous teaching method. His students took videos of his lecture and uploaded them to the Internet. The click rate was very high after the video been uploaded, which made him popular in China soon. In 2005, he was awarded "the top ten famous people in the Internet in China". (Website of Baidu Baike 2015)

It is worth to mention that, before selling the products, Luo Yonghao sold his value and morality to the customers first. However, the way that Luo Yonghao used to build his personal brand relies on his four speeches. In 2009, Luo Yonghao started to make the strolling speeches among the Chinese universities. His speeches gave much positive effect to the young people in the campus, which brought him much more popularity meanwhile. In April 2014, he wrote a book about his struggling history, and the book was the bestseller in that year. And then, finally, the things that pushing him to the most famous level happened. From 2010 to 2014, he made four formal speeches about his entrepreneurship to the public. The name of speeches is "An idealistic entrepreneurial story" from I to IV respectively.

Picture 10. LuoYonghao at his speech (Website of gtobal 2014)

Being different with Lei Jun (the CEO of Xiaomi), Luo Yonghao used the "fans economy" marketing mode by building its personal brand in the beginning time. As it is stated above, after accumulating enough popularity in the Internet, Luo Yonghao started to organize the formal speech. Actually, the speech is more like a performance for Luo Yonghao. He used this performing stage to preach his value and morality.

- Building positive image

It is worth to mention that the special social environment of China provides a piece of fertile soil to Luo Yonghao to market himself. The social credit system is not very complete and well developed in China. There are several social debates such as intellectual property, commercial integrity, social charity and so on. (Interview answer, Liu 2015)

The intellectual property issue is a prominent problem in China. For example, many companies including some famous companies keep using the pirated software in their daily operation. According to the data from the China industry net, in 2004, the software piracy rate of the Windows operation system is up to 90%. And to 2006, this rate dropped to 82%. (Website of ChinaIRN 2013)

Although the piracy rate is decreasing year by year, it is still a serious issue in Chinese society. However, in Luo Yonghao's speech, he told a story that one of his em-

ployees felt surprised and excited about all software used in his company are legal copies. Building the positive image is the first step he used to earn fans. And after watching his speech, even the CEO of Microsoft in China became into Luo Yonghao's fan also. As the prize for his good behavior, the CEO of Microsoft in China decided to offer Luo Yonghao's company more legal pieces of software to use.

- Breaking the tradition and being innovative

Luo Yonghao's first company is called LaoLuo English Education. At the infant period of LaoLuo English Education, in order to market one English course, he made a very innovative marketing plan and designed a very funny poster by himself. As a new English education company, many students did not trust their course quality and some of them even did not know about his company. Therefore, the plan is inviting students to attend course for eight lessons as a trial. The full course contains 36 lessons, whereas the students can attend eight of them just with 1 RMB. If they are not satisfied after attending eight lessons, they can still choose to leave the course. The Chinese advertising text on the poster below says "what you can buy with 1 RMB? Actually, you can use it to hear eight lessons in Laoluo English Education." (Interview answer 2015)

Picture 11. The marketing poster of Laoluo English Education (Website of Luo Yonghao's Blog 2015)

The Chinese society is relatively a traditional environment, normally, companies will not use some icons related with sex on the poster. Nevertheless, Lao Yonghao designed a condom on the poster which gave the audience a very deep impression. From then on, in consideration of both the bold marketing plan and the fresh poster, Lao Yonghao built an innovative and vivid image in people's heart and earned more fans throughout the whole country.

- Strong sense of responsibility and commercial integrity

In 2011, there was a very well-known consumer right protection affair in China. On 27 Septemter, Luo Yonghao posted a micro blog in Sina Weibo, saying that both the Siemens refrigerator and washing machine he bought three years ago were broken recently. Especially, the door of refrigerator cannot close completely; there was a big quality problem with it. Then many people commented under his blog, saying that they suffered totally the same issues, the refrigerator door cannot be closed completely. After this, Luo Yonghao found that his problem is not an individual case, so he contacted the customer service department of Siemens. However, Siemens refused his complaint and did not admit that there was quality problem with its refrigerator. In next few days, he collected enough evidences and reported the problem to Siemens, but Siemens refused to deal with it again. Siemens's behavior and attitude made Luo Yonghao and the people who suffered the same problem very angry. (Website of SohuBlog 2011)

Considering that the problem with the door is actually just a small defect rather than a real product problem, so Siemens cannot be charged to the court. But actually they are able to fix this small defect for customers by installing a door shutter (it is a small refrigerator technology). However, Siemens chose to not be responsible for that. And finally, after three months of struggling for consumer right protection without any result, Luo Yonghao decided to protest in front of the Siemens headquarter by smashing three Siemens refrigerators with quality problems.

Picture 12. Luo Yonghao smashed the refrigerator as a protest in front of Siemens Company (Website of SinaNews 2011)

Before implementing the protest, he applied to the authority and, after the protest, he cleaned up the site in front of Siemens and did not leave even one piece of rubbish there. Every step in the process was handled perfectly. After this event, Luo Yonghao became more popular and made people know that he emphasizes the product quality and commercial integrity very much. This provided an excellent consensus foundation for Luo Yonghao creating Smartisan later on. Meanwhile, the fans group of Luo Yonghao is bigger and bigger. His fans even created a cartoon image, a warrior who fights for the consumer's rights, for him which became his personal symbol. (Interview answer 2015)


Picture 13. The Cartoon image of Luo Yonghao (Website of Baidu Zhidao 2015)

- Producing the products with craftsman's spirit

With the support of fans, Luo Yonghao started to create Smartisan Technology. He kept the value of stressing the high quality and aesthetic design. He regards himself as an artisan and advocates restoring the professional craftsman's spirit in Chinese society. That is why he made brand's name as Smartisan, representing the smart phone produced with the so called "artisan-ship".

After Smartisan T1 was launched, the fans of Luo Yonghao came to be his first customer group. Since Luo Yonghao has the good reputation before, so the customers also trust the product quality from his company. People who have the same value with him act as Smartisan's potential marketing power. They recommend Smartisan mobile phone to their friends, colleges and families. "Born to be proud" is Smartisan's marketing slogan. It can affect people's opinion easily. And another important point is that Smartisan used the real acts to make that slogan come true. Making every detail in a perfect level is always Smartisan's goal. (Website of Ifengtech 2015)
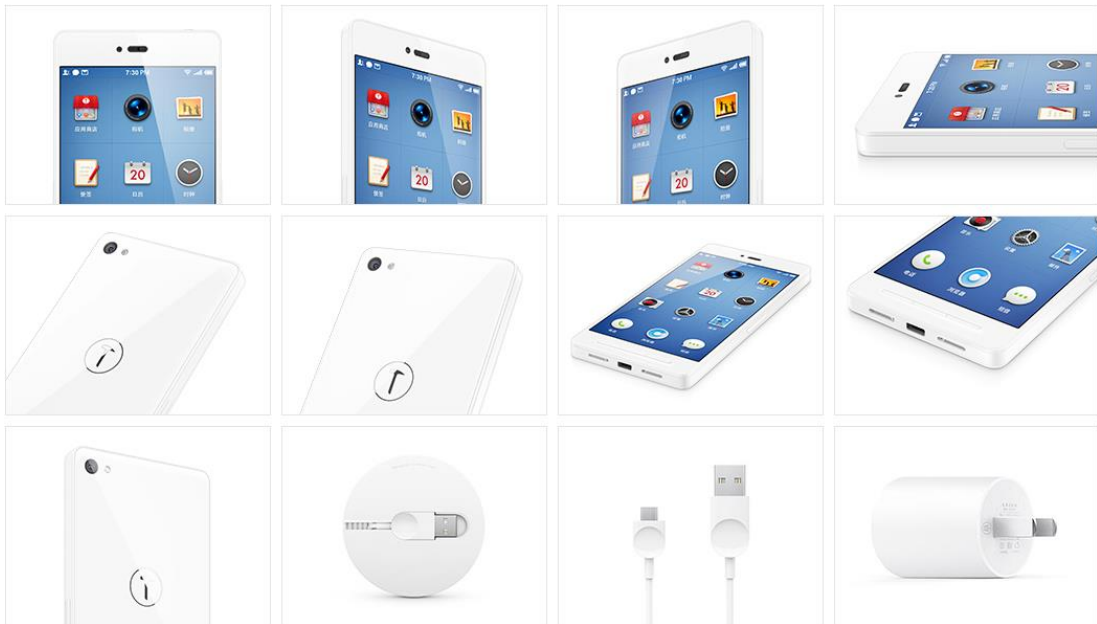
Picture 14. Smartisan T1 mobile phone white version (Website of Smartisan 2015)

8 ANALYSIS OF "FANS ECONOMY" MARKETING MODE

The marketing strategies of the two case companies are described above. Compared with Smartisan Technology, Xiaomi Company was founded two years earlier. Both the company size and the sales of Xiaomi are bigger than Smartisan. Besides, the influence of Xiaomi in China is also bigger than Smartisan. Therefore, Xiaomi was chosen to be the main research objective for doing the analysis of "fans economy" marketing mode whereas the case of Smartisan was chosen as the subsidiary support.

8.1 Analysis of Xiaomi's marketing mode based on 4Ps theory

8.1.1 Product strategy

The operation system of Xiaomi was developed based on Android operation system. In the smart mobile phone industry, there are mainly three operation systems. They are Android, iOS and Windows phone 7. Many mobile phone companies just chose one of them and adopted it into their products. However Xiaomi used different strategy, it decided to develop its own user interface based on Android system. As we

known that, developing a completely new mobile phone operation system needs a huge money cost and time cost. Then how to make Xiaomi be identified among so many products was a big challenge. Thus, Xiaomi chose to buy the intellectual property of Android system from Google and developed its highly customized user interface, making the name of MIUI. (Interview answer 2015)

As it is mentioned above, Xiaomi opened the developing channel to the public, making it possible for everybody to participate into the developing task of MIUI. On one hand, MIUI became the symbol of Xiaomi mobile phone; on the other hand, MIUI became the child of both the company and its customers. Xiaomi made many people be its fans by this way.

Moreover, Xiaomi build the core value of its product by guaranteeing both software and hardware. On the hardware side, Xiaomi used almost every mainstream hardware configuration at that time. The hardware of Xiaomi is one of the best in the mobile phone industry. In some mobile phone assessment websites, Xiaomi often got a very high score for its hardware performance. Therefore, Xiaomi found its product position through this way. (Interview answer 2015)
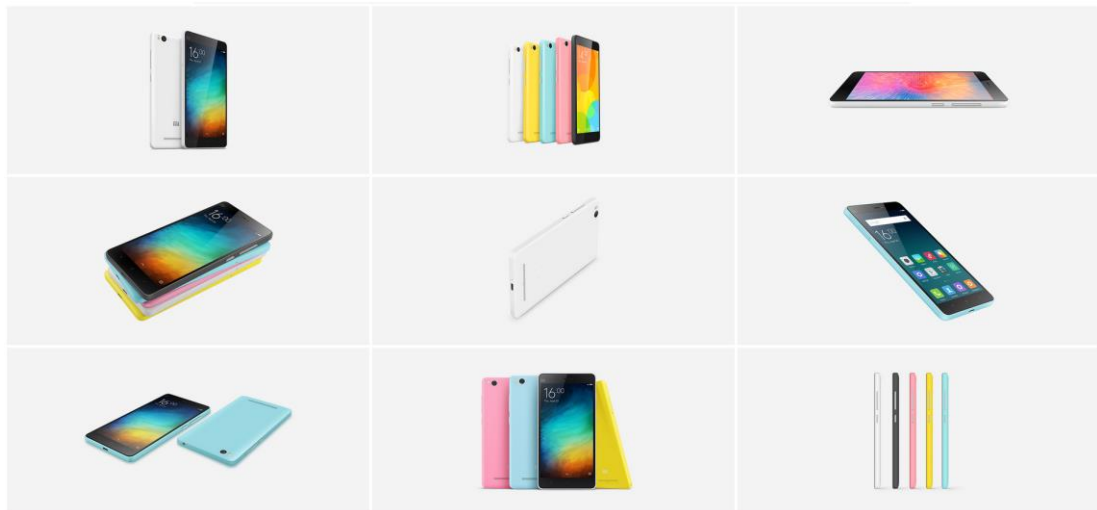
Picture 15. Xiaomi 4i mobile phone (Website of Xiaomi 2015)

In the picture above, we can see the good design the latest Xiaomi 4i mobile phone.

8.1.2 Place strategy

The distribution strategy of Xiaomi is very critical to the company's whole business strategy. At the same time, the place strategy is the highlight in Xiaomi's value chain. As the mobile phone company, all of Xiaomi mobile phones are sold only online though Xiaomi's official website. It means that Xiaomi does not have any official offline physical stores in any cities of China. (Interview answer 2015)

Xiaomi Company established its biggest logistics distribution center in Shanghai. It can cover all of the orders coming from the central and eastern part of China at that time. However, with the increase of Xiaomi's business sales, the logistics distribution center in Shanghai cannot fulfill all of the needs. Then Xiaomi Company established several new logistics distribution centers in Beijing, Shenzhen and some other cities. On the other side, although Xiaomi does not have its own official stores, it will also sell its products through some other distributors. (Huang 2014, 69)

This special distribution strategy reduced Xiao Company's cost for building the physical stores, it improved the competitive advantage of Xiaomi. Moreover, by grabbing the main distribution channel on Xiaomi's own hands, it can strengthen its online community marketing strategy. Because, by selling products mainly online, it can force, to some extent, the consumer to participate more into the online Xiaomi fans community. It means that if one customer wants to buy a Xiaomi mobile phone, he or she must log into their account in Xiaomi's official website by which it increases the click rate of Xiaomi fans community.

8.1.3 Price strategy

Since most of Xiaomi's products are direct selling online so that it saves the cost for the franchiser in the traditional business operation mode. And Xiaomi Company does not have the physical stores so that it saves the house rent and the utilities fee. Then, using the online fans community as the marketing tool helped Xiaomi Company save a lot of cost for making advertisements and other promotion. (Huang 2014, 69)

This background guaranteed that Xiaomi can launch its high-quality mobile phone with a very low price, so that it gained the competitive advantage for Xiaomi Company. At the beginning of Xiaomi, another highlight of Xiaomi's value is offering the best hardware to consumers with a cheap price. The cost performance is always emphasized by Xiaomi's management level during all Xiaomi's business life. (Interview answer 2015)

Table 5. Comparison of several mainstream mobile phones sold in China in 2012 (Website of SinaPhoto 2012)

Brand	CPU	RAM	Battery	Screen	Camera	Price
Xiaomi 1	Dual core 1.5GHz	1GB	1930 mAh	4.0 inch 854*480	8 million	1999 RMB
HTC Sensation	Dual core 1.2GHz	768MB	1520 mAh	4.3 inch 960*540	8 million	3575 RMB
Samsung S2	Dual core 1.2GHz	1GB	1650 mAh	4.3 inch 800*480	8 million	4999 RMB
MOTO Atrix ME860	Dual core 1.0GHz	1GB	1880 mAh	4.0 inch 960*540	5 million	4298 RMB
Apple 4S	A5 800MHz	512MB	1430 mAh	3.5 inch 960*640	8 million	6400 RMB

The table above shows the comparison between Xiaomi and other brands. It illustrates that the hardware configuration of Xiaomi is similar or even better than other brands of mobile phones at that time; however its price is the lowest among those brands. So we can imagine that how big competitive advantages that Xiaomi had when it just launched. Xiaomi made this cheap price with high quality strategy for bringing the most benefits to its consumers. Consumers are often very sensitive with the product's price. Sometimes, consumers will not like a product with a high price even it is in a very high quality. So making more benefits for the customer is also core concept for Xiaomi Company, because this is the only way to keep the customers to be its loyal fans.

8.1.4 Promotion strategy

The primary promotion strategy of Xiaomi Company is so called "hunger marketing" and "viral marketing". Xiaomi Company aroused the strong social reaction and drew consumers' attention by using the "hunger marketing" and "viral marketing". At the same time, it improved the sales for the company.

On 21st December 2012, Xiaomi Company organized cooperation with Sina Weibo, launching a so called "World end shopping" promotion campaign. 50 000 latest Xiaomi 2 mobile phones were sold through the platform of Sina Weibo. Xiaomi Company opened the booking channel to the public some time in advance. The total booking number reached to 1.3 million before the formal sale started, and the amount of news about this promotion campaign reached to 2.33 million on the Internet. And then, when the sale started formally, 50 000 Xiaomi 2 mobile phones were sold out in 5 minutes 14 seconds immediately. So it means that only one person got the Xiaomi 2 mobile phone in every twenty-six people while others will feel hungry because they got nothing. (Website of CNKI 2013)

We should notice that, Xiaomi Company opened its sale channel online turn by turn. It means that consumers cannot buy Xiaomi mobile phone at any time they want. When a new mobile phone will be launched soon, Xiaomi will publish the information on its official website first and notify its customers that the booking process started. However, the number of mobile phones for sale is always limited which leads that only the people who booked faster have possibility to buy the new phone. The one who missed this sale period must wait for the next period coming.

However, the application of "hunger marketing" also depends on the fans effect in Xiaomi's macro fans marketing mode. Without the help and boosting of fans, the promotion effect would not be that great. (Interview answer 2015)

In summary, the marketing strategy of Xiaomi is very successful. From 2011 to 2014, the sales of Xiaomi have increased steadily, exceeding many of its competitors in China. Moreover, the influence of Xiaomi even defeated some mobile phone giants in the Chinese market. In 2014, the market share occupied the first position success-

fully, becoming the leading brand in the mobile phone industry. Therefore, we can see how much effect that the "fans economy" marketing strategy contributed to Xiaomi's business success.

Table 6. The ranks of smart phones selling amounts and market shares in Chinese market (Website of IHS technology 2015)

Ranks	Brands	Amount sold (Unit: million)	Market share
1	Xiaomi	60.8	14.97%
2	Samsung	58.4	14.38%
3	Lenovo	47.3	11.65%
4	Apple	46.6	11.46%
5	Huawei	41.3	10.18%
6	Coolpad	40.1	9.88%
7	vivo	27.3	6.72%
8	OPPO	25.5	6.28%
9	ZTE	18.2	4.48%
	Others	40.5	9.97%

8.2 Comparison of "fans economy" marketing mode with traditional marketing channel

With the development of Internet technology, the enterprise's marketing channels tend to be more open, comprehensive and abundant. However, many Chinese companies are still using the traditional marketing channels for all kinds of reasons. Everything has two sides; there is no absolute conclusion about which marketing channel is the best choice. But if the Chinese enterprises hope to build a modern marketing channels system, then portraying a clear picture about the difference between the new marketing channels with the traditional ones is very necessary.

8.2.1 The advantages of the traditional marketing channels

- The marketing terminals are abundant

With the traditional marketing mode, the enterprise can choose televisions, broadcasts, newspapers, magazines, outdoor advertising boards and LED advertising boards etc. However, with Internet marketing mode, the enterprise can only use computers and mobile phones as the communication terminal. The amount of marketing channels is limited. Sometimes, people do not like clicking and watching the advertisement or micro blogs on Internet. In contrast, for example, the television advertisements have to be watched when people are watching some TV shows. From this point of view, the traditional marketing channels have the special advantages. (Deng 2013, 15)

- Sense of reality is strong

In traditional marketing mode, all sensory abilities of human beings can be taken into consideration. For instance, when people buy book, they can read it; when people buy headset; they can hear it; when people buy perfume, they can smell it and when people buy clothes, they can even try it. However, on Internet, people can only perceive the commodities by pictures or videos. Therefore, in traditional marketing mode, customers have more stereo ways to experience the products or services. (Deng 2013, 15)

8.2.2 The disadvantages of traditional marketing channels

- The instantaneity effect is weak

Compared with the Internet marketing, the traditional marketing mode has its time limitation; it cannot work at any time. The traditional marketing mode uses newspaper, broadcasts and outdoor billboards as the information carrier. Therefore, people can watch them in only certain time, for example, in the advertisement time between the movie and the video. So the traditional marketing channels are limited by time and geographic factors. (Deng 2013, 15)

- The pertinence effect is weak

The modern Internet marketing mode can target the specific customer groups. It can even achieve the point to point marketing in the individual level whereas the traditional marketing mode can only achieve the point to side marketing. Therefore it may cost more money and time. (Deng 2013, 15)

- High marketing cost

Compared with the Internet marketing mode, the traditional marketing mode cost much more in buying the expensive advertising time, newspaper or journal pages, while the Internet marketing, for example the fans community marketing , just needs to invest a few of money. (Deng 2013, 15)

8.2.3 The advantages of "fans economy" marketing mode

- More interaction

The traditional marketing information are published by the company, the audience can only accepted it passively. It means there is always a center in the traditional marketing network. However, in the "fans economy" marketing mode, there is no absolute center and authority in the network. Each point in the marketing net connects with each other. It can make customers get more information, and they can also have more interaction with the company and other consumers.

- Evolving and updating itself

The online social community is not only a channel to transmit the information, but also a platform to "re-cook" the information. For instance, when promotion information is published in Xiaomi fans community, people will comment on it and add their own opinion and emotion. Then if others see this information with good comment, the positive marketing effect will be magnified. Of course, if someone gives bad comment, then the negative effect will also be magnified. But in general, the marketing effect is unpredictable; it can evolve and update itself at any time. (Deng 2013, 09)

- More trusts

In the "fans economy" market mode, people's relationship network is built based on the basic trust. In the online community, everybody participates into the discussion about a topic. People comment about some products according to their own experience, so that others tend to believe its reliability.

- Demassification

Demassification is a popular word nowadays in the Internet field. It means, information flow on the Internet without a clear direction, everybody can choose to accept the information or not according to their own interests. So in the traditional marketing theory, it is emphasized that the company should target its customer when making the marketing plan. The reason for that is the traditional marketing channel cost a lot, therefore targeting the customers carefully can help to save the cost and achieve a better marketing effect. However, concerning that the "fans economy" marketing mode costs much less than the traditional mode, so it does not need to target the audience in a specific way. Besides, allowing the information transmit online freely is good for making a better marketing effect. In summary, the demassification is the biggest difference between the traditional marketing mode and the "fans economy" marketing mode. (Interview answer 2015)

8.2.4 The disadvantages of "fans economy" marketing mode

- Uncontrollable risk

  The traditional marketing mode is directed and targeted, even though the cost is large, the marketing effect can be controlled, to some extent, by the enterprise. Nevertheless, as it is mentioned above, the information flow is random and unoriented. Once the marketing plan has been implemented online, for example, in the fans community, then the organization can never guarantee that who is going to participate in this activity in what kind of method. Then it brings a huge uncertainty to the company. Any unpredicted risk will ruin the reputation of the company and its products or services. So actually, the development of "fans economy" marketing mode is controlled by the social public rather than any companies or organizations. (Deng 2013, 10)

- Misleading effect

  The opinion on the Internet is very subjective and emotional. And it is known that, in the Internet era, people tend to trust and follow the opinion leader. Once the opinion leader makes mistakes, then the public will be misled. Sometimes, the information coming from such free speech environment is not always relia-ble. Therefore, at times of "fans economy" marketing, the enterprise should guide and monitor the information on the Internet. Otherwise, it will bring the negative effects. (Deng 2013, 10)

9 SUMMARY AND CONCLUSION

In summary, for theory part, the traditional marketing theory is a sophisticated and complete academic system. Any new marketing theories or modes are derived from the traditional system. The core parts of the traditional marketing theory including 4Ps theory, 4Cs theory, market segmentation, market targeting, market positioning and marketing mix are very important when making the company's marketing plan. Although the forms of the new and the old marketing modes are different, the es-sence of marketing is creating and exchanging value with the customers. No matter how society and technology change, this gist will never change. So we can see that, even though the marketing channel of "fans economy" marketing is different with the traditional marketing mode, the core concept is still creating and delivery the val-ue to customers.

If we say that the traditional marketing theory is the foundation of the "fans economy" marketing mode, then the Internet environment is the "catalyst" or booster for the birth of the "fans economy" marketing mode. The Internet technology developed very fast in the past ten year. Chinese people's lifestyle has been affected deeply by the development of Internet. At the same time, the booming of the Chinese mobile phone industry also provided a hotbed for the birth of the "fans economy" marketing mode. Everything happened for some reasons. If a new phenomenon arose in some place, there must be certain conditions and environment for it.

For the research part, the specific marketing processes of Xiaomi and Smartisan were uncovered. Both of companies took full advantage of "fans economy" marketing mode. Xiaomi earned its fans by establishing the online fans community and asked its fans to participate into the products R&D work. Converting fans themselves into its marketing personnel is the key strategy of Xiaomi. Moreover, combing the fans' power with the hunger marketing strategy, Xiaomi pushed its business to the summit. Without the pushing of its fans group, Xiaomi's hunger marketing strategy is not possible to succeed. Because, with the development of Chinese business market, the word of hunger marketing has already been a cliché in people's heart. It is worth to mention that the online fans community plays a very critical role in its "fans economy" marketing strategy.

On the other side, Smartisan earned its fans by building the image of CEO himself. Under the special social environment, Luo Yonghao knows how to catch people's heart in Chinese society. Many people said Luo Yonghao is a marketing genius; he can market and promote himself at any time in a very natural way. Emphasizing the commercial integrity and thinking highly of the product quality helped Luo Yonghao collect much popularity in China. Besides, the good aesthetic taste about the industrial design also made him be the idol among the young generation.

In conclusion, compared with the traditional marketing mode, the "fans economy" marketing mode is more flexible. It reflects on that the marketing channels of the "fans economy" marketing mode are more abundant than the traditional one. The information flow and transmit on the Internet freely. Each individual works as a small working station in the big marketing network. And the marketing effect is often beyond people's expectation. So the "fans economy" marketing mode is an emerging mode but with infinite possibilities.

Table 7. Comparison between the traditional marketing and the "fans economy" marketing (Deng 2013, 09)

	Traditional marketing	**"Fans economy" marketing**
Maturity	Well-developed	Developing
Effect	Controllable	Unpredictable
Mode	Information exposure and delivery	Information sharing and interacting
Direction	One-way delivery	Two-way delivery
Cost	High cost but reliable	Low cost but not reliable

One of purpose of thesis is comparing the new marketing mode with the old one. And now, the conclusion can be drawn that both of these two marketing modes regard customer as the priority. However, there is also big difference between them. The traditional marketing mode emphasized that the company should please customers according to their different interests while the "fans economy" marketing mode stresses that the company should use its particular charm to attract customers who have the same aesthetics and values.

Once the company attracted enough people, then they should be called up to form a visible and stable fans club or community. The first group of loyal customers comes from the fans community, so that the company can also start to make profit from them. Then the fans group should be regarded as the most valuable marketing resources for the company. The next stage is utilizing the fans to impact other people surrounded outside the community, obtaining more clients and fans through the word of mouth marketing.

In other words, in the past, companies identified their customers first, and then produce the certain products based on what kind of target customers they have. But, nowadays, companies build its products and values first, and then make customers come to them actively. In consideration of demassification feature of Internet marketing, the market target process is not as important as before. In the old days, one of the marketing methods that many companies used is celebrity endorsement (as it is showed in the picture below). Inviting movie stars or sports stars to promote the

products relies on human beings' empathy effect. It means if you like someone, and then you will also like the things which are related with your idols.

Picture 16. The OMEGA advertisement endorsed by George Clooney

However, many companies didn't use any celebrity endorsement any more nowadays. And we found that, many of these companies are from the information technology industry such as Apple, Xiaomi and Smartisan. The characteristics of these companies determined that they do not need the celebrity endorsement. All of these companies have their highly unified and clear product value. Besides, the information technology companies have their born benefits to use the Internet as the marketing tool.

Actually, using the celebrity endorsement is also called another way of the "fans economy". However, the "fans economy" marketing mode that Xiaomi and Smartisan used is a totally new type of "fans economy". In the past, the fans are the fans of the celebrities, but now, the fans are the fans of product itself.

In addition, if we compare Smartisan with Xiaomi, it is obvious that the marketing mode of Xiaomi is more sustainable; because Xiaomi attracted its fans by its core products while Smartisan built its fans group by using CEO's personal charm at the beginning time. However, if a company wants to go further in the future, the personal charm is not enough. For establishing a more sustainable and stable marketing mode and obtaining a higher market position, Smartisn must transfer its fans from the CEO

himself to its products. Nevertheless, it is happy that Smartisan also realized this point. The company is marching on the way to this direction.

Picture 17. The CEO, vice director of industrial design and ammunition designer of Smartisan in the iF design award 2015 ceremony. (Website of Mydrivers 2015)

In 2015, Smartisan T1 mobile phone was awarded the 62th iF international industrial design golden prize. From that moment, the "fans economy" marketing mode will create more possibilities to both Smartisan and Xiaomi in the future.

10FINAL WORDS

It is worth to mention that the schedule for completing this thesis is very tight. So firstly and most importantly, I want to express my heartfelt thankfulness to my supervisor, Mr. Pirkanoho Tapio. Without his help, I cannot finish this thesis on time. At the same time, his guidance and comment are the strong guarantee of the quality of the thesis.

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Then, from my personal point of view, I felt satisfied with the research result. The "fans economy" marketing mode is an emerging marketing mode in China. It is very interesting to make research on it. Besides, the research result is valuable. It can be used either in practice by some other digital products producers or in further research by other academic organizations.

When making the research and writing the thesis, I found that the business world is changing fast. It seems that new phenomenon happens every day. The new progress in business field makes people feel excited and promising about the future business modes. In addition, the cases of Xiaomi and Smartisan enlighten people to develop new marketing strategy in practice rather than keep the conservative attitude. Even though the traditional theory is very valuable and useful, developing the new marketing strategy based on the latest development may be more effective to the company.

Therefore, the future possibility in business field is infinite. If the enterprise can be more innovative, it can create more value for both customers and itself. There is no invariable business mode. If people open their minds, more and more excellent marketing modes can be generated. In the end, I also hope that the research result of the thesis can help with others in the future.

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Interview questions for Personnel of Xiaomi

1. What is the core value of Xiaomi?
2. Have you ever heard about the "fans economy" marketing mode?
3. Do you think the main marketing strategy of Xiaomi is the "fans economy" marketing mode?
4. What do fans mean to Xiaomi?
5. How does Xiaomi earn fans?
6. How does Xiaomi keep fans' enthusiasm?
7. Do you think the success of Xiaomi mainly comes from the support of fans?
8. What is the estimated amount of fans in Xiaomi community now?
9. Will the marketing strategy of Xiaomi still focus on its fans in the future?
10. What is the most important step in Xiaomi's "fans economy" marketing strategy?
11. Do you think the hunger marketing strategies of Xiaomi will not success without the support of fans?
12. What do you think Xiaomi needs to improve its "fans economy" marketing mode?

Interview questions for personnel of Smartisan

1. What is the core value of Smartisan?
2. How much you know about the CEO of Smartisan?
3. Do you think that Luo Yonghao, the CEO of Smartisan, is the cornerstone of Smartisan?
4. Have you ever heard about the "fans economy" marketing mode?
5. Do you think that Smartisan is using the "fans economy" marketing strategy?
6. What do fans mean to Smartisan?
7. Does Smartisan regard Xiaomi as its competitor?
8. Do you think there are some similarities between Xiaomi and Smartisan's marketing strategies?
9. What are the main differences, do you think, between Xiaomi and Smartisan's marketing strategies?
10. Do you think that there are some deficiencies in Smartisan's marketing strategy?
11. What is the future goal of Smartisan?
12. How will Smartisan improve its marketing strategy in the future?

Interview questions for fans of Xiaomi

1. When did you know Xiaomi first time?
2. When did you start to be Xiaomi's fan?
3. What made you become Xiaomi's fan?
4. Are you using Xiaomi's products now？
5. How many Xiaomi's products you have ever bought?
6. What do you think about Xiaomi's products?
7. Concerning the relationship between companies and consumers, do you think Xiaomi is different with other companies?
8. How long you plan to be Xiaomi's fan in the future?
9. What do you think is the most important factor that attracted you by Xiaomi's products?
10. Are you a member of Xiaomi community?
11. What do you think that Xiaomi community brought to you?
12. What is your advice to Xiaomi?

Interview questions for fans of Smartisan

1. What is your first time to know Smarisan?
2. When did you start to be Smartisan's fan?
3. Why do you like Smartisan?
4. Are you using Smartisan T1 now?
5. Are you going to recommend Smartisan T1 to your friends?
6. What do you think about Smartisan T1?
7. How do you like the CEO of Smartisan?
8. What kind of role do you think that Luo Yonghao plays in Smartisan?
9. Are you a fan of Luo Yonghao himself?
10. What is your advice to Smartisan?
11. What are the core characteristics of Smartisan T1?
12. Do you think Smartisan is promising in the Chinese mobile phone industry in the future?