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Analysis of Chinese consumers behaviour and social media communication: A focus on luxury fashion brands

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Ai miei genitori,
che mi hanno dato ali per volare,
radici e motivi per ritornare

Index

前言

本文旨在探讨奢侈品牌在社会媒体中的传播问题，其中着重探了讨中西方社会在跨文化方面的差异。

第一章分析了文化在实施国际营销战略中的重要性。

在一个不同于本土产品的国家做产品广告，不仅在社会、心理和行为方面深刻地了解国外环境。要在选择最佳细分市场和进入模式方面，更应该注意外国环境这一重要因素。西方文化是一些中国消费者效仿的榜样，同时他们也非常重视自己的传统价值观。要知道如何与消费者打交道，以免造成误解，这一点很重要。

通过 Geert Hofstede(在管理领域中广泛使用的工具)的文化维度，以及对于中国传统和市场分割的一般考虑，对中国的文化背景进行了精确和详细的分析。此外，在标准化水平和适应性水平之间找到完美的平衡是很重要的.因此，本文提出了国际策略，要特别关注品牌决策，尤其是不同类型的品牌翻译。

由于中国社会内部保护主义以及高度重视人际关系，与中国打交道时要考虑的一个重要因素是中国的分销体系，这种体系有时会成为国际产品出口的障碍。目前主要的零售分销渠道是以电子商务和移动商务为代表的实体销售渠道。事实上，要想在中国消费市场中取得成功，一家公司必须能够结合所有这些因素制定出良好的分销策略。

第二章重点阐述了本文关注的特定领域：奢侈品时尚行业以及社会媒体在中国社会中的作用。

奢侈品时尚行业是一个复杂的、庞大的、高度竞争的行业，由于社会媒体的发展，需要提出创新和前瞻性的策略。

事实证明，定义奢侈品的概念并非易事：它被解释为略有不同的含义，因为它随着时间从排他性市场转变为更容易进入的市场。

然而，一般来说，奢侈品牌可以被定义成为具有高社会地位人群所拥有并象征财富的高质量、昂贵的非必需品。

这一行业的实际宏观走势表明，它已成为中国市场的一个具有战略决定的方面，具有很大的潜力。

中国人对奢侈品牌环境兴趣的增长呈现出与诸如中国中产阶级的发展和社会媒体营销的非凡传播等社会方面齐头并进的现象。

由于消费者随时间的演变，在这样的动态环境中，采用最好的广告策略变得更加困难。

为了解中国消费者及其他们的购物和上网习惯，本文设计了一个问卷，收集了相关的、具体研究价值的数据：在中国收集了一百五十一个答案，并在文章最后证明假设与文献解释的趋势一致。

消费者在购物时越来越关注伦理问题素：除了奢侈品牌本身所要求的高质量外，他们还寻求透明度、创造性、通过与品牌的互动来塑造自己的个性。

事实上，实体销售点继续扮演重要角色，因为它允许直接接触商品和拥有独特的购物体验。

购买豪华时尚品牌产品是成功、品位和财富的象征，它象征消费者能够成为具有高地位的群体的一部分。这是中国文化最特别的特征之一：面子文化和关系的重要性。

因此，中国消费者要求个性化的奢侈品牌产品拥有独特的定制产品，这与其他国家消费者不同。

如今，社会媒体似乎是一个非常有力的工具，允许公司直接参与他们的目标，这就是为什么，对它们进行详细的研究，讨论它们在当今社会中的作用，重点讨论它在中国消费者与他们的互动。

在细节上，最后一章重点对社交媒体平台Facebook和微博共二百个帖子进行定性分析，看看这十个被选中的奢侈品牌是否以同样的方式与西方和中国消费者交流。

微博和微信是中国运营的公司的必备工具，因为它们提供了大量的功能。当以最有效的方式与中国年轻消费者打交道时，有趣的一点是，在没有试图符合中国口味的情况下，按照原样传播西方品牌是十分重要的。

其成功的关键在于它与众不同，它有着独特的品牌文化、理念和产品。

事实证明，中国消费者不仅对品牌的产品非常感兴趣，而且对品牌背后的东西也非常感兴趣，即品牌的历史和品牌组织的活动。

有些公司还不明白，使用中国刻板印象会引起消费者的无私反应。然而，通过这篇论文中对十家奢侈品时尚品牌进行的研究，证实了流行的标准化策略与一些适应因素相混合，以便更接近最终目标。

近年来，社交媒体的重要性增长得如此迅速，以至于现在证明它们是一个非常强大的渠道，公司直接接触消费者。

社交媒体营销对顾客反应和品牌资产有显著的正向影响，包括愿意支付保费价格、品牌忠诚度和偏好。

如今，一家公司在中国经营的成功与否与社交媒体的使用是息息相关的。社交媒体营销现在是公司所采取的每一项决策的一部分。要想成功并从大量广告产品中脱颖而出，公司必须无处不在。重要的是在场上无处不在,不断向消费者展示品牌及其产品。

总而言之，有趣的是，由于网络和电视法规，在中国使用社交媒体比西方国家使用媒体要发达得多。由于这种受控的情况, 社会媒体在建立品牌与消费者之间的联系中起着重要的社会作用。

活跃在中国的社交网络并不意味着将帖子翻译成中文，而是要创造个性化的内容策略，并与当地的影响者合作。KOL（关键舆论领袖）的广告活动被证明是吸引社交媒体平台用户注意力的有效方式。

此外，我们还谈到了处理中国年轻消费者时双边使用的社会中介。通过社交活动进行的最成功的广告活动需要消费者的积极参与，这是使消费者高兴的令人兴奋的活动，同时给他们机会接触品牌并更多地了解它。公司应该不断更新一些当前的趋势，比如移动平台上的交互。因为数字体验是中国消费者分析品牌及其产品的一个重要因素，那些在中国手机市场表现不佳的人将面临一些问题。

1. THE ROLE OF CULTURE IN MARKETING STRATEGIES

The dimension of culture constitutes "the broadest influence on many dimensions of human behaviour" (Soares, Farhangmehr, & Shoham, 2007).

When working in an international context, a company that wants to sell its products or services abroad must face important challenges due to the differences of culture. The main reason of that lies in the fact that national cultural characteristics strengthen, empower and enrich management effectiveness and success (Pontiggia, 2016).

Therefore, it is essential to be deeply aware of the set of important assumptions that members of a country or of a community share, especially when dealing with countries characterized by a strong peculiar traditional culture like China.

The concept of culture has been studied and defined by a large number of academics and researcher, which tried to give their own definition. So, what is culture? Culture can be defined as the system of values, norms, social rules and guidelines that prescribe appropriate behaviour that are shared among a group of people and that constitute a design for living when taken together (Pontiggia, 2016).

Edward Burnett Tylor [1] provides one of the earliest definitions of culture describing it as "the complex whole which includes knowledge, belief, art, morals, custom and any other capabilities and habit acquired by a human as a member of society". According to his definition, culture includes both mental capabilities (thoughts) and behaviours (actions), and it is learned and acquired with time (Tylor, 1871).

1.1 Hofstede and the dimensions of culture

The most important theories related to the cultural field are the ones by Geert Hendrik Hofstede. Hofstede is an anthropologist and social psychologist who came from the Netherlands. Thanks to his studies about the interaction existing between

[1] Edward Burnett Tylor, British anthropologist and ethnologist (Camberwell 1832 - Oxford 1917). Together with the American L. H. Morgan is considered the founder of modern anthropology.

different cultures, he composed the *Theory of Cultural Dimensions* (1980) that provides an outline to establish the differences between countries and cultures.

Geert Hofstede, aware of the dissimilarities among cultures, believed that only by comparing with others with different mental programs, it was possible to find one's own limitations. The four dimensions, tied to a variety of constructs and theories and correlated with economic, social and medical measures, are: individualism Vs collectivism, long power distance Vs short power distance, strong uncertainty avoidance Vs weak uncertainty avoidance, masculinity Vs femininity. With the development of his theory and his research, Hofstede then added two further dimensions: long-term Vs short-term orientation and indulgence (Hofstede, 1991).

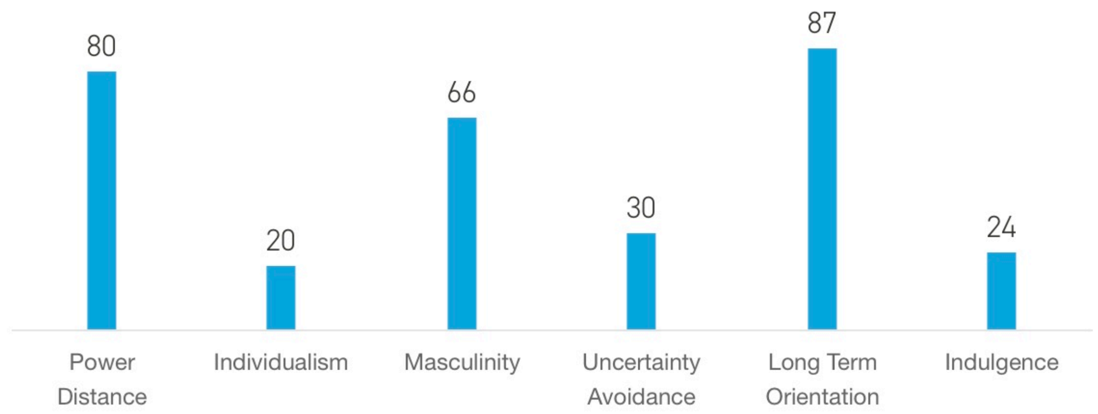


***Figure 1**, Hofstede's cultural dimensions applied to China (https://www.hofstede-insights.com/country-comparison/china/)*

I. <u>Individualism Vs Collectivism</u>

This first dimension measures the degree of interdependence among the members of a community. It describes the strength of the relation between individual and other individuals in a society and to what extent people act as individuals rather than as members of a group (Hofstede & Bond, 1984).

In an individualist society, people look after themselves and their immediate family. On the other hand, in a collectivistic society people feel part of group and care about all the members of it in exchange for loyalty (Hofstede, 1991).

Looking closely at China's situation (Figure 1), the score of 20 demonstrates that it is a highly collectivist culture where a great importance is attributed to the group, instead of the single person. This kind of attitude affects also some of the company's choices such as for example hiring, in which members of the family can get a preferential treatment[2].

II. Power distance

When dealing with this second dimension, Geert Hofstede refers to the degree of equality in a society and to the way hierarchy is handled. Unequal distribution of power can result in miscommunication and conflicts among people of different cultures (Hofstede, 1991).

Societies characterized by long power distance are more centralized ones in which respect for superiors is a key virtue and in which inequality is considered normal. There is a high level of bureaucracy and precise rules and procedures to be followed. On the contrary, societies characterized by small power distance are more decentralized, there are few rules and a more relaxed hierarchy with a great importance given to coordination and innovation (Hofstede, 1991).

As Figure 1 shows, China has a score of 80 as for this dimension that means that the Chinese one is a society accepting inequalities amongst people. "The subordinate-superior relationship tends to be polarized and there is no defence against power abuse by superiors. Individuals are influenced by formal authority and sanctions and are in general optimistic about people's capacity for leadership and initiative. People should not aspire beyond their rank"[3].

III. Uncertainty avoidance

This dimension deals with the ability of a country to react in an uncertain and uncomfortable situation and the extent to which people feel threatened by ambiguous situations and have created beliefs and institutions that try to avoid these. It describes how cultures seek to deal with an unpredictable future (Hofstede, 1991).

High uncertainty avoidance societies are characterized by a strong resistance to change, they are very formal in the interactions with others and rely on formalized policies and procedures and take carefully and calculated risks. On the contrary, low uncertainty avoidance societies are less calculating when taking risks and show less

[2] https://www.hofstede-insights.com/country-comparison/china/

[3] See supra note 2.

resistance to change, rely on informal norms for the majority of matters and use informality when dealing with others (Hofstede, 1991).

China's score on this dimension is low (Figure 1), meaning that Chinese are not disoriented by ambiguity. "Adherence to laws and rules may be flexible to suit the actual situation and pragmatism is a fact of life. Chinese are adaptable and entrepreneurial[4]".

IV. Masculinity vs Femininity

This fourth-dimension deals with the division of roles between genders within a society. Hofstede claims that there are differences in the approach and skills between men and women. Those countries characterized by an approach more similar to the characteristics of masculinity are more concerned with values such as success, money and things. On the other hand, those societies characterized by the predominance of femininity approach, give more importance to values such as caring for others and quality of life (Hofstede, 1991).

China's score as for this dimension is 66, being classified as a masculine society in which success is one of the main drivers of one's actions (Figure 1). "The need to ensure success can be exemplified by the fact that many Chinese will sacrifice family and leisure priorities to work, since this last one is not so important. Another example is that Chinese students care very much about their exam scores and ranking as this is the main criteria to achieve success or not"[5].

V. Long-term Vs Short-term orientation

This dimension describes how a culture balances immediate benefits with future rewards. Long-term oriented cultures give importance to future and values such as perseverance and thrift that will not necessarily provide an immediate benefit. On the contrary, short-term oriented cultures are directed towards the past and present and promote respect for tradition and for fulfilling social obligations (Hofstede, 1991).

"China scores 87 in this dimension (Figure 1), which means that it is a very pragmatic culture. In societies with a pragmatic orientation, people believe that truth depends very much on situation, context and time. They show an ability to adapt

[4] https://www.hofstede-insights.com/country-comparison/china/
[5] See supra note 4.

traditions easily to changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results[6]."

A late addition to the initial four, this dimension represents a range of Confucian-like values and was termed Confucian Dynamism. Hofstede later proposed the actual name of this dimension as more appropriate to the concept he was referring to (Hofstede, 1991).

VI. <u>Indulgence</u>

The last dimension is related to enjoying life and having fun.

"This dimension is defined as the extent to which people try to control their desires and impulses, based on the way they were raised. Relatively weak control is called "Indulgence" and relatively strong control is called "Restraint". Cultures can, therefore, be described as Indulgent or Restrained[7]."

This dimension measures the ability of satisfying immediate needs and dreams of a person. On the other hand, for those giving importance to the control and having rigid social rules, the satisfaction of impulses and instincts is regulated and discouraged (Hofstede, 1991).

With a low score of 24, China proves to be a restrained society (Figure 1), tending to be a cynic and pessimist society.

All these dimensions are combined in a unique way in each culture and can provide different ways of approaching with a country and its culture.

Hofstede's theory proves to be very useful when dealing in multinational environments since being aware of the possible differences among cultures make it is possible to create a harmonious context among colleagues or partners.

[6] https://www.hofstede-insights.com/country-comparison/china/

[7] See supra note 6.

1.2 China's profile: its social-cultural background

Cultural acknowledge of the country a company wants to deal with is fundamental; furthermore, since China differs from western countries in many aspects, I will report some characteristics of the country involved to give a clearer picture of it and understand the reasons that may lie behind some marketing decisions.

1.2.1 Geographical, demographical and sociological aspects

China (中国 - Zhōngguó), officially named the People's Republic of China (PRC), is one of the greatest powerful countries, not only in East Asia but in the whole world. China is the world's most populated country since it counts a population of around 1.416 billion with a median age of 37.3 years and a territorial extension of approximately 9,600,000 square kilometres[8].
Most of the population is concentrated in the eastern provinces, theatre of major events in Chinese history. Despite the spread of industry and the recent establishment of large production sites, China continues to be a predominantly rural and agricultural country; urbanization took place through a slow and gradual process, intensified only since the eighties of the twentieth century. In the second half of the twentieth century, China experienced an impetuous process of demographic transition; currently, the 57.9% of Chinese population is urban[9].

The official language is Mandarin spoken by 70% of population, but China counts with a huge number of dialects due to the mixture of traditions; some minorities speak non-Chinese languages, such as Mongolian, Tibetan, Miao, Thai, Uighur and Kazakh (Jacka, Kipnis & Sargeson, 2013).

China has an administrative division which details the Mainland China plus Taiwan 台湾 (Táiwān), Hong Kong 香港 (Xiānggǎng) and Macau 澳门 (Àomén).

[8] http://www.worldometers.info/world-population/china-population/
[9] See supra note 8.

As for the political analysis[10], China is divided into 22 provinces (省-Shěng):

- Anhui (安徽)
- Fujian (福建)
- Gansu (甘肃)
- Guangdong (广东)
- Guizhou (贵州)
- Hainan (海南)
- Hebei (河北)
- Heilongjiang (黑龙江)
- Henan (河南)
- Hubei (湖北)
- Hunan (湖南)
- Jiangsu (江苏)
- Jiangxi (江西)
- Jilin (吉林)
- Liaoning (辽宁)
- Qinghai (青海)
- Shaanxi (陕西)
- Shandong (山东)
- Shanxi (山西)
- Sichuan (四川)
- Yunnan (云南)

[10] https://www.worldatlas.com/articles/provinces-and-administrative-divisions-of-china.html

- Zhejiang (浙江)

5 autonomous regions (自治区 - Zìzhìqū):

- Guangxi 广西 (Guǎngxī);
- Inner Mongolia 内蒙古 (NèiMěnggǔ);
- Ningxia 宁夏 (Níngxià);
- Xinjiang 新 疆 (Xīnjiāng);
- Tibet 西藏 (Xīzàng);

4 municipalities (直辖市 - Zhíxiáshì) that directly depend on the central authorities:

- Beijing 北京 (Běijīng);
- Shanghai 上海 (Shànghǎi);
- Tianjin 天津 (Tiānjīn);
- Chongqing 重庆(Chóngqìng)

and 2 special administrative regions (特别行政区- Tèbiéxíngzhèngqū) that are Hong Kong 香港(Xiānggǎng) and Macau 澳门 (Àomén) .

Within the provinces and autonomous regions, there is a pyramid of administrative levels: prefectures, districts, cities, cantons and, at the base, more than 5 million villages. Provinces, autonomous regions and municipalities elect the approximately 3,000 deputies of the National People's Congress (the Chinese Parliament), which meets once a year for a certain number of days; in the interval between its meetings it replaces a permanent Committee. The Assembly elects the President of the Republic and the head of government (Jacka, Kipnis & Sargeson, 2013).

When thinking of China, it is difficult to resume the country characteristics in few words since such a big country comprehends really different scenarios.

As for the composition of the population, 56 ethnic groups are officially recognized with the Han ethnic group as the predominant one being represented by a 90% of the population. For this reason, companies have to consider the internal differences of Chinese culture in addition to the ones with western cultures (Jacka, Kipnis & Sargeson, 2013).

The types of territory vary from plains, great rivers, steppe, deserts, uplands and among the greatest mountains of the world. Depending on the geographical features, the population developed different forms of sustenance that flow into great differences between the agricultural and industrialized area, really observable when travelling around China (Jacka, Kipnis & Sargeson, 2013).

1.2.2 Traditional and cultural aspects

When a company decides to enter China, it must consider a set of specific, even critical, aspects of Chinese society, which decisively influence the effectiveness of relations and the community.

China's culture is one of the world's most ancient, dating back to few thousands of years ago. Due to the huge extension of its territory and the various number of different ethnic groups, customs and traditions vary among China. However, the main common elements of Chinese culture can be identified as: ceramic, architecture, martial arts, literature, music, religion, philosophy, and cooking (Jacka, Kipnis & Sargeson, 2013).

The religions, banned by the Chinese Communist Party after the creation of the People's Republic in 1949, were again legalized by the 1982 Constitution. The social values of Chinese society are those coming from Confucianism and Taoism. These two are the most practiced religions, followed by Buddhism, Christianity and Islam. They deeply influence and define the lifestyle and social attitude of people. Confucianism and Taoism are deeply concerned with the importance of family and the relations among its components. The respect for older people is a key point in addition to the importance given to the necessity of the best education possible for children to let they become important and honoured people in the future (Jacka, Kipnis & Sargeson, 2013).

Another important aspect that shapes Chinese society is the tendency to establish harmonic relationship, an echo of the Confucianism doctrine. Since the harmony and equilibrium is the aim to be reached, Chinese society can be defined as more group oriented rather than individualistic (Jacka, Kipnis & Sargeson, 2013). Despite the research of equilibrium, Chinese society focuses on the importance of hierarchy and authority.

The relationship between the Chinese consumer and the western world is quite contradictory. Obviously, it is important not to generalize but the tendency among modern Chinese is to emulate and research cosmopolite brands in addition to establish relationships with foreigners to reach a certain social status. In this context, appearance and reputation play an important role since it is important for Chinese consumers to show their purchase power and their position in the society.

On the other hand, there is the more conservatory part of population in which traditions are the bearing keys and foreigners are still seen as enemies trying to ruin the harmonious order of their society. These people are more reluctant to deal with foreigners and approach them with a kind of detachment and diffidence.

A key factor to consider when a foreign manager deals with China is the importance of relations (关系 - Guānxì), considered as social networking mixed with business. Chinese culture is one of those believing human relations are a priority. Guanxi is a system of mutual obligations codified by unwritten agreements, which commits the operators to honour the commitment taken informally, under penalty of exclusion from the group of relationship. This cultural phenomenon deeply influences behaviours and has significant repercussions on the level of competitiveness among companies and individuals (Jacka, Kipnis & Sargeson, 2013).

Having good guanxi and good connections with influential people in the bureaucracy government and in the company's operating sector is an essential condition and an advantage for foreign companies trying to gain the approval to set up and manage a business in China. A good guanxi can significantly contribute to reduce trading time and facilitate transaction success when dealing with the government. On the contrary, there may arise several problems, such as the complication of procedures to obtain the approval of permits and the slowdown of paperwork (Jacka, Kipnis & Sargeson, 2013). At present, the Chinese legal system is still incomplete and uncertain in terms of laws and regulations; the guanxi therefore arises as an element of regulation of legal situations as a set of rights and duties connected to them.

To conclude, a company that wish to operate in China should previously establish a good network of guanxi; obviously, it is a process requiring time, effort and resources but it proves to be essential and provides the company with future rewordings and success (Jacka, Kipnis & Sargeson, 2013).

1.2.3 Chinese Calendar

When a company wants to expand its business in a distant country as China, managers should consider that the Dragon Country has two calendars: the European - Lunar Calendar (阴历 - Yīnlì) and the Traditional Chinese Calendar (农历- Nónglì)[11]. Traditional holidays are generally celebrated in Chinese speaking regions. For the most part, however, only Chinese New Year (春节 - Chūnjié), Tomb-Sweeping Day (清明节 - Qīngmíng jié), the Dragon Boat Festival (端午节 - Duānwǔ jié) and Mid-Autumn Festival (中秋节 - Zhōngqiū jié), National Day (国庆节 - Guóqìng jié) are statutory public holidays. Therefore, each region has its own holidays on top of this condensed traditional Chinese set. Mainland China and Taiwan observe patriotic holidays, Hong Kong and Macau observe Christian holidays.

1.3 Marketing decisions when going international

One of company's most important decision is the one concerned with the entrance into new markets. When dealing with such topic, a company chooses to enter a market or not according to few parameters, aimed at identifying the best approach for its business. The company's decisions and its performance in international markets are mainly influenced by the adoption of an international marketing strategy[12].

The reasons why a company decide to expand its business abroad are various: the search of new markets, the achievement of advantages in the production costs, supervision of supplies. Whatever is the specific objective of the international

[11] https://www.chinahighlights.com/festivals/
[12] http://www.fao.org/docrep/W5973E/w5973e02.htm

development of the company, this may go back to the desire of building its competitive advantage in the international context, taking advantage of the opportunities provided by the foreign markets. It is very important to decide the international marketing strategy that best suits the company considering the external environment and the fact that there is a growing tendency of globalization and continuous transformation[13].

As for the entry modes, it must be said that since they represent the conjunction between the product and the chosen market, any decision in this regard cannot disregard the characteristics of the company and the specificity of the sector in which it operates (Wulff, 2015). Generally speaking, companies penetrate the foreign markets choosing modes that ranging from the simple export of products and services to the installation of production plant[14].

1.3.1 The choice of the foreign market

The identification of the country in which to operate is a phase of considerable importance. It is based on a careful strategic elaboration that must lead to the definition of the competitive advantage expected to be achieved.

The analysis conducted by the company to identify the potential new market is based on various aspects (Khanna, Palepu & Sinha, 2005):

- the assessments of the attractiveness of the national environment of the identified foreign country;
- identification of all the potential opportunities and all the possible risks associated with the decision;
- considerations on the accessibility of the foreign country.

The selection process of the countries is carried out with a screening of the information available to the company. The screening consists of three levels (Górecka & Szalucka, 2013):

I. Analysis of the group of countries with a certain positive judgment, so-called acceptable countries.

[13] http://www.fao.org/docrep/W5973E/w5973e02.htm
[14] http://www.fao.org/docrep/w5973e/w5973e0b.htm

II. The list of these countries is subjected to an estimate of the potential market existing in each of these countries and an estimate that leads to the definition of the so-called potential industry specific.
III. Analysis of the general and specific attractiveness of the market under investigation to establish the so-called potential firm specific.

After completing the analysis of the attractiveness of the country, the company must assess the degree of accessibility of the same, going to identify the artificial barriers that foreign companies encounter in placing their offer, as well as the elements of competitiveness in that country (Górecka & Szalucka, 2013).

The analysis of the target countries is completed by the identification of the competitive position that the company can acquire in these countries. To achieve this result, it is possible to use well-known tools such as the General Electric/McKinsey matrix (McKinsey & Company), which precisely correlates the attractiveness of the selected countries with the competitive position that the company can acquire in these areas (Górecka & Szalucka, 2013).

1.3.2 The dilemma between standardization and adaptation

The application of an internationalization strategy implies the adoption of a specific marketing policy, which is expressed in the choice of the degree of adaptation and standardization to be used (Tan & Sousa, 2013).

The adaptation approach is achieved through the adoption of differentiated policies according to the specific characteristics of the economic context in which the company operates. This is faced with a new set of macroeconomic factors, which differs in the variances existing between countries, such as (Tan & Sousa, 2013):

- the behaviour of buyers in terms of habits, consumption, customs, culture, etc.;
- a different organization of the markets, with reference to the structure of the distribution network, the regulations, the climatic conditions, the means of transport, etc.;
- a different competitive environment, in terms of the degree of concentration of the sector, of the presence of national competitors, of competitive climate, etc.

On the other hand, the policy of standardization provides that the needs, desires and demands of consumers tend not to vary between different markets and countries, as well as the organizational structures of the market and the competitive environments. It is focused on the benefits that can be derived from a strategy that is based on what is similar between the markets rather than what differentiates them (Akgun, Keskin & Ayar, 2014).

In the past, the differences between nations required a multi-domestic approach to the business that involved the development of separate marketing plans for each country (Agnihotri & Santhanam).

In recent years, the growing phenomenon of globalization has led companies to consider the elements of their marketing mix and strategies in a standardized way, thus creating global companies. The real problem therefore consists in knowing how to reconcile the two different approaches, integrating the different marketing strategies. Focusing on the similar aspects that exist between the markets, must not make us forget of the existing differences and the consequent need for adaptation (Meyer & Bernier, 2010).

On the other hand, the high costs involved in the adaptation and the benefits of standardization do not allow to consider the exclusive use of the first strategy as actually practicable and convenient. Success does not depend on adaptation or standardization but is the result of the union of the two, finding the right balance between the elements of marketing mix and strategies for each country (Vrontis & Thrassou, 2007).

1.3.3 International strategies and environments

Once a balance between standardization and adaptation has been found, it is appropriate to analyse the international environments in which the company intends to operate and the consequent strategy to be adopted.

The Porter matrix, described in the figure below, describes the variables on which to make the strategic choice.

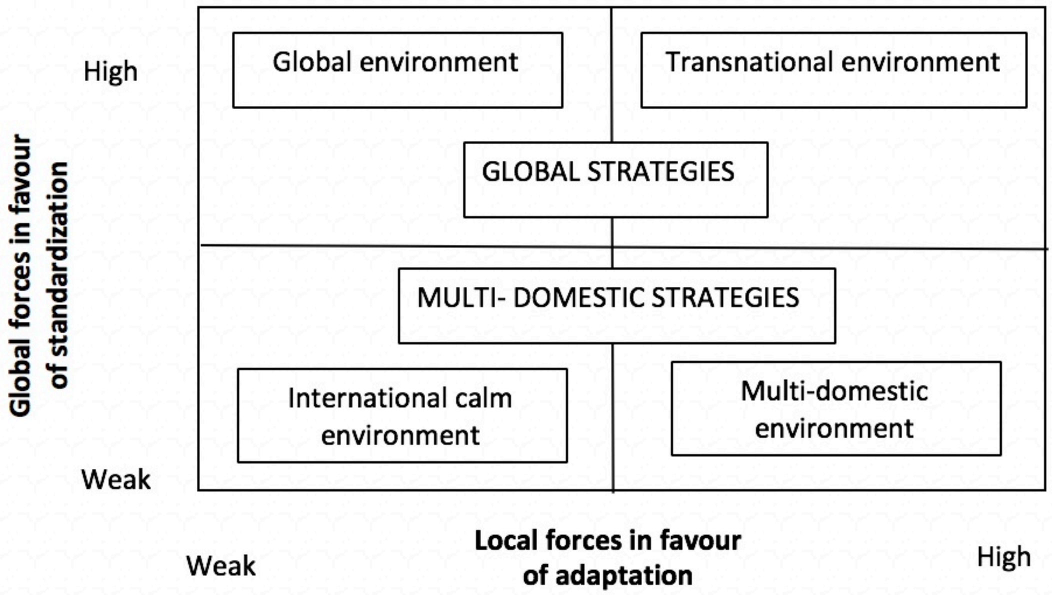


Figure 2, *Environments and international strategies*

(Porter, adattamento da Goshal e Noria, 1993)

The global environment favours the adoption of a standardization policy accompanied by a careful analysis of the distinctive local characteristics. The competitive position of a company operating in this type of environment is significantly influenced by its position in other countries; for the company there are competitive advantages deriving from the integration of the activities on a worldwide basis. The strategy usually adapted is the globally homogeneous one, which tries to exploit the interdependencies existing between the various countries, aiming to achieve a competitive advantage given by the presence in the international market through the coordination of decentralized activities (Kotler, Wong, Saunders & Armstrong, 2004).

The international calm environment is the one in which global and local forces are weak. In this environment, there is no dominant organizational method and therefore the company will strategy that best suits its needs (Kotler, Wong, Saunders & Armstrong, 2004).

The transnational environment is the one in which the company adopts a policy of concentrating the largest number of activities in a single country, aimed at ensuring a strict coordination of activities through a complete standardization. The company that operates in sectors of this kind, adopts a global strategy of a transnational type, according to a strategic-organizational logic of reticular type, not opting for decentralization nor for the centralization of activities, resources, responsibilities and decisions. The company operates with a selective logic, in the sense that some resources are concentrated in the country of origin, others are centralized in other national contexts and others are distributed among the local units, so that the cost advantages deriving from the rationalization of activities with the advantages of differentiation deriving from a locally widespread presence (Kotler, Wong, Saunders & Armstrong, 2004).

The multi-domestic environment is characterized by the tastes, behaviours and regulations of each country. Therefore, companies must consider the following aspects to achieve their competitive advantage: high heterogeneity of the demand of the subjects of the different countries; use of an unsophisticated technology available to potential competitors; barriers to entry; support from national authorities for local producers (Kotler, Wong, Saunders & Armstrong, 2004).

The company can decide to limit itself to an export strategy, with a strong geographical concentration of the activities in the country of origin, or it can decide to decentralize part or the entire value chain abroad.

1.3.4 Shifting from Globalization to Glocalization

Globalization, that is the tendency toward an international integration of goods, technology, information, labour and capital worldwide, has been having a great influence in the world's developments for the past forty years. This process not only leads to the emergence of global businesses and firms, but also to the undifferentiation of consumers' tastes and preferences among different countries. Among the benefits of this strategy, there is the one linked to costs since the products are standardized in all the markets (Dumitrescu & Vinerean, 2010).

However, since consumers' preferences cannot be generalized as a successful product or service take into consideration a nation's culture, a globalized strategy applied by companies started to begin ineffective and unsuccessful over a long period of time (Dumitrescu & Vinerean, 2010).

On the other hand, there is the localization strategy which is concerned with the adaptation of a product or service to a particular culture in order to develop a local appeal and satisfying local needs. Since it considers the specific demand, the competition in the market comes from both domestic and foreign brands. Furthermore, the localization strategy means high costs of trade due to the separation of markets and may not be the best choice in a world in which a single company deals with many different countries all over other the world (Dumitrescu & Vinerean, 2010).

Due to the need of adaptation of the product or service to the specific situation of a market but at the same time of a global vision, the glocalization concept started to emerge. Glocalization is a concept coming from the union of both a global and local strategy, providing a global offer (brand, idea, product, service, etc), while taking local related issues into account (Dumitrescu & Vinerean, 2010). From the "thinking globally, acting globally" that characterizes globalization and "thinking locally, acting locally" of localization, comes the strategy "thinking globally, acting locally" that proves to be a balanced solution between the previous ones.

This term first appeared in the late 1980s in articles by Japanese economist in the Harvard Business Review. The sociologist Roland Robertson, known for popularizing the term, stated that glocalization is as strategy in which universal and particular tendency coexist[15].

Using a glocal strategy, means to find a compromise between global and local marketing strategies: the choice of elements to standardize or adapt must be done paying attention to the market in which the company wants to enter and the specific consumers' tastes and habits. Glocal strategies prove to have a positive effect on the consumer since they feel that the global brand makes a product tailored to their needs and desires (Dumitrescu & Vinerean, 2010). The attached a table gives a clear idea of what mentioned above in relation to the communication and product strategies (Figure 3).

[15] https://searchcio.techtarget.com/definition/glocalization

	COMMUNICATION STRATEGY	
PRODUCT STRATEGY	**Standardized communications**	**Localized Communications**
Standardized product	**Global strategy:** Uniform product/ uniform message	**Glocal strategy:** Uniform product/ customized message
Localized product	**Glocal strategy:** Customized product/ uniform message	**Local strategy:** Customized product/ customized message
	Glocal strategy: customized product/ Customized message	

Figure 3, *Global, Local and Glocal strategies (Dumitrescu & Vinerean, 2010)*

1.3.5 Branding decisions when going international

Before entering the specific case of branding in China, it is important to give a brief overview over the definition of brand and its characteristics.

The brand is one of the main corporate assets whose image is built over time thanks to investments in communication by the company (Keller, 2003).

A brand is a unique design, sign, symbol, words, or a combination of these, employed in creating an image that identifies a product/company and differentiates it from its competitors. Over time, this image becomes associated with a level of credibility, quality, and satisfaction in the costumer's mind[16].

When creating a brand, you have to think about functions, that is something more than the simple use, name, logo and payoff. Thanks to the brand, value is added to the product and this is the reason why it is very difficult and expensive to create a successful one. The memory of the brand is a crucial point, because if nobody remembers it, it does not exist in the consumer’s possible options. A brand name should be distinctive, easy to pronounce, easy to remember, international, consistent, not too long, evocative, protectable (Alon, Littrell & Chan, 2009).

[16] http://www.businessdictionary.com/definition/brand.html

1.3.5.1 Branding in China

Branding in China proves to be a challenge to be undertaken by companies entering this market since the linguistic nuances in Chinese can affect brand sound and meaning which, in turn, can affect consumer perceptions and brand identity (Alon, Littrell & Chan, 2009). For this reason, localization is required in the brand name strategy to relate in the most suitable way to the local consumers.

There is a great problem in translating brands, not required in the rest of the world, because the western names are too difficult for Chinese people to pronounce. Cross-cultural translation of a brand name, in both content and context, need to appeal to the local market, and, at the same time, stay true to its global image (Alon, Littrell & Chan, 2009).

"With general linguistic principles of Chinese brand naming being investigated and discovered, how to use linguistics, especially sound symbolism to create meaningful and easy-to-remember brand names, and how to pronounce these brand names are among the most important elements in the transfer of information between and among manufacturers, products and customers" (Liu, 2015).

In this way, it is necessary to choose the translation paying attention to the objective target and to what they expect from the brand. Chinese consumers reward the emphatic and dense of emotions names because they are not only based on a phonetic alphabet but on characters that represent real concepts. According to some theories on the topic, a reference model for the definition of the brand name comprehends few alternatives (Klin, 2000):

I. Sound similarity: this is a suggested technique for those globally powerful brands since the adaptation of pronunciation helps the Chinese consumer to immediately remind the global brand and pronounce it in an easier way (i.e. Audi = 奥迪 Aòdí, Deep entertainment);

II. Meaning construction: the sound does not remind of the global brand but it transmits a meaning linked to the brand values' universe (i.e.Burger King = 汉堡王 Hànbaowáng, the King of hamburgers) ;

III. Sound and meaning together: the most complete consists in the adaptation of both sound and meaning (i.e. Coca Cola = 可口可乐 Kekoukele, tasty and happiness);

IV. Positive association: the choice of a meaning can be conveyed through this method. The translation of the brand is not linked to the sound similarity, nor to the meaning association, but it transmits a positive message (i.e. Heineken = 喜力 Xilì, happiness and strength);

V. Original brand with no changes.

1.3.5.2 Increase brand awareness

Communication strategies can be fundamental for the company to increase brand awareness and brand loyalty. Lately, advertising direct to a certain target is no longer enough so that new strategies must be implemented to attract Chinese attention. The difficulty lies in finding new communication methods which could still transmit the company's high-level status and uniqueness (Alon, Littrell & Chan, 2009).

The following ones are some of the examples of the new strategies companies are adopting in order to increase their brand awareness among Chinese consumers (Alon, Littrell & Chan, 2009):

- The use of celebrities as a brand ambassador and the organization of events.

The brand ambassador is something more than the simple star testimonial chosen by the fashion company present on all advertising. It is a person famous for its relationship with fashion that is chosen to wear the company's products in everyday life. The person, using the products provided by the company, publishing images or status on social networks, spread her/his preferences, effectively influencing the taste of her/his followers. This is the reason why they are also called influencers.

- Organization of events focused on the company such as the opening of a new flagship store[17], a private party, a dinner for the inauguration of an exhibition at the fashion house. Participants are the most trusted clients, fashion gurus, stylists,

[17] "A flagship store is the most important store in a chain, often with the largest volume of sales, or the most up-to-date formats or layouts" (Collins dictionary)

journalists of the fashion magazines, international and national celebrities and the influencers themselves. Not only will these people feel part of an exclusive group, but sharing their photos, impressions, feelings on social networks will cause the need for other consumers to buy more and more in order to be one day part of the guests of these events (Alon, Littrell & Chan, 2009).

1.4 Chinese market's segmentation

The profound geographical differences that characterize the different regions of China have implications and significant repercussions on the market as well.

In recent decades, many companies and multinationals have been attracted by the rapid growth of the Chinese market and its size: relying only on macro-economic data and rapid urbanization, they did not really understand Chinese consumer's characteristics and particular needs. These companies have followed that concept of global consumer (Levitt, 1983), which has spread since the 80s: consumers having homogeneous needs regardless of their origin and their socio-cultural background. Following this logic, many companies have implemented undifferentiated marketing strategies having to face a harsh reality: the Chinese consumer was not so global and cosmopolitan.

To succeed in emerging countries, it is necessary to study the market in depth so that marketing strategies can be defined as specific to the different profiles of consumers (Cui & Liu, 2000).

The Chinese experience has been a bitter disappointment for many companies: companies often arrive in developing markets and expand their production activities, but regional diversities, the low level of infrastructure and the purchasing power of consumers, constitute barriers for an efficient development of the company performance. In light of what said above, it is clear that the Chinese market must be considered starting from its specificity. China must be considered as a conglomerate of markets distinguished by the degree of economic development, cultural factors, different priorities pursued by the choices of economic policy (Cui & Liu, 2000).

The literature on the segmentation of the Chinese market is consistent in underlining the importance and the centrality of geographical differences. However, it is possible to find two main types of segmentation: one that considers regional differences and segments the market on the basis of the economic development and purchasing power of consumers, and another that divides consumers between urban and rural areas considering geographical differences (Cui & Liu, 2000).

Studies on the first kind of segmentation have led to the development of interpretative models of the differences existing at the regional level, identifying market segments taking as reference indicators of economic and social-cultural development to highlight the differences between the various areas of the population; the identified segments are homogeneous within them, but heterogeneous among them (Cui & Liu, 2000).

These segments correspond to the following areas:

- South China (Guangzhou, Fujian, Hainan, Hong Kong);
- East China (Shanghai, Zhejiang, Gangsu);
- North China (Beijing, Tianjin, Hebei, Shandong);
- Central China (Henan, Anhui, Hubei, Hunan, Jiangxi);
- Southwest China (Sichuan, Guangxi, Guizhou, Yunan);
- Northeast China (Heilongjiang, Jilin, Liaoning);
- Northwest China (Inner Mongolia, Shanxi, Shan' xi, Gansu, Ningxia, Xinjiang, Quinghai, Tibet).

The first two segments are the fastest growing markets, with high levels of disposable income and greater spending capacity. In the provinces of South China, the special economic zones were introduced first, which favoured the development of trade with the outside and allowed a greater opening towards the West, allowing a rapid development of the areas in question. Today, around 7% of the population and the highest income groups in the country are concentrated in this area (Cui & Liu, 2000).

In East China, however, there is the greatest industrial and urban density in the country. This region has always been the most prosperous and advanced in China, both from an agricultural and an industrial point of view; the city of Shanghai is also the main financial centre of the country and consumers in this area are very fascinated by Western culture and lifestyle (Cui & Liu, 2000).

The North-China segment concludes the picture of the coastal area and can be considered as the emerging segment compared to the other two, characterized by a more mature economic development. Beijing constitutes the geo-political heart of the nation; the policy of this area is to attract investments to support the growth and development of the region. Moreover, it is precisely the location on the coastal strip of the area that has allowed this segment to have a considerable international openness in recent years. Despite this opening, however, unlike the South and East segments, there remains a strong link with local tradition and religion in this area (Cui & Liu, 2000).

The Central China region is characterized by a predominantly rural footprint and has considerable difficulty in developing due to the succession of floods and droughts; however, the area has enormous potential for development. The area is characterized by a heterogeneity of cultures that, despite limited income, tend to follow the "fashions" coming from the main cities (Cui & Liu, 2000).

The Southwest China area has a high population density; however, despite being highly attractive for foreign investments and having a fair industrial development, it remains a region whose market is still not very dynamic. The critical aspects of this area mainly concern the morphological characteristics and the level of links and infrastructures that are still lacking and undeveloped. Despite this, however, there are large amounts of natural resources (Cui & Liu, 2000).

The regions of Northeast and Northwest China, on the other hand, remain practically unexplored and very backward. In Northeast China there are some heavy industries (mining, mechanical and automotive) but prevails a still statist mentality. Northwest China is the most backward region of the country: the difficulties are essentially due to the morphological characteristics that limit industrial development. Within this segment different ethnic groups coexist and influence the isolation of the area. Despite this, however, the government is investing in the area to reduce the economic disadvantage with the remaining part of the country. Given the backwardness of the area it is premature to talk about the relationship between companies and consumers (Musso, Bartolucci, & Pagano, 2006).

The second type of segmentation was introduced for the first time by Normandy Madden who, in his article *Tier I: How to market classify cities in China* (2007), divides consumers among urban and rural areas and segments the consumer target based on the geographical variable and the location of the city (Madden, 2007). In a more recent classification, cities are in this way divided into four main tiers[18], as it follows:

- Tier 1: Beijing, Shanghai, Guangzhou, Shenzhen;
- New Tier 1: Chengdu, Hangzhou, Wuhan, Chongqing, Nanjing, Tianjin, Suzhou, Xi'an, Changsha, Shenyang, Qingdao, Zhengzhou, Dalian, Dongguan, Ningbo;
- Tier 2: Xiamen, Fuzhou, Wuxi, Hefei, Kunming, Harbin, Jinan, Foshan, Changchun, Wenzhou, Shijiazhuang, Nanning, Changzhou, Quanzhou, Nanchang, Guiyang, Taiyuan, Yantai, Jiaxing, Nantong, Jinhua, Zhuhai, Huizhou, Xuzhou, Haikou, Urumqi, Shaoxing, Zhongshan, Taozhou, Lanzhou;
- Tier 3: Weifang, Baoding, Zhenjiang, Yangzhou, Guilin, Tangshan, Sanya, Huzhou, Hohhot, Langfang, Luoyang, Weihai, Yancheng, Linyi, Jiangmen, Shantou, Taizhou, Quzhou, Handan, Jining, Wuhu, Zibo, Yinchuan, Liuzhou, Mianyang, Zhanjiang, Anshan, Quzhou, Daqing, Yichang, Baotou, Xianyang, Qinhuangdao, Zhuzhou, Putian, Jilin, Huai'an, Zhaoqing, Ningde, Hengyang, Nanping, Lianyungang, Dandong, Lijiang, Jieyang, Yanbian Korean Autonomous Prefecture, Zhoushan, Jiujiang, Longyan, Luzhou, Fushun, Xiangyang, Shangrao, Yingkou, Sanming, Handan, Lishui, Yueyang, Qingyuan, Jingzhou, Tai'an, Luzhou, Panjin, Dongying, Nanyang, Ma'anshan, Nanchong, Xining, Xiaogan, Qiqihar.

Even more recent is the proposal by Ivana Casaburi that, starting from the study of Madden adds another variable to the previous study thanks to an empirical survey: the size of the city. In her proposal, the Casaburi (2008) highlights how income is not just a function of the city's location (coastal, central and rural areas), but also depends on its size. According to this, she identified five clusters of cities divided according to their size:

- Cluster 1, very large cities: four cities such as Beijing, Shanghai, Guangzhou and Shenzen;
- Cluster 2, big cities: thirty cities, that are capitals of the provinces with more than 5 million inhabitants;
- Cluster 3, medium-sized cities: a hundred and fifty cities with more than 1 million inhabitants;

[18] https://www.yicai.com/news/5293378.html

- Cluster 4, medium-small cities: small cities with inhabitants between 100,000 and 1 million;
- Cluster 5 – villages.

By crossing these clusters with the geographical position, three macro segments are obtained:

A- Medium cities inland (cluster 4)

B- Large cities inland and some of cluster 2 in the coastal strip (cluster 2, 3)

C- Very large cities: (clusters 2 and 1)

A) Consumers who live in these areas have a very low disposable income and are therefore very cautious in their purchases. They are not yet ready to buy imported products. This market presents opportunities for companies able to offer quality products at a reasonably low price. Consumers who live in these areas do not attach great value to the design and the fashion side of the product; therefore, the products that are considered out of fashion in the big cities could continue in these areas their life cycle (Casaburi, 2008).

B) This target is characterized by a higher disposable income than that of the macro-segment A, but it is however very prudent in purchases. An important requirement for this type of consumer is the functionality of the product, followed by qualities that are gaining increasing importance and price. These cities generally have within them groups of consumers with a great propensity to purchase but with a lack of knowledge of foreign products; therefore, the variable trust is fundamental to the purchase decision. Consumers belonging to this target tend to associate at a high price a high quality (Casaburi, 2008).

C) These cities are characterized by the presence of consumers whose income is higher than the national average. Consumers belonging to this target have many contacts with the western world and are more familiar with imported products. This segment not only seeks the functionality of the product but also gives great importance to other attributes such as comfort, design and fashion. This target seeks quality and is also willing to pay a premium price to obtain it (Casaburi, 2008).

After segmenting the different cities, Casaburi (2008) proceeds to a more specific segmentation of consumers living in urban areas, in order to understand their relationship with international brands. The market in urban areas can be divided into three socio-economic groups, each with a different purchasing propensity compared to international brands.

1- Working class

This target represents the mass market. Individuals in this segment generally work in commerce and factories. Consumers are very price-sensitive and have a marked preference for Chinese brands. This preference is due both to the lower price of Chinese products and to a strong national identity. This segment calls for a change to the western companies: products that are more accessible and more responsive to their needs.

2- White collars

This target represents the middle class. The consumer of this segment is characterized by a high level of education and a work position belonging to the low and middle management. The target in question has a high propensity to purchase and satisfy social needs. In its purchasing decisions, the consumer puts international brands and Chinese brands on the same level.

3- Rich

Target formed by the richest band of the population. The consumers of this target hold positions of top management or important public offices; their wealth is measured based on the number of properties owned; they are looking for international brands for luxury and prestige.

The two methods of segmentation analysed are consistent and of useful support in the definition of marketing strategies. However, the first segmentation methodology, the one based mainly on geographical differences, is more precise since it considers also citizens of rural or less developed areas. The importance of this potential consumer pool should not be underestimated, as they will be the new engine of growth in the Chinese market over the medium to long term. Generally, companies do not yet give importance to this target because currently it shows still physiological needs, whose satisfaction would be not very convenient for companies; but within a few years this part of the population is slowly destined to develop and the government itself is investing many resources in the emancipation of these areas.

1.5 The role of the physical store

In the big new markets such as the Chinese one, the physical store plays an important role in the construction of the brand image, especially if the brand has just entered that market. The store can promote the knowledge and positioning of a brand, it can be a tangible proof of its strength and its values and influence the purchasing process. It is therefore essential to adopt appropriate strategies both in the choice of the distribution format and in the elements that form the store image (Checchinato, Hu & Vescovi, 2014).

Together with the use of mass media as a means of communication, companies are increasingly resorting to the point of sale as an integrated communication tool. In new markets, the consumer is not often used to brands and does not know the characteristics of certain product categories, so it is necessary to give tangible evidence of the strength of the brand and the quality of the products and one of the main ways is represented by the sales point. This is particularly necessary for those brands who has just entered a new market: the store becomes a strategic tool (often taking the form of flagship stores in the city), which allows to quickly build brand awareness and obtain a premium positioning (Surchi, 2011).

The Chinese context represents for the international brands a relatively new market compared to traditional ones, where the sales point can strongly favour the development of the brand image (Checchinato, 2011).

Starting from the 80s, the literature deriving from environmental psychology has focused on the analysis of the interaction between the consumer and the environment. Numerous empirical researches have given rise to important theoretical proposals, sanctioning the role of the atmosphere and of store design in influencing and determining, in a more or less direct way, consumer's choices. The place of purchase, whether it is a multi-brand store, or a place that identifies just one brand, has become fertile ground in a strategic and communicative perspective for those more innovative companies. The starting point shared by all the approaches concerns the overcoming of the idea of a well-defined and anonymous physical space that acts as a simple container of the goods, to arrive at the conception of a place with meaning (Nicholson, Clarke & Blakemore, 2002).

In this direction the contrast between the terms *space* and *place* is marked. The first one identifies a well-defined area that is opposed to the idea of environment (place) understood as consumed, experienced or mentally evoked place. A space in which a brand value is proposed in a credible and concrete way, giving the possibility to the consumer to dialogue and enter to have unique experiences.

The role of the point of sale and of the distributor can also become fundamental in determining the failure of a brand. If the place, the exposure of the assortment, the atmosphere are important factors to be considered, the distribution format becomes even more a strategic choice to transmit the brand image and represents the interface between the consumer and the enterprise (Nicholson, Clarke & Blakemore, 2002).

1.5.1 Made in Italy in Chinese physical stores

As noted by some recent researches, the main problem perceived by Italian companies that want to sell their products on the Chinese market is represented by the reliability of the distribution partners (Vianelli, De Luca & Pegan, 2012).
Although considered a developed country, it is not yet possible to talk about China as a single homogeneous market, in fact there are strong internal differences that are also clearly reflected in the commercial distribution and development of the distribution system as a whole; not only differences between rural areas and cities, but also between different levels of cities (Casaburi, 2008).

The products with high symbolic value for the Made in Italy in China (clothing and accessories, furniture and food) lead by their nature to different distribution choices, but they all require good control of the last link in the distribution chain to reach a consumer, the Chinese, who often does not know the product. The choice of the point of sale takes place above all for functional reasons: proximity and loyalty to the store (Checchinato & Hu, 2013).

As far as the fashion sector is concerned, the Chinese market is dominated by shopping mall and department store. In a market where the brand is an element of status and one of the main reasons for which the consumer is willing to pay a premium price, companies invest to have high visibility, which from a retail standpoint means single-brand stores and flagship stores, especially in the most important shopping malls and shopping streets of the main cities. The multi-brand distribution is developing recently, and this will be able to help small and medium-sized companies, which will finally find an economically sustainable distribution channel in which to propose themselves (Checchinato & Hu, 2013).

As for clothing, one of the possible strategies available to companies, is to make the store the temple of the brand, explain the product and use the Made in Italy as a link to something identifying in the mind of the Chinese consumer, as the image country may still be confused. From recent studies, it emerged that the use of Made in Italy at the point of sale is still poorly developed in China. The elements of recall are often trivial (texts, flags, colours) and not very attractive to the consumers (Checchinato, Hu & Vescovi, 2014).

1.6 The Chinese distribution system

In emerging countries, the distribution structure is an important factor to be analysed in addition to the determination of the capacity of absorption for a certain kind of product. Generally speaking, the distribution system of these countries is difficult to analyse deeply but there are some common characteristics, such as the strong influence of the State in the economy and a level of inadequate infrastructure and communication (Pellicelli, 2010).

These considerations also apply to the Chinese distribution system which has always been considered one of the main barriers for export to the country. In recent times, however, the distribution system is thriving towards modernization, due to a gradual transition from a planned economy to a market-oriented economy. A strong incentive to renewal is also represented by the change in consumer purchasing behaviour and by their inclination towards more innovative structures and formats, such as self-service sales (Polsa, 2002).

One of the biggest changes in the Chinese distribution system is the opening of distribution rights, allowing both national and international companies to establish distribution activities. Today, China's distribution systems lie between a rigid planned structure and a free market system. The nationwide State system still exists, but the rigid demarcations between each level and different parts of the system, have broken down. Moreover, the three traditional tiers now compete against each other as well as against new, privately owned companies and foreign firms (Jiang & Prater, 2002). However, the distribution channels in China are still characterized by a high complexity and fragmentation: this is largely explained by the extension of the country and the underdevelopment of many areas. In some regions, especially in the internal ones, the presence of good infrastructures and communication channels is still scarce since the connection to the main ports and logistic hubs on the coast is not everywhere well developed (Cui & Liu, 2000).

The distribution network has a markedly local character that inherits a hierarchy based on three levels: central government, provinces and local authorities. This fragmentation makes it difficult to distribute products efficiently and widespread.

In addition to this, distribution is still influenced by the centrally planned, three-tier system from the pre-reform era, in which distributors and wholesalers operated only in one tier (Hu, 2018). During the pre-reform period, tier-1 distributors covered main cities, such as Beijing, Shanghai; tier-2 wholesalers distributed in the provincial capitals and medium-sized cities; and tier-3 wholesalers managed distribution channels in smaller cities (Jiang & Prater, 2002).

Another element to be considered when operating in China is the internal protectionism, which is intended to support local firms at the expense of competitors from foreign countries or other provinces in China (Hu, 2018). Political and legal barriers are the most powerful forces that separate China's distribution market; furthermore, tariff and nontariff barriers were instituted to keep out one another's products (Jiang & Prater, 2002), meaning an even more difficult distribution of national and international products in China.

In addition to this, guanxi are an important element to consider when a company wants to enter the Chinese market successfully; the spheres of public and private interact with each other in a more or less direct way on the bases of these social mechanisms and personal relationships, and not on the basis of market logics (Beretta & Pissavino, 2009) since Chinese prefer to deal with people they know and trust (Jiang & Prater, 2002).

Due to the institutional voids and Chinese fragmented distribution system (Khanna & Palepu, 2000), local partners hold a primary role in foreign firms' distribution, independently of the type of market entry, that are for example exports and joint ventures (Hu, 2018). As for regional segmentation, Chinese partners manage distribution directly in more developed areas, whereas in secondary areas they are indirectly in charge of the distribution development through their network of sub-distributors. This strategy is a double-edged weapon since it simplifies the foreign firm's market development entry phase but might lead to a loss of control over distribution pass several levels (Hu, 2018).

What emerges for a recent study is that two main retail formats attracting Chinese consumers attention are the Internet and physical stores. The first one is directly linked to the rapid growth of e-commerce and mobile commerce (m-commerce), having success for its payment and delivery conditions: online payments are extremely safe and daily used in China, while a growing number of shipping companies operates both in urban and rural China to provide fast delivery (Hu, 2018).

Nevertheless, the physical store still covers, as previously said, a great importance as for Chinese retail channel to keep a direct contact with consumers and increase brand awareness.

Thus, the key for the success in the Chinese market for a foreign company lies in the adoption of a distribution strategy that integrates both offline and digital channels (Hu, 2018).

2. LUXURY SECTOR AND SOCIAL MEDIA

2.1 Introduction to the Luxury sector

The specific area of interest of this thesis is the luxury fashion sector since it became a strategically decisive aspect of the Chinese market. The luxury fashion sector is a complex, vast and highly competitive one which has to face a variable situation due to the development of social media that calls for innovative and forward-looking strategies (Ko, Phau & Aiello, 2016).

Before looking at some specific data, I believe that it is fundamental to introduce the concept of luxury. Giving a precise definition of it has proved not to be an easy task since it changed with time from an exclusive market to a more accessible one. This concept is not linked to the modern consumerism and the desire of showing off of modern society, but its origins goes back in ancient times (Chevalier and Mazzalovo, 2008).

The attitude toward this category of products has always been bivalent: on one hand these have always been considered as the object of desire, on the other hand they have been sentenced since they represent the materialization of superficiality and wastefulness. This is one of the reasons why consumers' perception of luxury products is influenced by many factors, usually linked to society and consumers' cultural tradition (Corbellini & Saviolo, 2007).

Generally speaking, luxury products can be defined as high-quality, exclusive, expensive and non-essential products and services with a high social and symbolic value (Lee & Watkins, 2016).

Product category is a significant criterion to define luxury products. According to Chevalier and Mazzalovo (2008), there are different categories of luxury product: in details, there are the traditional luxury sector which include fashion, jewellery and watches, cosmetics and perfume, fashion accessories (footwear, leather goods, eyewear, men's accessories and office items), and some non-traditional sectors, but still classifiable as high-quality products, such as the luxury car sector, pleasure boating and air transport, private banking, luxury tourism and catering, high-quality food, especially the wine and spirits sector, art and luxury services.

2.1.1 Luxury fashion sector in China

The growth of the interest in the luxury environment by Chinese population is a phenomenon that goes hand in hand with economic trends: the strong economic growth and government policies developed to boost consumption (Zheng & Kim, 2012).

The luxury market in China, according to McKinsey's China Luxury Report 2017 (McKinsey & Company, 2017), reached € 537 million in 2016, representing 32% of the total value of the sector. This percentage is almost tripled compared to the weight of China in the sector in 2008 and that will reach 44% in 2025 (McKinsey & Company, 2017).

As for the contribution of Chinese consumers to the global luxury market in details, this has grown exponentially during the last 10 years and has become a greater part of the worldwide value. From 152 billion RMB[19] spent by Chinese consumers during the year 2008 compared to the 1111 RMB spent by other worldwide consumers, the value grew to 537 RMB spent by Chinese consumers out of a worldwide total of 1142 RMB in the year 2016 (McKinsey & Company, 2017).

The perspective of growth of the luxury market are very positive, especially for the Chinese market since the total amount of RMB spent will constantly grow up as it can be appreciated in the figure 4.

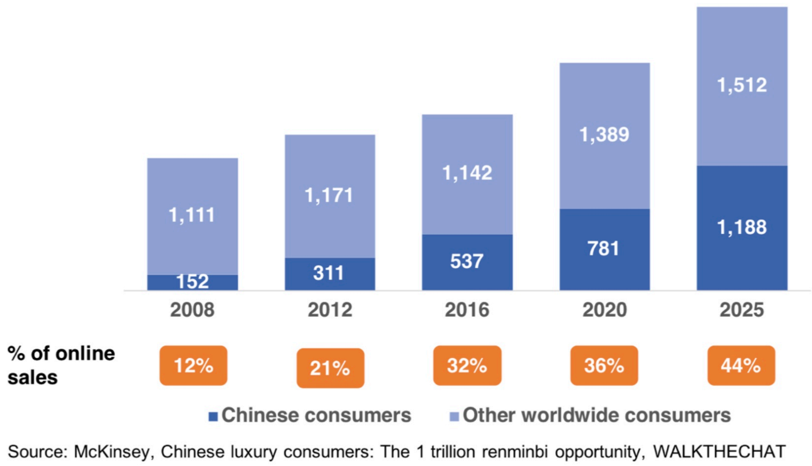


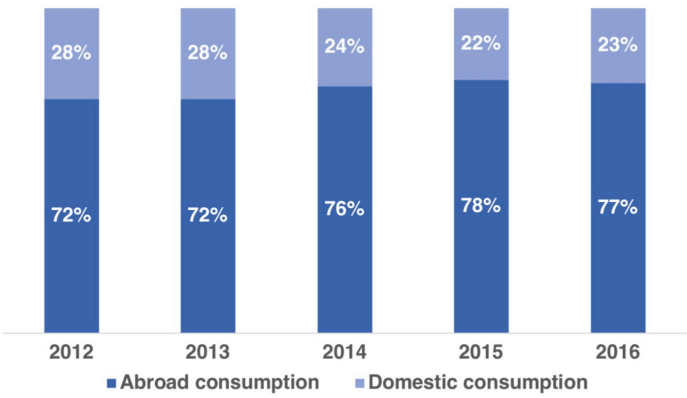
Figure 4, *Contribution of Chinese consumers to the global luxury market (global personal luxury goods spending, billion RMB*

[19] RMB, stands for Renminbi 人民币 or Yuan 元, the Chinese official currency.

Furthermore, the percentage of online sales grew together with the amount of RMB spent in this market. Going into details, the relationship between online Vs offline sales channels in China luxury consumption has changed over time. In 2011, offline consumption represented nearly the total in front of the 1% of online channels. At present, the relation has changed to 91%-9% and the perspective follows in the direction of a growth of online channels in front of offline ones: in 2021 it is expected to have an 87% offline and 13% online (McKinsey & Company, 2017).
WeChat shops are becoming the major sales channel for luxury fashion brands, 5% of sales comes from WeChat in 2017. WeChat is a more popular channel for buying luxury goods than aggregators such as JD.com and Tmall: 42% consumers would buy luxury goods on Wechat while only 21% will buy from aggregators. However, the most used app is Brand.com, chosen by Chinese consumers for the product authenticity, exclusive shopping experience and after-sales service among other reasons.

The results of a survey conducted by Secoo/Deloitte (2018) show the main reasons of online purchase: greater choice is the main reason for online purchasing (36.9%), followed by convenient order placement (35.8%), flexible ordering time (17.2%) and coverage in the consumer's region (10.1%). However, as previously mentioned, offline purchase is still the first choice of consumers due to the importance Chinese give to the in-store experience and customer service.

In relation to this topic, it is important to look at the distinction between domestics and abroad luxury consumption to better understand the Chinese customer habits. The abroad consumption is much greater than the domestic one, in particular greater than three times; this relationship has continued to be stable during the last years, as the graph below shows (Figure 5).



Source: Secoo/Deloitte CHINA LUXURY E-COMMERCE WHITE BOOK, Euromonitor, WALKTHECHAT

Figure 5, *Chinese Luxury Consumption Percentage: Abroad VS Domestic*

The reasons why Chinese consumers prefer to buy abroad are mainly two: need for reassurance and price sensitivity.

The first one comes from the fact that Chinese consumers are getting more sophisticated and cautious at the time, they look for the quality and authenticity: in many occasions this leads them to travel to the brand's country of origin or generally abroad to buy a specific product. Shopping is cited as the primary reason for some wealthy Chinese consumers' choice of travel destination, with an average of 5.9 international trips per year. The channels chosen in these occasions are always official ones, such as brand stores, duty-free shops and department stores, since they prefer them to the product assortment, quality of customer service and in-store experience of those shops at home (Graziani, 2018).

As previously mentioned, the role of the shop is really important for Chinese and it is useful also for companies to prove their brand strength, contribute to create a brand image and develop communication strategies (Checchinato & Hu, 2013).

It is essential for luxury brands to invest in unique store design and adapt store-design guidelines to the designs taught in local architecture schools in order to create distinctive store atmospheres and attract more consumers (McKinsey & Company, 2017).

The second factor that determines whether the purchase is made at home or overseas, the price, is becoming more and more a key discriminating factor due to the disparities in prices arising in international commerce (Graziani, 2018).

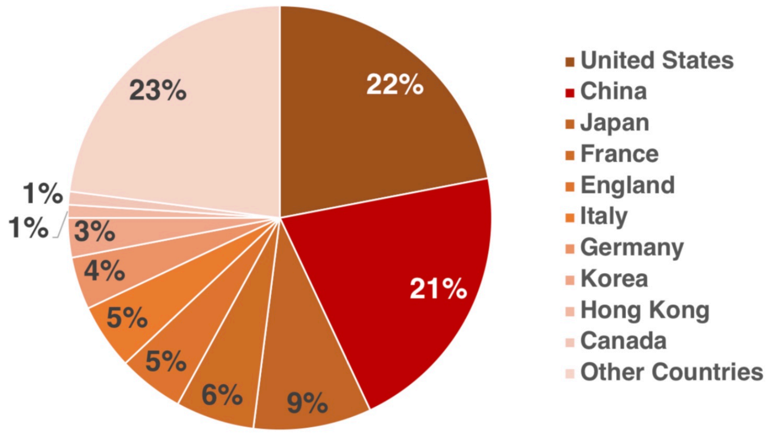
In relation to this phenomenon of buying luxury products abroad, the figure of the overseas buyer(代购 - Dàigòu) has emerged in China for those who do not want to go abroad and ask a person going to the West to buy a great stock of luxury products to resell in China.

The growing tendency of luxury shopping abroad is strictly related to great mismatch between the luxury supply and demand in China (Graziani, 2018). Despite the boom in overseas luxury spending and flagging demand at home, the number of luxury stores in Mainland China, in particular in the top 15 Chinese cities as measured by GDP[20], increased by 3.3 times from 2008 to 2016, while domestic sales increased by only 2.3 times (McKinsey2017).

[20] GDP (Gross Domestic Product)

Referring to this tendency, there is another mismatch that is interesting to be named: the main cities in which luxury stores are located are home to only 25 % of wealthy Chinese consumers of luxury, that means that the presence of luxury brands and the demand for their products are not directly proportional (Graziani, 2018).

To conclude, when looking at the percentages of countries taking up in worldwide luxury market (Figure 6), China occupies a considerable place (21%) nearly equal to the United States (22%), a luxury market greater than the one of countries such as Italy and France, countries of origin of some of the most famous luxury brands (Graziani, 2018).



Source: Secoo/Deloitte CHINA LUXURY E-COMMERCE WHITE BOOK, Euromonitor, WALKTHECHAT

Figure 6, *Percentage Countries Taking up in Worldwide Luxury Market (2016)*

Indeed, China is ranked 5 as the most popular country for luxury product sale after France, United States, Italy and Switzerland, with 7 companies in this sector and an average size of these by luxury good sales of 2682 US$m (Graziani, 2018).

2.1.2 The problem of counterfeiting

Despite the constant increase in the administrative and criminal protection actions of industrial brands and designs in China, the phenomenon of counterfeiting continues to grow and prosper (Carrol Burdick & McDonough International Lawyers LLP, 2013). Despite the development of enforcement activities, especially by means of raids and administrative seizures of counterfeit products in factories and warehouses in China or in Chinese customs, there is daily evidence of growing frustration on the part of foreign companies that are victims of counterfeiting. This frustration often

manifests itself in diametrically opposite negative reactions for foreign trademark holders in China (Carrol Burdick & McDonough International Lawyers LLP, 2013).
On the one hand, there are companies that react by increasing the enforcement activities until they pursue any form of violation, even the slightest ("blind enforcement") at the expense of a sensible administration of resources and with the risk of further spiralling down the feeling of impotence and frustration. On the other side, there are brands that have decided to ignore the problem and have abandoned any reasonable form of enforcement. This second type of reaction is often the final consequence of the sense of impotence due to exhaustion derived from blind enforcement (Carrol Burdick & McDonough International Lawyers LLP, 2013).
In both cases the negative consequences for the brand and the products are many. They are both commercial (loss of market share with relapses on other markets and labour force, dilution of the brand, weakening of the distribution chain, etc.) and economic-financial (economic damages from unjustified guarantees payments, civil lawsuits for defective product, administrative references, etc.)[21].

[21] Carrol Burdick & McDonough International Lawyers LLP, 2013

2.2 The Chinese consumer

In addition to these sector data, it must also be mentioned that some social aspects have to be considered as relevant in defining the context in which luxury brands are integrated: the development of a Chinese middle-class hungry for international luxury fashion goods, and the extraordinary spread of social media marketing, that meant an increasing interest of that segment of people called millennials (McKinsey & Company, 2017).

As for the growing richness among Chinese households, the number of households with growing incomes and, consequently, with greater access to the purchase of luxury goods doubled during the period 2008-2014 and an incremental growth is expected until 2025 (McKinsey & Company, 2017).

The most influential segment within the Chinese luxury market is now formed by the wealthy consumers, i.e. families whose monthly income exceeds 300,000 yuan, about $ 45,000. Their importance is such that it accounts for about 88% of total expenditure in the sector. In addition, compared to the average Chinese consumer, about half of them said they spent more than what was spent in 2016 (McKinsey & Company 2017). This increase in spending will mainly affect the purchase of products and brands more expensive than those currently purchased at present. This has a precise meaning for luxury companies that consider the Chinese market as a central market: their attention will necessarily have to focus more on building a trust relationship between customers and their favourite brand, rather than trying to attract new consumers. Wealthy Chinese will represent a major force behind this increase in luxury spending. By 2025, 7,6 million Chinese households will represent RMB 1 trillion in global luxury sales, double than 2016 (McKinsey & Company, 2017).

This category of consumers can be defined as impulsive heavy spenders since it is always more common to make more than one great purchase in a day and they are spending on average RMB 71,000 annually on luxury goods, 38% of them spend more than RMB 100,000 annually (McKinsey & Company, 2017). The products whose purchase was faster are prêt-à-porter garments, followed by bags and luxury watches. Because of the characteristics of this segment of people, a phenomenon as the word of mouth gains importance with the opinion of family and friends considered as influencers in the purchase decisions of nearly the 30 % of luxury purchases (McKinsey & Company, 2017).

Alongside the growing impulsiveness, another crucial factor is the role played by the initial consideration that brands enjoy within the set of known brands that consumers examine before acquiring more information on the luxury product they may be interested in (McKinsey & Company, 2017). The first source of information for the Chinese wealthy consumer is in fact represented by the first two brands that are for him the top of mind: as many as 93% of the products purchased by this segment is in fact in this set evoked (NN investment partners Column, 2017).

In this sense, as previously said, another big goal of luxury brands must therefore be today to strengthen the prominence of their brands, that is their brand awareness.

Finally, despite their increasing sophistication, Chinese consumers still need to be reassured about the quality and authenticity of the products they buy and are still very price sensitive. These needs are reflected in the types of shops where the richest Chinese families buy: mainly single-brand stores, department stores and duty-free shops (McKinsey & Company, 2017).

Analysing the consumers from another point of view, it is clear enough that with the evolution of preferences and habits, it becomes even more difficult to adopt the best advertising strategy in a such dynamic environment, especially when the protagonist is a generation much younger to the western ones in the same sector.

The millennials and the so-called Generation Z[22] are emotional shoppers; they are more concerned with the shopping experience as a whole rather than with the product's logo. This attitude has led to a confused answer of luxury brands whose main pride has usually been the promotion of the brands' history and heritage (Zheng, 2017).

An interesting point when aiming at dealing with Chinese millennials in the most effective way, is the importance of communicating the western brand as it is, without trying to conform to the Chinese taste. The key to its success lies in the fact that it is different, it has a unique brand culture, philosophy and products (Zheng, 2017). This is set in contrast to some companies' strategies that widespread use Chinese stereotypes causing a disinterested reaction of the consumer.

[22] People born between 1996 and 2010 are generally considered Generation Z.

Besides these aspects, the youngest generations care more and more about the ethic part when shopping: they seek transparency, creative points of view, interaction with brands to shape their personality in addition to the high-quality required by luxury brand products (Zheng, 2017).

According to a study by Jing Daily (2017), the growing individualistic mentality spread among younger Chinese generations leads them to seek luxury shopping as a virtual refuge from reality, an alternative way to spend their time free in total relaxation.

What luxury brands can do is an innovative use of their stores: emotional and exclusive shopping experiences (events, activities dedicated to the most loyal customers) that strengthen the relationship with the store during the purchase, making it a means of personal enrichment (NN investment partners Column, 2017).

Purchasing a luxury fashion brand product is a symbol of success, good taste and wealth that allow the consumer to be part of group with high status (Zheng & Kim, 2012).

Another feature of this generation is the interest in blurred gender roles, a tendency which is the effect of the wish for freedom, diversity and unconventionality (Zheng, 2017).

In light of the above, what luxury brands must pay attention to is the consistency behind their offer. This should take the form of a series of measures, such as the guaranteed offer of their products without geographical differences in price and assortment, an increasing attention to the needs of the wealthiest customers and an improvement in customer service (NN investment partners Column, 2017). However, consistency is not enough: brands must begin to approach in a new way, paying even more attention to the local dimension and building exclusive shopping experiences in iconic style stores inspired by the old oriental style (NN investment partners Column, 2017). In addition to this, companies should focus on increasing the space of their stores, rather than increasing the total number to increase sales efficiency.

2.2.1 The consumer's cultural background

To know the consumer, it is necessary to have a clear vision of his cultural background and of the environmental and historical context in which he lives, since these aspects influence the perception and evaluation of the brand.

The culture of the Chinese consumer and those of the consumers of the western countries present considerable differences. The cultural values of Chinese society make sure that this is not only different from Western societies, but also from eastern ones like the Japanese one. For example, following the model of Hofstede (1991), the collectivism typical of Chinese society is contrasted with the individualism that characterizes Western societies. Collectivism or individualism influence the tendency towards loyalty to one brand rather than another. Collectivism and group norms are cultural aspects strongly rooted in the millennial Chinese cultural tradition, and can be considered elements of the Confucian tradition, then taken up by the Maoist socialism that provided for the subordination of the individual and his needs to the collective interest. The relationships within the group (关系- Guānxi) allow the maintenance of social harmony and guarantee facilitated economic interactions among the members of the same network of relationships. This cultural aspect favours the purchase of goods/ services perceived and recognized as reliable within the group, while it negatively influences the purchase of products that lead consumers to differentiate themselves from the tastes of the mass. Furthermore, fidelity to a brand is often linked to the need to be recognized as part of a group, rather than to individual needs (Wang, Doss, Guo & Li, 2010).

Another value of extreme importance for Chinese society is the concept of face (面子 - Miànzi), which indicates the reputation and social acceptability of an individual within the group. The image of oneself that is offered to society is also expressed through the purchase, so this is the reason why the Chinese are led to buy well-known brands within the social group to which they belong and distrust brands that could make them appear to be part of other groups (Wang, Doss, Guo & Li, 2010). Luxury goods, in particular, are perceived as the privileged way to enter an elite group. The process that moves to a luxury purchase is increasingly conditioned by the desire to affirm individualism and personality.

The previously mentioned culture of face is a stronger driver in the purchase of luxury products than the economic aspect. The luxury sector in China has a relatively stable group of consumers who pay close attention to the intrinsic value and social status that is assured by luxury goods, in particular by famous and reliable brands (McKinsey & Company, 2017).

The desire to show off richness is a typical trait of Chinese culture which derives from the old traditional society. Thanks to its strong purchasing power, China continues to be very important for brands in this sector without showing any signs of decline and covering the first step of worldwide consumption of luxury products (McKinsey & Company, 2017).

According to Hofstede (2001) and its cultural dimensions, the Chinese society is characterized by a strong masculinity, that is it tends to recognize assertiveness as a fundamental value. There is a strong tendency to show one's status, to achieve symbolic and material goals, rather than to emphasize the achievement of personal, emotional or environmental goals that do not create profits (Wang, Doss, Guo & Li, 2010). Precisely for this characteristic, for consumers belonging to cultures characterized by masculinity it is important to buy products considered luxury to show off their wealth in terms of materials (Wang, Doss, Guo & Li, 2010).

As for the cultural dimension of the power distance, the Chinese one is very high, with strong and defined hierarchies. Consequently, there is a strong tendency to show the status in all possible ways, including through the purchase of luxury brands. For example, European brands convey a symbolic image of well-being, thus increasing the social acceptability of the Chinese consume (Wang, Doss, Guo & Li, 2010).

Alongside the high-power distance, there is respect for authorities, a fundamental value that conditions and influences purchases. In a conscious way, companies adopt advertising strategies in which the so-called opinion leaders - represented by elders, political leaders, authoritarian characters - recommend the purchase of certain products or services (Yau O.H.M., 1988). The Chinese company is characterized by a tendency to reject uncertainty and to minimize risk and, to avoid unpredictable situations, there is a need to put their trust in a brand that enjoys a good reputation (Wang, Doss, Guo and Li, 2010).

The space-time orientation that characterizes Chinese society is a type of long-term orientation. Furthermore, there is a particular tendency to respect the past and give importance to continuity (Yau O.H.M., 1988).
The relationships between things and with others are particularly affected by this space-time vision and are characterized by continuity: once a relationship is established it is difficult for it to be cancelled. For this reason, the Chinese are loyal consumers and, if they rely on a brand, it is rare for this link to break. Considering the long-term orientation of this country, marketing should implement long-lasting strategies that can gradually gain consumer confidence and establish continuity in the relationship between consumer and brand. Another element that belongs to societies characterized by a long-term orientation and which influences the decisions of the latter is pragmatism (Yau O.H.M., 1988).

According to the *Meet the 2020 Chinese Consumer* report (McKinsey & Company, 2012), the Chinese remain consumers of a pragmatic and conservative type, despite the strong economic growth in China accompanied by the growth in per capita incomes. Despite well-being and economic stability, they carefully consider whether a purchase should be made or not, while purchases driven by impulsive choices are rare. As a result, even if consumption is destined to grow in the future, the Chinese will keep their smart shoppers intact. Moreover, having the opportunity to compare prices and having digital platforms available, they will become even more careful to evaluate the product or service during the purchase phase (McKinsey & Company, 2012).

2.2.2 Geographical segmentation in the consumer analysis

In the case of China, given the vastness of the territory and the inhomogeneous distribution of the population, it is necessary to provide a geographical segmentation of consumers, since the market is immense and fragmented. This type of segmentation shows clear differences between urban and rural consumers.

According to a study by Schmitt (1997) on the segmentation of Chinese consumers, the urban population considers advertising for the purchase of a big-ticket item, an expensive and long-term item, much more likely than the rural population. Furthermore, according to Schmitt (1997), consumers who reside in cities would be willing to spend more on better quality products and services and have greater knowledge of foreign brands. As a consequence of this, the products and services that sell well in Beijing, Shanghai and Canton could risk a flop in small urban areas or in the countryside. Per capita income is also an element to be considered for correct segmentation. It is similar in Beijing and Shanghai, while in Shenzhen it is almost double that of Beijing (Schmitt, 1997). Furthermore, there are linguistic, cultural and gastronomic differences that are not negligible among the various areas of China. Consumer segmentation should also consider demographic groups within the cities themselves that differ in gender, age, education and employment. For example, in cities, young women, despite having more or less low incomes, spend their savings on cosmetics and trendy clothing of western brands (Schmitt, 1997). Regional differences in tastes and habits are still evident and this implies that multinationals wishing to compete in the Chinese market will have to consider these differences, adapting their strategies to the different tastes of consumers.

2.2.3 How consumer habits are changing?

Thanks to the ever-growing economy and the growth of per capita income and globalization, the habits of Chinese consumers are changing. Geographical, demographic or psychographic segmentation is destined to change, given the dynamism of the market. Due to the growing richness of Chinese households, by 2020, most consumers will become mainstream (McKinsey & Company, 2012), meaning they will be relatively wealthy and with an annual disposable income of $ 16,000 and $ 34,000. As a result, foreign companies will have a greater chance of launching premium (more expensive and better quality) products or services on the Chinese market, still considering those consumers considered as value consumers, who have a lower disposable income and are therefore led to buy low-cost goods or services.

Even the aspirations, regarding some aspects of the life of individuals, are changing: according to the report by McKinsey & Company (2012), in 2020 the percentage of graduate students enrolling at the university could reach 40%. This means that young people are willing to postpone marriage and tend to create a family only after they have finished their studies. In fact, over the past decade, the average age at which women have had their first child has risen from 24 to 27 years (McKinsey & Company, 2012). With the change in interests and aspirations, consumption also changes: undertaking university studies and not marrying soon implies having more time available to travel, have fun and have more money available for themselves. In this way, the demand for goods and services for leisure time increases. Even women, with the one-child policy, have had to look after fewer children and have had the opportunity to work. It is for this reason that the female employment rate in China in 2009 was higher than in India, Japan or the United States (McKinsey & Company, 2012). Women in China are increasingly independent and participate equally in buying goods that are useful for the whole family. Attracting the interests of consumers, increasingly more economically independent, could be a winning marketing strategy for Western companies. Another interesting aspect that currently characterizes Chinese society is aging and, in 2020, 5% more people will be over 65 (McKinsey & Company, 2012). Given the situation, the senior market, that consist in the products on the market addressed to the elderly population, will have to be expanded. Moreover, the new generation of seniors will have a different purchasing behaviour from that of the previous generation oriented towards basic necessities. The products on the market will therefore have to adapt to the new tastes of older consumers. In China there are more and more digital consumers, who rely on the web to find information and buy products online. E-commerce is increasingly popular, to the point that by 2020, around 30% of electronic products will be purchased online (McKinsey & Company, 2012). This rapid change is due to the improvement of applications available for online shopping, to increasingly secure systems for online payments and improvements in logistics. The Chinese consumer is increasingly dedicated to online shopping and has the opportunity to compare prices and offers or to know western brands that are able to meet their requests. Thanks to e-commerce, consumers have the opportunity to learn about niche brands, which, if purchased, would lead the buyer to differentiate themselves from the social group of which he is a part. Thus, a greater use of digital platforms could jeopardize the loyalty of the consumer in the best-known brands and could loosen the strong link between collectivism and purchasing behaviour.

2.3 China, a country always more digitalized

When talking about China, it cannot be omitted that it is the country in the world with the highest number of web users: 751 million people are connected to internet out of a population of 1,4 billion (East Media, 2018). This means that, as data analysed by Internet World Stats demonstrates, one Chinese out of two surfs the net and uses it to chat, look for information and buy online. This positive trend, as evidenced in the 39° report on internet diffusion in China elaborated by the China Internet Network Information Center (CNNIC), seems not to stop: the number of internet users doubled since 2008, increasing by 43 million in the period 2016-2017 (East Media, 2018).

The Internet is increasingly used by the Chinese who live in large cities: the inhabitants of large urban areas represent 73% of digital users, who grew by 37.7 million compared to the end of 2015, an increase of 7% (East Media, 2018). The situation in the rural areas is in line with last year's figures: there are 201 million Chinese people who regularly use the internet. It is interesting to underline that even though these are absolute numbers of great importance, the spread of the internet in China still has a huge potential: only 53% of the Chinese population is digitized (East media, 2018).

In this regard, the Google Consumer Barometer has reported data that show that Chinese users now prefer the smartphone for most of the activities: access to social networks (34% mobile, 11% pc), use of a search engine (30% mobile, 16% pc) and product search (11% mobile, 4% pc) (East Media, 2018).
Considering data traffic, the one related to the use of pc decreased of 12% during the year 2017, while the mobile one increased 10% reaching the quote of 61%, in front of 37% of pc (East Media, 2018).

Chinese users spend always more time connected to the web: according to a survey by Google Consumer Barometer conducted on a sample of people over 16 years of age, more than 8 out of 10 respondents report daily access and 4 out of 10 to watch a video at least once a week.
A survey conducted by Global Web Index on a sample of people with ages between 16- and 64-years old shows that Chinese people spend every day an average of 6 hours and 30 minutes connected with the pc and 3 hours and 26 using a mobile phone (East Media, 2018).

The time dedicated to social networks with all devices in China is 2 hours, in front of 1 hour and 53 minutes in Italy. Active users on social networks have grown by 10% compared to the previous year, reaching 911 million, as those who access it via mobile (East Media, 2018).
With the number of digital users, China is in effect a macro-region in the web world, with internal rules that differentiate it from other countries. Because of the Great Firewall, a sort of computer shield, access to certain sites is blocked: among these also giants such as Facebook and Google. The most used search engine in China is by far Baidu, followed by the emerging Shenma (a motor that can be accessed only via mobile), Haosou and Sogou. To get an idea, just consider that almost 75% of searches are done on Baidu, 10.5% on Shenma, while Google's share stops at only 1.7%, mainly used by those expatriates that access it through the use of VPN (East Media, 2018). Baidu is also used not only for research, but also for its related platforms: Baidu Baike (a kind of integrated Wikipedia) and Baidu Tieba, rather similar to Google+ (East Media, 2018).

2.3.1 Chinese's internet habits

If the most popular social networks in China are different from those in the West, the behaviour of users is also different. Chinese check from multiple sources and on different social networks the information they are interested in, especially if their research is aimed at buying a product or a service: in China only 20% of those who buy on e-commerce platforms visit the official pages of the brands compared to an average of 40-60% of the US and Europe (East media, 2018). It should also be noted that Chinese consumers place more trust in the information they can get on the internet than in the traditional channels of communication in the West: television and print media. A feature, the latter, that has led to a wide dissemination and use of Qr code, or particular codes usually printed in newspapers, magazines and billboards that allow you to directly access an online page to get more information, if photographed with a smartphone (East Media, 2018). There are several apps for their reading, but Chinese users prefer WeChat.

A study by McKinsey & Company (2017) shows that during the purchase decision, Chinese consumers find 3 of the 5 main points of contact with companies in the digital world: website, social networks and influencers. In particular, regarding the website, it is essential that it offers a user experience aligned with the tastes and habits of Chinese users, with a responsive layout (90% of accesses are from mobile devices) and above all based on a Chinese hosting. Chinese hosting allows the site to load faster and has significant benefits for indexing. Actions that must be accompanied by SEO (Search Engine Optimization) and SEM (Search Engine Marketing) targeted for Baidu (East media,2018).

From the case studies of East Media (2018) it emerges that the content and form of company communication must necessarily be different and localized. For example, in China users are more interested in storytelling and the company brand than the intrinsic characteristics of the product as it happens in Europe. There are also different tastes in colours and style: the Chinese prefer a certain vivacity and a greater wealth of content than we Westerners (East Media, 2018). Furthermore, the Chinese way of interacting with companies is different: they are more and more used to advanced and rapid customer care services, such as the possibility of chatting with the brand to receive information in real time (East Media, 2018).

2.3.2 The role of social media

One more aspect debated in this thesis, as previously briefly mentioned, is the role social medias have in advertising luxury brand fashion.

Social networks today permeate every aspect of our lives and provide us with the tools to relate to others, extend our productivity and nurture our interests. Mobile devices, wireless networks and Apps allow us to produce content in real time and to take advantage of online services, facilitating the direct connection between people, technologies and brands (Prunesti, 2016).

Social media are the tools that more than any others allow to explore new frontiers of business, spread ideas and innovative contents, participate in building a more direct, deep and engaging relationship between the company and all those who are part of its environment relational. Social medias' importance has grown so rapidly in the recent years that they now prove to be a very powerful channel allowing companies to engage directly their consumers. If used in a correct way, there are great benefits for a company, as for example an increased exposure and traffic, the development of loyal fans and business partnerships and a considerable improvement in sales (Prunesti, 2016).

The evolution towards a social business called for a cultural leap of the members of a company at all levels since it meant the shift from a unidirectional marketing campaigns to the creation of lasting relationship with consumers. When designing a social media plan, the definition of a SMART goal (specific, measurable, attainable, relevant, time-bound) to achieve is essential to lead the company toward the correct placement (Arienzo, 2015).

What a company must not forget in this context is to define its characteristics and personality that wants to transmit and stick to them in order to be always recognizable and stimulate the debate (Arienzo, 2015).

2.3.3 Social Media and Chinese consumers

China is becoming the global centre for many of the world's biggest internet companies, having gone from owning two high-market-value public tech companies in 2013, to nine in 2018 (Zheng, 2018).

By 2020, Chinese social media use is estimated to hit 647 million active users, resulting in a dramatical change of the consumers' behaviour and, consequently, in the strategies companies adopt when dealing with the Chinese market (King, 2017).

Social media marketing has significant positive effects on customer responses and brand equity, including on willingness to pay a premium price, brand loyalty and preference (Godey, B., 2016).

Nowadays, the success of a company in China is strictly connected to the use of social media it does since it seems impossible to build awareness or conversions without this means (McKinsey & Company, 2012).

Social media marketing is now part of every decision an organization takes. To succeed and to emerge from the huge variety of products advertised, a company must be present everywhere. It is not a concern of being deeply present in some social medias but of being everywhere, to expose the consumer to a constant influence and image of the brand and its product (Pan, 2017).

In Chinese social media, a main strategy that is used by luxury brands is "Offline to Online": the brand can skilfully use the platforms to promote offline activities and vice versa participants can show their experiences and share feedback on online platforms (Pan, 2017).

However, it must be noticed that consumers' tastes and preferences in terms of social media advertisement are shifting too, from emotional content tended to resonate more with users to entertaining and fun ads, so it is important that luxury fashion brands always keep up to date with the ongoing tendencies (Pan, 2017).

Generally speaking, what is interesting to highlight is that the use of social media done in China is much more developed than the one in western countries due to the internet and television regulations. Due to this controlled situation, social media became even more an important digital and social play in the creation of a connection between a brand and its consumer (Pan, 2017).

However, when dealing with such a peculiar society as the Chinese one, few considerations have to be made in order to amaze deeply the consumer and keep it loyal to the brand. Being active in the Chinese social networks does not mean translate posts into Mandarin, but to create a personalized content strategy and to cooperate with local influencers and audience in order to personalize the content, instead of broadcasting the same message to everyone (King, 2017).

Furthermore, we speak of a bilateral use of social medias when dealing with Chinese millennials. The most successful advertising campaigns through socials call for an active participation of consumers, that is exciting campaigns that entertain the consumers and that give them the opportunity to get in touch with the brand and learn more of it (Fromm, 2018).

Company should always be up to date with some ongoing trends such as interaction on mobile platforms. Those who have a weak mobile presence in China will deal with some problems since the digital experience is an important factor when Chinese consumers, now used to do everything with the smartphone, analyse a brand and its products (Zheng 2017).

A tendency which is now going on in China is the growing willingness of consumers to share personal information in exchange for benefits such as lower costs and personalization (Zheng, 2018). The promise of customized products is lately a great driver for Chinese consumers in the choice of a brand and product. It can be said that China can be considered now a land of opportunity for brands who are investing on the service of the of product's personalization (Zheng, 2017).

A developing phenomenon that goes hand in hand with the above ones is the one of livestreams. This is the newest shopping experience in China that aims at informing the consumer about a product and at giving him the possibility to clarify its doubts about it in real time just writing a review at the influencers livestream (Zheng, 2018). However, this communication strategy can be considered to some extent controversial when it comes to the promotion of these luxury fashion products since these brands have to balance the temptation of making quick sales off consumers' desire for instant gratification when maintaining the necessary distance to create a sense of exclusivity and aspiration (Zheng, 2018). Furthermore, there are also other advantages and disadvantages that can be mentioned in relation to livestreaming: among them the great involvement thanks to its interactivity and unpredictability.

Nowadays, a successful brand is the one who emerges in the generation of awareness and engagement on Chinese social media channels. The international brands that are now leading the way in this new marketing strategy are Gucci, Chanel and Dior (Whaley, 2018). These three brands prove to have a dominant position in the consumers' mind since they are changing their strategy in social media terms.

Gucci, for example, is always more concerned with the design of its fashion with the purpose of social sharing and tries to create opportunities for conversation about its brand pushing the boundaries of modern youth-focused luxury fashion. Chanel changed its policy of not paying social media influencers in order to better organize its strategy of posting in social media influencers' accounts. Dior started what is now an always more common activity that is to invite influencers from trendy video applications to attend its events and live-stream it (Whaley, 2018).

In contrast to the above-mentioned social media strategies, there are other luxury fashion brands such as Burberry that focus more its attention on search optimization rather than social media. Obviously, each brand decides which is the strategy that suits most its values and ideals, but it is clear enough that with a rapidly growing number of social media users, social media channels cannot be left apart when designing a communication marketing strategy (Whaley, 2018).

2.3.4 Chinese social media

In China, the social network question is rather thorny. Western social networks are programs that give free access to all kinds of information, so most of these in China are blocked. This is the case of social networks like Facebook, Twitter, Instagram and Google+, but also search engines like Google and a portal of documentaries/ videos like Youtube and Vimeo (East Media, 2018).

All these social networks are obscured by the Chinese firewall dubbed "Great Firewall" so that you can access it only by passing it and accessing a VPN network. The VPN is a software to be installed on the PC and on any other mobile device that will disguise the I.P. address so that the PC appears connected from other countries even if you are in China (East Media, 2018).

It is for this reason that Western social networks cannot be considered as for the Chinese case during the analysis of social media posts that will follow in the next chapter.

In order to overcome these barriers, China has created other social networks with characteristics adequate to Chinese taste and custom and, in some cases, with also many other functions than the simple one of sharing contents for private and advertising purposes (East Media, 2018).

As previously said, strong luxury fashion brands are those that communicate with consumers through the main China's social media platforms, Weibo and Wechat, which count respectively with 340 million and 938 million active monthly users (King, 2017).

Weibo 微博 (Wēibó) can be considered as a mix of Twitter, Facebook and Instagram (East Media, 2018). Indeed, it is a Chinese microblogging website as well as one of the most popular social media sites in China launched by Sina Corporation in 2009 (Freier, 2015).

Sina Weibo is the social platform most used by celebrities, companies and organizations wishing to establish direct communication with end users (in 140 characters). Compared to Twitter, Sina Weibo offers more potential: it is possible to create micro-blogs, polls and simultaneously share multiple photos, videos and files (East Media, 2018). Weibo is the platform most used by the Chinese to search for information in real time. As emerges from a study conducted in 2016 by CNNIC, the

three main reasons of use are: research of the latest news (72%), follow pages/ contents of personal interest (66%) and obtain practical information and advice (60%). A "must" for all companies that want to operate in China, Sina Weibo also offers a series of useful tools for marketing analysis (East media, 2018).
In any case, Sina Weibo continues to grow still trying to focus its strategy not only on mobile telephony. In April 2011, Sina Weibo CEO Chales Chao announced that Sina Weibo will develop through the three directions of the so-called "SO-LO-MO", which stands for social, local and mobile. With regard to this evolution, it should be emphasized that Sina Weibo differs from the western scheme in which the microblog platform is based on weak relationships, as Sina Weibo aims to reflect the relationships that really exist in real life (Freier, 2015).
It is in use by over 30% of Internet users, fairly evenly split between male and female, with 50.1% of men and 49.9% of women. Most of its users (55%) are born after 1980, and 37% after 1990, making its audience fairly young. Its users are predominantly located across China's coastal region. Weibo strongly drive e-commerce since Weibo advertisements closely match the consumer's need. According some users' opinions, Weibo promotions drive their purchasing decisions because on Weibo a brand seems trustworthy (Freier, 2015).

Wechat 微信 (Wēixìn) literally means "micro messages". It is a Chinese social media, instant messaging, commerce and payment services, mobile application software developed by Tencent (Boyd, 2017). It was first released in 2011 and by 2017 it was one of the largest standalone messaging apps by monthly active users, with over 963 million active users. It is a unique app that is a mixture of all other apps and services, which thanks to its commerce capabilities and the availability of mobile payment solutions has attracted many high-profile luxury brands. In this regard it is interesting to highlight how the WeChat Pay payment function is increasingly used. As emerges from the Global Web Index data, in 2017, 46% of Chinese consumers said they made a mobile purchase and WeChatPay was used by one in three people, reaching a few years AliPay's market share (39%), the payment system of the Alibaba e-commerce giant (East Media, 2018).
WeChat innovation is the use of the QR code. Each account has one and is one of the ways to get in touch with other users. The first WeChat campaigns were mainly based on QR code-accessed content, but they have then evolved with time taking the forms of

games, visuals and video to fully functional online stores that live within the multifunctional app (King, 2017).
In WeChat there is a deeper connection between company and customer, from one-to-one to one-to-one. With this concept we summarize the strength of WeChat, the brands communicate not only with their demographic target, but also with every single consumer or follower of the brand. Recently, WeChat launched WeChat Moment ads, similar to the sponsored posts seen on Facebook and Instagram, which include text, imagery and short videos that guide users to either a brand's official account or a specific promoted landing page (King, 2017).

Among the others most used social media platforms (Figure 7), there are also QQ, Zhihu and Douban (East Media, 2018).
The first one is an instant messaging app that also offers other services to the user such as blogs, games, emails and the ability to make payments online (East Media, 2018). Very interesting for all those companies that want to promote their brand and products on social channels, QQ allows the user to share content within groups of interest, offers tools for marketing analysis on the fans of the pages and lends itself well to email marketing (East Media, 2018). In 2017, as can be seen from the figure below, it was the only social network to decrease its percentage of users.
The second one, Zhihu, definitely more detached by volume of users, is a social network whose popularity is growing (East Media, 2018). Its operation is similar to that of Quora [23] and other question/answer platforms where registered users interact to exchange information that is usually very technical about products and services. Companies usually use Zhihu to check their brand reputation and answer users' questions about its products and services, in a more or less direct way (East Media, 2018).
The last Chinese social network, Douban, is a less popular platform than the main ones, but no less important. It is used to share opinions on specific topics (i.e. music, movies, culture and events) that can also be viewed by unregistered users (East Media, 2018). This social network can have a good impact on the credibility and perception of a brand, because the Chinese are used to exchanging information and opinions online even before proceeding to purchase a product or service (East Media, 2018).

[23] https://it.quora.com

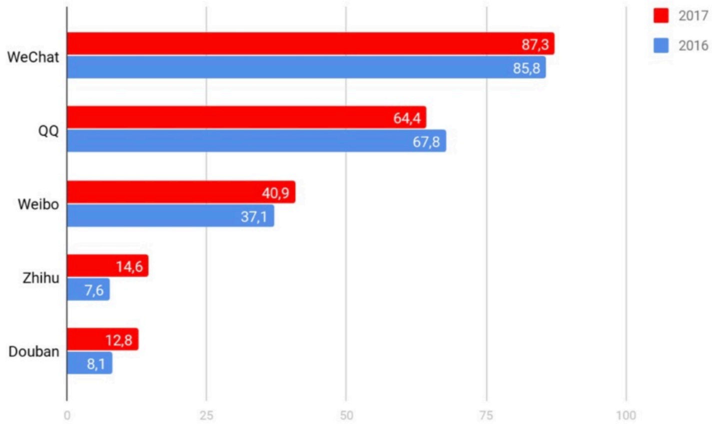


Figure 7, *Principal social networks in China: % of users declaring to having used a determined platform, 2016 vs 2017 (Source: East Media on 中国互联网络发展状况统计报告, 2018)*

2.3.5 The phenomenon of online word of mouth

Thanks to blogs and forums you can get to know new people and trends not only through your personal network, but also from unknown people, friends of friends. The phenomenon is known as online word of mouth, which differs from the word of mouth known in the literature since a different concept is applied to the same idea according to the channel used (Barreto, 2014). With the arrival of the web 2.0 some have started to call the online word of mouth, word of mouse not only because of the choice to use the internet, but also because traditional WOM is based on one to one/ one to few relationships, while word of mouse can also be read by the entire population of the web (Barreto, 2014).

The online WOM is an interesting and relevant phenomenon for companies that have started using it in their favour to create rumours around their work. Create virality and buzzword seems to be the key to success, but it is not always linked to immediate results (Barreto, 2014).

The companies have realized that cultivating a deep relationship between company and consumer, transforming the latter into an ambassador of company quality, would have made new customers arrive, thus reaching an economic advantage (Barreto, 2014).

Finally, it is important to remember that it's not just the followers that make up the WOM, but images, videos, music and messages are also in the same category. The interest of companies towards the WOM also resides in the relation between WOM and sales: studies have shown that a positive WOM towards the company increases sales and as a negative one reduces or leaves them unchanged (Barreto, 2014).

2.3.6 The growing importance of KOLs

In China as in every other country in the world, women need inspiration to create new and personal looks. This is one of the reasons there is a proliferation of blogs held for the most part by fashion fanatics and, in some cases, by experts in fashion. The blog has no nationality: there are Westerners who follow Asian bloggers and vice versa and each article can then be shared on various social networks (Ehrhardt, 2018). Every blogger tends to have a public profile on the main social networks with posts written using an informal language and the photos may not be related only to the fashion world. Bloggers make real shootings of their outfits, placing at the end of the article the brands worn. It is in this environment that the follower triggers not only the desire to own the clothing of the blogger but also live according to the same lifestyle (Ehrhardt, 2018). In order not to lose followers, a good blogger must always try to remain honest, spontaneous and faithful to his style so that the follower can continue to trust his taste. If the blogger gets a large number of followers he/she becomes a KOL (key opinion leader), a figure that can help the brand in communicating with the consumer (Ehrhardt, 2018).

The large number of followers and the degree of interaction and authority helps companies to develop awareness or push a call to action, a promotion or an event. In China influencers enjoy great reputation and thanks to the different digital tools it is possible to track and verify their performances through visualizations, "like", comments and sharing of contents, but also direct sales. If a person the consumer trusts buys an object of a particular brand, it means that the consumer can trust the brand. Many times, the same brands send items or accessories to KOL to test the reaction of consumers (Ehrhardt, 2018).

The distinction between KOL and blogger is not so clear, but it can be said that it is an evolution of a person in relation to the growth of its popularity. Bloggers and KOLs therefore prove to be fundamental in digital marketing strategies, even an e-commerce support. With over 581 million users making an online purchase in 2017, China is the world's first e-commerce market. In 2017 it grew by 12% and is expected to consolidate in the next few years with double-digit growth by 2020 (East media, 2018).

2.3.7 Communication mix for a luxury brand company

With regard to business communication, this is one of the four fundamental variables (or 4P[24]) that are included in the marketing mix and is defined as the set of relational processes that the company implements to interpret and influence the behaviour of the market and of their consumers in order to pursue their strategic objectives and achieve the desired positioning. To implement an effective communication strategy, the company must know the audience it wants to reach and what response it wants to get from it (Lambin, 2016).

The choice of the right communication mix is a very delicate decision for the company because it has to consider different aspects at the same time. Luxury brands, in particular, have multiple tools available to communicate with their consumers: some classics and others entirely new to the luxury sector. Among the traditional methods[25] are advertising through the media, public relations and sponsorships, personal relationships, fashion shows, events, direct marketing and promotions, but increasingly important are the so-called new media. These new tools exploit the enormous power of the Internet: businesses communicate with their consumers through the official websites, social networks, online platforms and blogs.

When an enterprise decides to operate in international markets, communication is one of the fundamental levers to be able to transmit to the consumers the values, the history, the culture of its brand and the quality of its products. To do this, the company needs an effective communication strategy from the cultural point of view, which includes a deep knowledge of the local market and its characteristics, in order to predict the reaction that the public will have with respect to the message (Checchinato, 2011). Communication is one of the fundamental components of international marketing, but at the same time reflects the cultural values of consumers; for this reason, global brands in developing their communication

[24] Product, Price, Place and Promotion
[25] https://open.lib.umn.edu/principlesmarketing/chapter/11-2-the-promotion-communication-mix/

strategy have to deal with the dilemma between standardization and adaptation: they are called to decide whether to develop a homogeneous and undifferentiated strategy in different national contexts (Checchinato, 2011).

Luxury brands are niche brands and for this reason they have always been oriented towards specific consumer profiles: this fact has always been reflected in the great use of a selected mix of communication channels and a lot of attention to the development of direct contact between the brand and consumers. However, luxury brands companies have now understood the great potential of those online communication media that reach an increasingly large audience and the importance of being present in the same means of communication the consumers use (East Media, 2017).

While in the West to ensure that a brand and its posts on social networks get high visibility, it is necessary that the company provides a fairly large budget to sponsor their content on the social in question, in China, although this method is still used, brands can attract their consumers on social networks by using other non-paid activities, such as the possibility for customers to download targeted promotions and coupons or personalized greeting cards (East Media, 2016).

2.4 Empirical study of Chinese consumers

In order to better understand Chinese consumers habits and to check whether what said before is really reflected in reality, I decided to prepare a questionnaire in order to conduct an empirical study.

Thanks to the opportunity of studying in Beijing during the spring semester 2018 and to the contacts gained during my other experiences in China, I had the possibility of submitting a questionnaire directly to 151 people.

After the elaboration of 15 questions concerning communication and advertising, product and distribution aspects, I designed the questionnaire online on the platform Tencent Questionnaire[26] and shared with my contacts through Wechat 微信 (Wēixìn).

The period of data collection was from the 15 of May 2018 to the 8 of July 2018; the month of July was then dedicated to the analysis of results and the elaboration of the following discussion.

- **Sample characteristics**

As for the sample's characteristics, the following figure (Figure 8) gives a clear overview of it.

As it can be appreciated in the table below, the majority of people answering the questionnaire was female (74.2% in front of 25.8% males). The age's average resulted to be 25,25 years old, with 17 years old as for the youngest interviewed person and 44 years old as for the oldest.

People answering the questionnaire were mainly from Chinese big cities, Beijing, Shanghai, Xi'an among them, but also from areas that are not as developed as the one previously mentioned, as Jilin province.

More than half of people interviewed was a student, followed by teachers and company's employee, with a bachelor's degree as educational level (41.7%) or master's degree (39.7%).

The sample seems to be part of that developing Chinese middle-class, with a monthly salary income greater than 10000 yuan, corresponding to 1500 €.

[26] https://wj.qq.com

As for experiences abroad, more than half of the sample (60.3%) travelled outside China but only 39.7% went to Europe and 29.8% to Italy.
A limitation found in the collection of data has been the impossibility of submitting the questionnaire only to those people that are interested in and usually buy luxury brand products; however, this can be also considered an advantage since it considers a range of consumers with different habits, demonstrating that there is not a single trend.

Gender	Female	74.2%
	Male	25.8%
Age	Avarage	25.0%
City of residence (top3)	Beijing	38.0%
	Shanxi Region	15.0%
	Jilin Region	14.0%
Profession	Student	56.0%
	Teacher	14.0%
	Company's employee	14.0%
	Retail Owner/Artisan/Entrpeneur	5.3%
	Factory worker	0.7%
	Retired	0.7%
	Housewife	0.7%
	Farmer	0.7%
Education level	Elementary school	6.0%
	High school	7.9%
	College	3.3%
	Bacherlor's degree	41.7%
	Masters's degree	39.7%
Family income (month)	>10000 yuan	53.0%
	7001-10000 yuan	15.2%
	5001-7000 yuan	13.9%
	3001-5000 yuan	6.6%
	0-3000 yuan	6.6%
Abroad experience	Yes	60.3%
	No	39.7%
Been to Europe	Yes	39.7%
	No	60.3%
Been to Italy	Yes	29.8%
	No	70.2%

Figure 8, *Characteristics of the sample considered (personal elaboration)*

2.4.1 Analysis of consumers' answers

- **First part: communication and advertisement**

The first part of the questionnaire was aimed at getting to know the consumers' opinion in terms of communication and advertisement of luxury products.

As far as interviewee's habits, the majority of them is not very interested in luxury products and only the 20.5% looks for these kind of information more than 5 times a month, 13.9% three to four times every month.

When asking about the channels people use to get the information about the luxury brand's products, people were asked to evaluate from 1 to 5 the frequency with which they use different communication channels (Likert scale).

As it can be seen from the table below (Figure 9), there is not a most given answer and the general tendency is to attribute medium-low values, with no high peaks. However, there are some results that are worth to be commented.

What emerges at a first sight is that the highest values are the ones standing mainly in the first and second column, showing those means of communication that are not used by people to get information about luxury products. Going into details, paper media, tv and radio, those traditional communication medias, are the less used with very low scores.

The results of the questionnaire prove to be coherent with the general trends previously commented in the thesis since the WOM through family and friends obtained the third best score (mean equal to 2.24), after social platforms such as WeChat, Weibo (mean equal to 2.79) and shopping websites, such as Taobao, Tmall, and the official website of the brand (mean equal to 2.54).

To conclude, physical stores and promotional activities also obtained good score (a mean of 2.27), confirming the importance attributed to them in other studies and in company's marketing strategies.

		1	2	3	4	5	
		Never	Occasionally	Sometimes	Often	Always	Mean
实体店，如超市、商场等	Physical stores, such as supermarkets, shopping centers, etc.	26.49%	36.42%	25.83%	5.96%	5.3%	2.27
推广活动	Promotional activities	33.77%	33.77%	22.52%	5.96%	3.97%	2.13
朋友、家人	Friends, Family	31.13%	32.45%	24.5%	5.3%	6.62%	2.24
电视、广播	TV, radio	39.07%	35.76%	15.23%	5.96%	3.97%	2
社交平台，如微信、微博等	Social platforms such as WeChat, Weibo, etc.	17.22%	25.17%	33.11%	10.6%	13.91%	2.79
纸质媒体 (报纸、杂志)	Paper media (newspapers, magazines)	42.38%	29.8%	18.54%	5.3%	3.97%	1.99
购物网站，如淘宝、天猫、品牌官网等	Shopping websites, such as Taobao, Tmall, official website of the brand, etc.	21.85%	29.8%	28.48%	11.92%	7.95%	2.54

***Figure 9**, Sources of information about luxury products (personal elaboration)*

Since the growing importance of social media in the application of an effective communication strategy for companies was confirmed by interviewee giving social media promotion an importance ranging from 4 to 5 in Likert scale with values ranging from 1 to 5, a question about the interviewee's favourite social media platform was necessary. It resulted that the most used is WeChat, followed by Weibo, Youku and finally QQ.

In addition to the improvement of the quality of social media marketing, companies should also focus on the organization of public events in order to reach a greater number of clients. Generalization, of course, cannot be done when analysing consumers' opinions and habits, but it emerges from the people interviewed that these events can be a good way to know a luxury brand (66.2%). However, the majority (78.1%) replied not to have taken part in this kind of event.

- **Second part: Product**

The second part of the questionnaire asked questions from a perspective centred on the product and the perception of it.

The answers collected with the questionnaire were quite different as it can be appreciated in the table below (Figure 10).

When speaking of a product, it must be said that it is the sum of various elements and cannot be considered as a whole. For this reason, it is important to understand which are the elements people value most when choosing among many different products; in addition to this, this analysis can help companies to realize which aspects need more investment and effort to be improved.

When looking at the results of the evaluation on a Likert scale of the importance of each of the elements in the figure below, the majority of the elements prove to be attributed a medium importance. The elements that, according to the interviewed sample, obtained higher scores are quality (mean equal to 3.14), price (mean equal to 3.03) quality- price ratio (mean equal to 2.99) and fashion (mean equal to 2.98).

In addition to it, what emerges from the results is that the sample does not nearly attribute importance to factors as the form and shape of the product (mean equal to 2.56) and its facility of use (mean equal to 2.54). Finally, brand and material play quite a relevant role in the choice of a product being attributed respectively a mean equal to 2.89 and 2.91.

		1	2	3	4	5	
		Not important	Not to important	Quite important	Important	Very important	Mean
质量	Quality	9.27%	12.58%	49.01%	13.25%	15.89%	3.14
时尚	Fashion	7.95%	25.17%	41.72%	11.26%	13.91%	2.98
价格	Price	7.28%	23.18%	43.05%	11.92%	14.57%	3.03
材料	Material	10.60%	26.49%	37.75%	11.92%	13.25%	2.91
使用期限	Term of use	13.25%	35.76%	29.14%	11.92%	9.93%	2.70
形状	Form/Shape	13.25%	38.41%	33.11%	9.27%	5.96%	2.56
品牌	Brand	11.92%	24.50%	37.09%	15.23%	11.26%	2.89
使用简单	Easy to use	21.19%	31.79%	27.15%	11.92%	7.95%	2.54
性价比	Quality-price ratio	10.60%	23.18%	38.41%	12.58%	15.23%	2.99
性能	Performance	10.60%	23.84%	39.07%	15.23%	11.26%	2.93

Figure 10, *Evaluation of the importance of the components of a product (personal elaboration)*

Another component of the product is packaging and, in a society as the one we are living in now in which the external appearance is very important, it was confirmed through the questionnaire that people give this product's aspect a considerable importance. In particular, on a Likert scale from 1 to 5, only 13.9% of the people interviewed gave a score between one and two while the other ones valuated packaging as important: 41.7% attributed it an importance equal to 3, 22.5% to 4 and 21.9% to 5.

Furthermore, according to one of the emerging trends previously discussed, the questionnaire confirmed that the greatest part of consumers is interested in the service that allows to have a personalized product (29.8% of people attributed it an importance equal to 3, 34.4% to 4 and 28.5% to 5 in a scale that considered 1 as not important and 5 as really important).

- **Third part: Distribution**

The last section of the questionnaire dealt with the question of distribution. To understand which the distribution channels are to buy luxury product, and which are the channels companies need to invest more on, a question about the most used distribution channel was made (Figure 11).

When looking at the mean of the values, it is clear that the difference among the elements is not great since they are attributed very similar scores. This means that there is not a distribution channel that is by far the most used. However, when going into details, it is worth to be mentioned that the 37.09 % of people interviewed always use overseas buyers to have access to fashion luxury products. A department store (with a mean equal to 3.69) proves to be a very used choice among people interviewed together with the website of a single brand (mean equal to 3.68) and multi-brand franchise shop (mean equal to 3.67).

The lowest value was obtained by phone app with a mean value equal to 3.39.

		1	2	3	4	5	
		Never	Occasionally	Sometimes	Often	Always	Mean
手机 app	Phone app	11.26%	9.27%	31.79%	24.50%	23.18%	3.39
购物网站 (多品牌)	Website (multi-brand)	7.95%	11.92%	34.44%	21.85%	23.84%	3.42
购物网站 (单一品牌)	Website (single brand)	5.96%	7.28%	27.15%	31.79%	27.81%	3.68
海外代购	Overseas buyer	5.30%	10.60%	27.15%	19.87%	37.09%	3.73
百货商店	Department store	6.62%	9.27%	19.21%	38.41%	26.49%	3.69
专营店单一品牌	Franchise shop (single brand)	7.95%	10.60%	21.85%	31.13%	28.48%	3.62
专营店多品牌	Franchise shop (multi-brand)	3.97%	13.25%	22.52%	32.45%	27.81%	3.67

Figure 11, *Distribution channels (personal elaboration)*

Even if online shopping is becoming more and more used, the physical point of sale continues covering a very important role. Among the elements that contribute to make the point of sale more attractive there are the staff's behaviour, professionalism and preparation of the service, and the refined interior decoration.
As it can be seen in the figure below (Figure 12), the second element seems to be more important than the other two, as for the sample opinion.

		1	2	3	4	5	
		Not important	Not to important	Quite important	Important	Very important	Mean
服务员态度	Staff attitude	9.27%	18.54%	40.40%	13.25%	18.54%	3.13
服务专业度	Professionalism of the service	5.96%	21.19%	39.74%	13.25%	19.87%	3.20
精致装修	Refined interior decoration	11.26%	33.77%	30.46%	13.91%	10.60%	2.79

Figure 12, *Characteristics of an attractive point of sale (personal elaboration)*

As for luxury products in particular, the majority of people interviewed (68.2%) seems to be reluctant to buy online and still prefer the physical point of sale: 57% of interviewee never buys luxury products online, 38.4% does this kind of purchase one or twice a month while just 1.3% more than five times in a month.
The following figure gives a perspective of the reasons that leads consumers to be reluctant to buy luxury products online (Figure 13).
Among the given answer of the interviewed sample, the counterfeiting risk is undoubtedly (76.2 %) the one that with the greatest result followed by the lack of the possibility to touch of the goods before buying them online (57%) and two other problems that are strictly related to these two one: problems with sizes (51.7 %) and commercial frauds online (51 %).

		Number	%
尺寸大小可能不清楚	Problems with sizes	78	51.7%
伪造的风险	Counterfeiting risk	115	76.2%
延迟到货	Late delivery	46	30.5%
网络购物中商品的触觉与感觉缺失	Lack of touch of goods bought online	86	57%
网上购物欺诈	Commercial frauds online	77	51%
隐性成本	Costs	38	25.2%
没有销售助理，没有销售援助	Lack of assistants and sales support	35	23.2%
退款困难	Difficulty of repayment	50	33.1%

Figure 13, *Reasons not to buy online (personal elaboration)*

Since problems that can emerge after an online purchase are various, as can be seen above, and one of the negative elements of this kind of purchasing method is the lack of assistance, the majority of interviewed people (64.9%) attribute to the post-sale service a great importance.

2.4.2 Discussion of the results of the questionnaire

After having analysed all the data in details, what emerges is coherence between the results obtained and the literature's theories and ongoing trends.

First of all, the importance of online means of communication and social media platforms (especially WeChat and Weibo) is evident from people's answers in front of the decrease in importance and use of traditional communication channels as a source of information, such as paper media and tv and radio.

However, personal contact seems to be still important and it is confirmed by the elaboration of marketing strategies giving value to the physical point of sale and to the employee's attitude and preparation. In addition to these factors, it also resulted that events and the potential of the word of mouth among family and friends are important elements to be considered.

Secondly, as far as the perception of products is concerned, quality and price cover a very relevant role and the relation between them proves to be one of the key factors that influences the purchase. This confirms the general attitude of consumers when they are in front of a choice of luxury brands products, willing to be sure of the authenticity of the product.

According to what was previously said about the personalization of product, companies should not forget, in my opinion, about this premium service since it contributes to greater sales and brand's success.

Thirdly, as for the distribution habits, the sample's answers confirmed the trend of the growth of the phenomenon of the overseas buyers and e-commerce. However, the sample expressed also the negative aspects of these kind of purchase, evidencing the counterfeiting risk and the lack of the possibility to touch of the goods as the principal reasons not to buy online.

A general comment that can be made is the high tendency of interviewed people to reply with medium or relative values, not attributing the highest importance or the highest frequency in many cases.

Furthermore, it is important to be highlighted that what arises from the analysis cannot be taken as general for the whole China, since the sample is limited to 151 people and, simply looking at this small sample, it stands out how different the answers can be depending on the family and cultural background of each individual.

3. QUALITATIVE ANALYSIS OF SOCIAL MEDIA POSTS

An interesting point to be considered in this kind of cross-cultural analysis, is the choice of colours: colours are often brought back to feelings and meanings, which are elements that can change among cultures.

The following figure (Figure 14) presents the meaning associated to colours both in China and Europe. As it can be noticed at a first sight, there is a consistent difference in the meaning expressed by some colours, such as white, black and purple among others. For this reason, this is an important aspect to be considered when a company promotes its brand and products, to avoid misunderstandings and possible future losses.

	China	**Europe**
White	Death	Purity, simplicity, safety, cleanliness, wedding
Yellow	Nourishing, royalty, success, power and sanctity.	Hope, optimism, anxiety
Orange	Love and happiness	Optimism
Red	Fire, energy, passion, power, love, good luck and long life, used in many ceremonies.	Love, passion, excitement, success, danger
Green	Nature, growth and freshness but also adultery	Nature, good luck, jealousy
Blue	Calm, tranquillity, spirituality, immortality	Tranquillity, calm, reliability, trust
Purple	Mourning, misfortune	Royalty, respect, wisdom, luxury, mourning
Brown	Earthy	Dependable, wholesome
Black	Wealth and health	Authority, elegance, tradition, death

Figure 14, *Association of colours and meanings in China and Europe (personal elaboration)*

Engagement and tone of voice

Create engagement means to create strong relations that improve the quality of loyalty, increase the volume of word of mouth and the prestige of a brand (Arienzo, 2015).

The engagement measures the success of the message shared with the public, therefore it does not depend on the number of followers but on the quality, that is the involvement level of every single followers that interact with the published contents. For this reason, sometimes it is better to have less followers who are very interested in the brand and demonstrates their positive attitude towards it with the purchase of a good. An effective social media marketing campaign can be measured by its capacity of engagement (Arienzo, 2015).

Among the different elements that help to measure the level of engagement there are: people that interact with the post liking, sharing, commenting it; posts and pictures uploaded voluntary by followers and answers to questions or offers. When a company's engagement on a social media platform is not high, there few actions that can be taken in order to keep a more active and visible page (Arienzo, 2015):

- Interesting and useful posts for the followers.
- Frequent communication. It is recommended to create a publishing schedule to keep always up to date.
- Pictures are the content with the highest rate of engagement followed by video and links. Avoid long text messages.
- Choose the best day and time to post. There is not a magic formula since it depends on many factors; it is essential to analyse and conduct many tests to get to know them.
- Appreciation of and interaction with followers. The more a follower feels unique and that the company considers its preferences, the higher the engagement rate is. Following this, the creation of exclusive events, coupons, contests prove to be a good strategy to achieve the company's aim.

The tone of voice is the style and personality that defines the communication style of a company. It is important to define it in order to transmit in a coherent and credible way the personality of the company and brand (Arienzo, 2015).

When speaking about social media, it is important give a brief definition of terms such as call to action and hashtag, since they will be then considered in the analysis of social media posts. Call to action is an invitation to action that is a sentence or a word that stimulates the user to do something (ex: Download now! Book now!). Hashtag (#) is a tag which is associated with a content that has relation with a particular topic, sector, word or event (Arienzo, 2015).

3.1 Choice of the social media platforms

In order to analyse the differences and similarities and the level of adaptation or standardization in the use that fashion companies make of social media in the Western context compared to the Chinese one, I decided to consider a sample of 10 companies of the luxury fashion sector.

The collection and analysis of the posts has been done in the month of June.

The criterion that I adopted to select the posts is the temporal one, focusing on the last 20 posts of each of company on Facebook platforms, reference for western social communication, and Weibo, reference for Chinese social communication. This means that the post taken into considerations are 200 in total, in a temporal period ranging from the 1st of June 2018 to the 30 of March 2018, depending on the posts' frequency of the considered companies.

My choice of these two social media is due to their similar features, in terms of:

1. Interaction with netizens;
2. Number of followers of companies' page;
3. Communication style and materials, i.e. communication of the products, company's value and events.

In the previous chapter, an overview over Weibo and its main characteristics was done, therefore I may spend few words explaining what Facebook is.

Facebook, the American social media created by Mark Zuckerberg in 2004, proves to be the platform used by the majority of the companies that decide to communicate to their consumers through social media[27]. Creating a Facebook account is the first step

[27] https://www.theguardian.com/technology/2007/jul/25/media.newmedia

to start working in the field of Social Media Marketing, since it creates a public blog where the followers see in real time all the updates, promotions and products of the brand and can also interact in a direct way with the page commenting, displaying or sharing the contents. Facebook represents, therefore, an excellent self-promotion tool that has the advantage of being in direct contact with the final consumer who can immediately provide his considerations and impressions on the products presented to him by the companies in question[28].

3.2 Choice of luxury fashion brands

According to the following table (Figure 15) elaborated by the RTG Consulting Group, the top 20 relevant luxury brands in China are all western brands, being mostly Italian, French and Americans brands.

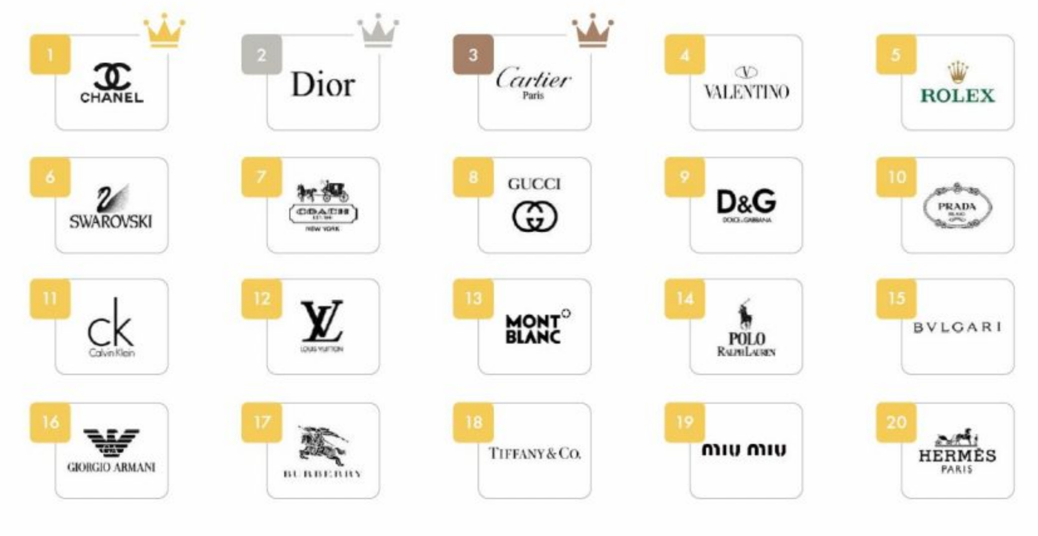


Figure 15, *Top 20 Relevant brands – Luxury China (Pan, 2017)*

Taking into considerations this classification as a starting point, I decided to consider those luxury fashion brands with the greatest number of followers both on Facebook and Weibo as object of my analysis (Figure 16).

[28] https://www.theguardian.com/technology/2007/jul/25/media.newmedia

	Company name	Chinese name	N° Followers Facebook	N° Followers Weibo
1.	LOUIS VUITTON	路易威登	22.649.230	1.451.271
2.	CHANEL	香奈儿	21.429.349	2.488.733
3.	BURBERRY	博柏利	17.334.873	1.230.989
4.	GUCCI	古驰	17.325.128	3.274.519
5.	DIOR	迪奥	16.496.255	2.185.272
6.	DOLCE&GABBANA	杜嘉班纳	11.416.461	899.942
7.	COACH	蔻驰	7.242.520	3.317.201
8.	PRADA	普拉达	6.461.213	401.015
9.	BULGARI	宝格丽	4.414.715	1.430.118
10.	VALENTINO	X	4.312.748	739.531

Figure 16, *Luxury Fashion brands to be considered*

These 10 luxury fashion brands are very popular in China nowadays and take turn the title of "most desired luxury brand" among consumers.
Even if the marketing strategies adopted by these companies may be different, there are some common elements that are worth to be mentioned that characterize the way brands present themselves in the Chinese market.

As for the product point of view, a common trait among these companies is the tendency of giving the consumer the possibility to personalize its luxury brand product: lately, this aspect has a very relevant role because it contributes in a great way to make the buyer feel even more unique and special just for the fact of having bought a personalized product. However, there are also some different tendencies as for the product innovation: Louis Vuitton, for example, specializes in making timeless products with products that have not changed much over the years. On the contrary, luxury brands such as Dior and Prada tend to launch new collections nearly every year.

As for the distribution aspect, despite the enormous growth of e-commerce, especially through WeChat and online websites, the physical shop still covers a very important role for these luxury brands which compete on making the shopping experience unique and unforgettable, organizing also special events and sponsoring occasions.
Another key common factor among the selected companies, is the control of the distribution to preserve the authenticity of the brand; the number of luxury brands'

shop is not purposely growing in order to keep its exclusivity and to push those people who wants to buy luxury products to travel abroad to the brand's country of origin.

As for the communication aspect, there are few marketing strategies to be mentioned that characterize, in a more or less high degree, the 10 brands I chose.
First of all, a common strategy of making luxury relevant with KOLs, as previously said in the previous paragraph. In addition to the use of influencers and people of public relevance, all the selected companies take care of social media communication, having a strong commitment both on Weibo and on WeChat profiles.
Furthermore, a new way to engage consumers is the creation of online and interactive games to let people get to know the brand and its products is a funnier and closer way.
Another interesting aspect to be mentioned is the will of integration in to the local digital market: this can be achieved, for example, by the adaptation or phonetic imitation of brands' name to make them seem more Chinese.
Another common tendency among these luxury brands is the one of sharing their brand's history with Chinese consumers in order to evoke emotions and transmit their values.
One last aspect of the marketing strategies that is worth to be mentioned is the growing commitment of the considered foreign luxury brands to the creation of brand's art collaborations that can fuel the expression of brand identity and engage aspiring consumers, partnerships with Chinese brands (Burberry has benefited from the expertise of Ogilvy, a leader in China), the corporation of social responsibility programs in China.

3.3 Analysis of Facebook and Weibo's posts

The aim of these study is to analyse and compare the way the companies previously selected communicate through social media, both to the western and the Chinese consumer.

3.3.1 Method

In order to comment aspects as the kind of interaction used, the communications materials, the similarities and dissimilarities in the level of engagement and tone of voice used, Facebook and Weibo's posts were at first simply selected and collected.

The second step to conduct the qualitative analysis was the codification of the posts, that is the classification into three categories: advertising, partnership and sponsorship.

The first group comprehends all those posts that advertise, through a video, a photo, or a sequence of photos, a product or an event; the second group consists in posts that present cooperation between the fashion luxury brand and other organizations; the third group gathers all those posts whose content consists in the presentation of a product thanks to a sponsor to give a strong brand image, a celebrity for example.

The posts' partition was as it follows:

- 140 posts over a total of 200 for advertising;
- 3 posts for partnership;
- 57 posts for sponsorship.

At a first sight of these data, considering the sample of posts, it emerges that the most common content of social media posts published by the selected companies is advertising.

On the contrary, partnerships are the fewest as for the sample analysed, with just one post example by Bulgari cooperating with Save the Children and two posts by Dior having partnerships with two artists in the organization of the Dior Cruise.

Sponsorships represent a quarter of the analysed posts, demonstrating the fact that the use of celebrities and KOLs plays a very important role in the communication strategies of companies which want to influence and inspire consumers.

The third step in the examination of the posts was the categorization, that is the identification of categories to assemble the posts.
The categories I designated were four:

- Classic advertising: campaigns through the use of models and advertisements aimed at presenting the single product;
- Advertising campaigns through the use of KOL (key opinion leaders) and celebrities;
- Events;
- Transmission of brand values through historical revisitations and artistic re-elaborations (Tv series, documentaries).

3.3.2 Discussion

Following, I would like to comment some of the aspects I believe are noteworthy in the analysis of the selected accounts and posts.

Brand name

Among these 10 examples of companies that communicate to the consumers both with a Facebook and Weibo page, there are 7 that also translate the brand name into Chinese characters.
The table below (Figure 17) shows the translations in characters chosen by the 9 companies and their pronunciation in pinyin: all the brands choose a translation that recalls the original sound of the brand name, so as to exploit brand awareness linked to the knowledge of the name of the company.
Therefore, Valentino seems to assume that the name of its brand is known and recognizable by Chinese consumers even if transcribed in its original form.

Company name	Chinese name	Pronunciation
Bulgari	宝格丽	Bǎo gé lì
Burberry	博柏利	Bó bǎi lì
Chanel	香奈儿	Xiāngnài'er
Coach	蔻驰	Kòu chí
Dior	迪奥	Dí'ào
Dolce&Gabbana	杜嘉班纳	Dù jiā bān nà
Gucci	古驰	Gǔchí
Louis Vuitton	路易威登	Lùyì wēi dēng
Prada	普拉达	Pǔlādá

Figure 17, *Chinese translation of luxury fashion brands*

Logo and colours

As for the logo, all the selected companies have the same logo both on Facebook and Weibo, with the exception of Dolce&Gabbana whose logo's background colours are different: white for the Facebook version and black for the Weibo's, according to the meaning of colours previously discussed.

Colours of the home pages and posts are mainly the same on the two social media platforms, with just some adaptations. However, what occurs in many Weibo's accounts is the choice of one single colour as the page's background in contrast with the tendency on Facebook of having pictures of both models and products, as can be appreciated in the example below (Figure 18).

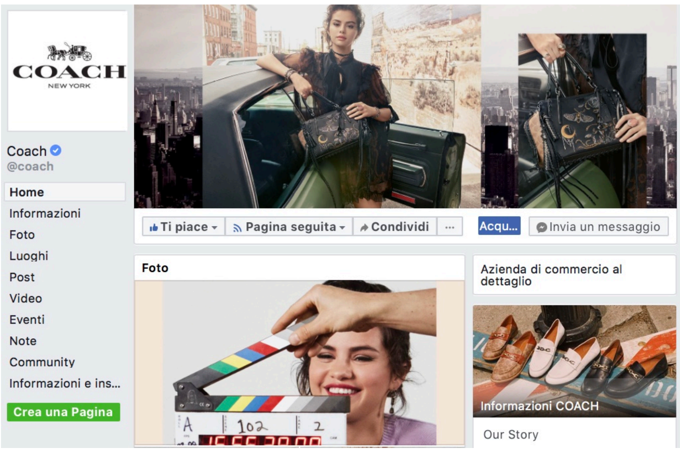


Figure 18, Coach's Facebook and Weibo home page

Frequency of posting

Generally speaking, as for the frequency of posting, there are no great differences between Facebook and Weibo's accounts: going into details, some of the companies (Dior, Dolce&Gabbana, Gucci) are very active on social media platforms posting more than once a day; others (Louis Vuitton, Prada, Valentino) post daily to keep a continuous contact with the consumers while Burberry, Chanel, Coach do not update everyday their social media accounts. An exception to the general attitude of these luxury brand companies to social media platforms use is Bulgari who seems not to give importance to these means of communication posting very little, as for the sample of considered posts.

However, there are just few cases of perfect correspondence between the English and Chinese post, meaning that companies usually do not just translate the content of the post from one language into another one, but they adapt it to the social media used, that is to the final consumers.

Communication material

As for the similarities or dissimilarities in the type of posts, that is the communication material used, there are no differences between the two platforms.
Even if the content of the post is slightly different, companies post the same kind of content: going into details, there is a growing tendency of posting videos, which are said to be more effective to the millennials segment as they catch their attention more. However, many companies, such as Coach, Burberry, Gucci and Dolce & Gabbana still put an emphasis on the communication through pictures.
Another type of material used is the animated photo, which is a picture which contains various frames and give consequently the sense of movement.
Furthermore, a difference that emerges analysing the sample is the one in the use of hashtags, much more frequent in Weibo's posts than on Facebook. Differently from the majority of the considered luxury brands companies, the only one who recurs to a great use of hashtag also on Facebook is Prada.
On the contrary, Facebook and Weibo's posts are characterized by a similar length and content in the text going with the photo or video.
As for the engagement rate, there is not a general trend for the analysed posts: there is not a type of post receiving more interaction than others but it all depends on the post's content.
Finally, in the majority of considered posts, the link to the brands' official website is attached to the post's description.

Advertising

An interesting aspect to be mentioned is the peculiarity in the communication of a couple of companies in the case of Chinese Weibo, as for the classic advertising category.
Dior and Burberry posted a considerable number of posts related to the advertisement of products for children, receiving a great number of likes and comments. This kind of

advertisement is completely absent in the correspondents Facebook accounts and can be considered an example of the adaptation to local consumers interests and tastes.

"Meng Wao is wearing the Baby Dior 2018 autumn and winter series debut show "Mom is Superman", the blue suit has both gentleman charm and naughty innocence, setting off the appearance of a young boy."

Figure 19- 20, *Dior's Weibo advertising posts*

"The cute baby Nino is dressed in the Baby Dior 2018 autumn and winter collection, and she is handsome and full of character. Every move is full of innocence and enthusiasm."

Classic advertising proves to be the most used content among the social media posts analysed on both social media platforms, with great numbers of posts presenting the single product or professional models wearing it.

The advertising posts considered in this analysis present mainly new collections and limited editions: in particular clothing, bags, shoes and make-up.

In addition to this, few of the advertising posts considered also present the possibility of personalizing luxury products and seems to be appreciated by the users since they received a considerable number of likes. Among the selected companies, Coach is the one who put more emphasis on communicating this feature.

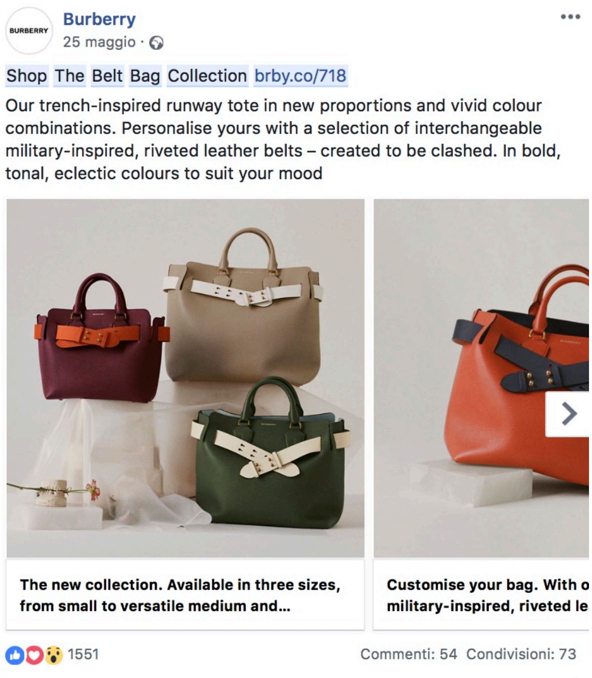


Figure 21, *Examples of Facebook and Weibo's advertising products posts (Burberry)*

Always regarding the advertising category, there is another type of post, the advergame, which is used by Bulgari just on Facebook, in the case of the considered sample, to attract the consumers and push them to interact with the luxury brand.

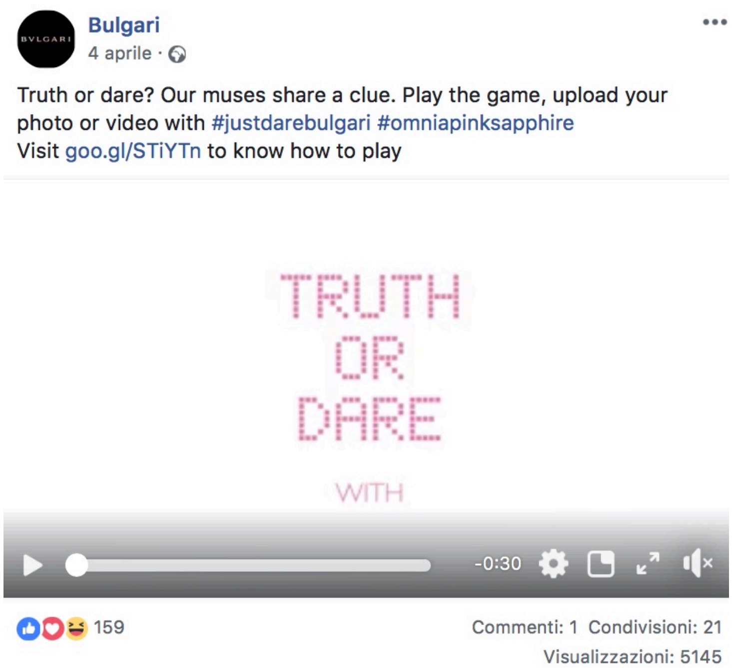


Figure 22, *Example of advergame (Bulgari, Facebook)*

Advertising campaigns using KOLs

With regards to the category of advertising campaigns through the use of KOL (key opinion leaders) and celebrities, it can be stated that all the companies resort to this kind of content on both the social media accounts. It is interesting to notice that KOL and celebrities sponsoring the luxury fashion brand products are both western and eastern, being present on both platforms with no cultural distinction. This is a trend that is also valid in the choice of the models for those classic advertising campaigns.

The use of sponsorship, KOL and celebrities is generally associated mainly to the events organized by the luxury fashion brand and to daily life moments, showing how a luxury brand purchase can be used in different situations.

An interesting aspect to be commented, is the different way of presenting sponsorships' photos: on Facebook companies tend to post group of pictures while on Weibo every celebrity is posted individually.

However, what can be noticed from the posts reported below (Figure 23) is that the level of engagement is quite different, having the post on Facebook much more interactions by the users.

"#DG 名人演绎# Lady Gaga wearing #杜嘉班纳 #2018 spring and summer series lace dress elegantly appeared, satin and lace stitching design highlights the extraordinary charm of women. #DGWomen#"

Figure 23, *Examples of Facebook and Weibo's sponsorships posts (Dolce&Gabbana)*

Events

Another point which is in my opinion noteworthy, is the great emphasis on the events and runway shows, observable in the great number of published posts, especially videos and sequences of various photos. The reason of this can be the desire of make consumers participate in the big fashion events and at the same time let them know the products differently.

When posting this kind of content, luxury brands also report a brief text with the name of the protagonists and engaging description of the location, displayed collection and interesting anecdote related to the preparation and to the protagonists.

Together with the runway shows, another type of event is music concerts, organized for example by the Prada Foundation in Milan.

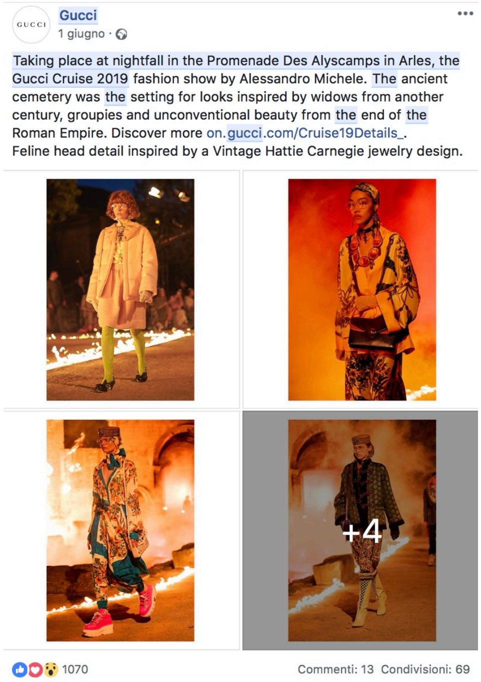


***Figure 24-25**, Examples of Facebook and Weibo's events posts (Gucci)*

"#GucciCruise19# The ancient Roman cemetery Alyscamps is the scene of Gucci fashion pilgrimage, the surging creativity, the new vitality emerges in the Gucci 2019 early spring series. Ignite the flames of the pilgrimage road and the candlelight flares, and the beauty of the stream is strolling around the night. Let's gather at the LGucci - 2019 early spring fashion show to experience the beauty of time and culture."

Storytelling

As for the last category identified, the transmission of brand values through historical revisitations and artistic re-elaborations, there are few examples of posts, published both on Facebook and Weibo. These represent a different way of communicating to consumers. Among these, the series of videos realized by Prada to present the new collection (Figure 26).

On the other hand, Chanel, for example, posted few videos to recreate the brands history and transmit in this way its authentic values directly to consumers (Figure 27).

Figure 26, *Example of Prada's Facebook post*

Figure 27, *Example of Chanel's Weibo post*

"One world was ending, another was beginning. I was there, an opportunity came up, I seized it. I was the same age as this new century, so it came to me for its clothing statement." Gabrielle Chanel. Watch the full story of Inside CHANEL Chapter 22 - Deauville."

Top 10 most shared posts

It is interesting to see that when selecting the most shared posts on Weibo, the majority of them belong to the sponsorship category and only two to the advertising category through professional models. This confirms the importance of public figures in the promotion of a brand's product.

As it can be appreciated in the table (Figure 28), the most shared post is the one of Louis Vuitton posted on the 30 of May, with a total of 95056 reposts. Burberry is, among the sample, the brand with most shared posts with a total of 5 posts over 10.

Figure 28, *most shared posts (personal elaboration)*

BRAND	CHINESE POST	ENGLISH TRANSLATION	REPOST	COMMENTS	LIKES	POST DATE	CONTENT	CODIFICATION
LOUIS VUITTON	@wu世勋-EXO 身着路易威登系列成衣， 受邀出席路易威登 2019 早春女士时装秀。 #路易威登早春秀#	@wu世勋-EXO dressed in Louis Vuitton series of ready-to-wear, was invited to attend the Louis Vuitton 2019 early spring ladies fashion show #LouisVuittonEarlySpringShow	95056	4525	17073	30/05/18	PHOTO	SPONSORSHIP
GUCCI	#GucciCruise19# @李宇春 穿着秋冬系列洋基队标识披肩大衣， 亮相 Gucci 2019早春时装秀现场， 整体造型文艺复兴美学风格浓厚， 多款 Gucci 首饰尽显细节之美。 更多新品请访问O网页链接 @李宇春疯狂工作室. "Major League Baseball trademarks and copyrights are used with permission of Major League Baseball Properties, Inc.""Gucci / MLBP"	#GucciCruise19# @李宇春 Wearing the autumn and winter series Yankees logo shawl coat, debut Gucci 2019 early spring fashion show scene, the overall style of Renaissance aesthetic style is strong, a variety of Gucci jewelry to show the beauty of detail. For more new products, please visit the O web link @李宇春疯狂工作室. "Major League Baseball trademarks and copyrights are used with permission of Major League Baseball Properties, Inc." "Gucci / MLBP"	34007	5799	15678	31/05/18	PHOTO	ADVERTISING (PRODUCT through models)
DIOR	萌娃嗯哼身着Baby Dior二零一八秋冬系列亮相节目 《妈妈是超人》， 蓝色西装兼具绅士魅力与顽皮童真， 衬托出小小少年初长成的模样。	Meng Wao is wearing the Baby Dior 2018 autumn and winter series debut show "Mom is Superman", the blue suit has both gentleman charm and naughty innocence, setting off the appearance of a young boy.	22010	752	1716	31/05/18	PHOTO	
COACH	COACH男士产品全系列中国区代言人@许魏洲ZZ 亮相南京德基广场#COACH暗黑童话# 限时店， 探索童话的另一面！感受全新Disney x COACH系列， 在夜色中也能闪耀出格。	COACH men's products full range of Chinese spokesperson @许魏洲ZZ debut in Nanjing Deji Square #COACHDark fairy tale # limited time shop, explore the other side of the fairy tale! Feel the new Disney x COACH collection and shine in the night.	21859	1271	9310	22/05/18	PHOTO	ADVERTISING (PRODUCT through models)
BURBERRY	品牌代言人吴亦凡@Mr_凡先生 身着@Burberry 2018二月系列印花丝质衬衫， 为新专辑首支单曲 《LIKE THAT》 拍摄封面。 #Burberry吴亦凡#	Brand spokesperson Wu Yifan @Mr_凡 Mr. wearing a @Burberry 2018 February series printed silk shirt, for the new album's first single "LIKE THAT" film cover. #Burberry吴亦凡#	20950	1674	5351	16/05/18	PHOTO	SPONSORSHIP
BURBERRY	吴亦凡@Mr_凡先生 身着@Burberry 典藏绣标宽松连帽衫， 搭配条纹装饰棉质混纺平织运动裤， 现身美国洛杉矶机场。 #Burberry吴亦凡#	Wu Yifan @Mr_凡 Mr. wearing a @Burberry collection of embroidered loose hoodies, with striped decorative cotton-blend flat-woven sweatpants, appeared at Los Angeles Airport. #Burberry吴亦凡#	14582	1666	5150	29/05/18	PHOTO	SPONSORSHIP
BURBERRY	品牌代言人吴亦凡@Mr_凡先生 携手英国模特Stella Maxwell， 一同身着@Burberry 早秋系列登上@VogueMe 六月刊封面。 Do you 'LIKE THAT'? #Burberry吴亦凡#	Brand spokesperson Wu Yifan @Mr_凡 Mr. Joined the British model Stella Maxwell, dressed in @Burberry early autumn series on the cover of @VogueMe June. Do you 'LIKE THAT'? #Burberry吴亦凡#	12344	1730	6213	18/05/18	PHOTO	SPONSORSHIP
VALENTINO	#Valentino星光#@李宇春 身着Valentino 2018春夏系列拍摄@iWeekly周末画报 五月刊封面特辑， 展现时髦态度！	#Valentino星光#@李宇春 Wearing the Valentino2018 Spring/Summer Collection @iWeekly Weekend Pictorial May Covert Special Edition, showing a stylish attitude!	5398	676	2516	30/05/18	PHOTO	SPONSORSHIP
BURBERRY	@周冬雨 身着@Burberry 刺绣丝绒混纺连帽衫与深森林绿格纹短裤， 斜挎小号尼龙军旅背包， 清凉休闲， 现身重庆机场。 #Burberry周冬雨#	@周冬雨 Dressed in @Burberry embroidered velvet blend hoodie and deep forest green plaid shorts, slanting small nylon military backpack, cool and casual, appeared in Chongqing Airport. #Burberry周冬雨#	5348	107	299	18/05/18	PHOTO	SPONSORSHIP
BURBERRY	品牌形象大使@周冬雨 身着@Burberry 条纹装饰上衣， 简约自然， 现身于重庆机场。 #Burberry周冬雨#	Brand image ambassador @周冬雨 Dressed in @Burberry striped decorative shirt, simple and natural, appeared at Chongqing Airport. #Burberry周冬雨#	5224	219	338	18/05/18	PHOTO	SPONSORSHIP

Top 10 most liked posts

As for the most liked posts, the situation is quite similar to the one previously discussed: the most liked categories are sponsorship and advertising.

As it can be seen in the table below (Figure 29), the most liked posts correspond to the most shared one, the Louis Vuitton sponsorship's photo, with a total of 17073 likes. Differently from the most shared section, there is a greater variety of brands as for the most liked posts, but still with a dominance of Burberry's with 3 posts over 10.

Figure 29, *most shared posts (personal elaboration)*

BRAND	CHINESE POST	ENGLISH TRANSLATION	REPOST	COMMENTS	LIKES	POST DATE	CONTENT	CODIFICATION
LOUIS VUITTON	@wu世勋-EXO 身着路易威登系列成衣，受邀出席路易威登 2019 早春女士时装秀。#路易威登早春秀#	@wu世勋-EXO dressed in Louis Vuitton series of ready-to-wear, was invited to attend the Louis Vuitton 2019 early spring ladies fashion show #LouisVuittonEarlySpringShow	95056	4525	17073	30/05/18	PHOTO	SPONSORSHIP
GUCCI	#GucciCruise19# @李宇春 穿着秋冬系列洋基队标识披肩大衣，亮相 Gucci 2019早春时装秀现场，整体造型文艺复兴美学风格浓厚，多款 Gucci 首饰尽显细节之美。更多新品请访问O网页链接 @李宇春疯狂工作室. "Major League Baseball trademarks and copyrights are used with permission of Major League Baseball Properties, Inc.""Gucci / MLBP"	#GucciCruise19# @李宇春 Wearing the autumn and winter series Yankees logo shawl coat, debut Gucci 2019 early spring fashion show scene, the overall style of Renaissance aesthetic style is strong, a variety of Gucci jewelry to show the beauty of detail. For more new products, please visit the O web link @李宇春疯狂工作室. "Major League Baseball trademarks and copyrights are used with permission of Major League Baseball Properties, Inc." "Gucci / MLBP"	34007	5799	15678	31/05/18	PHOTO	ADVERTISING (PRODUCT through models)
COACH	COACH男士产品全系列中国区代言人@许魏洲ZZ 亮相南京德基广场#COACH暗黑童话# 限时店，探索童话的另一面！感受全新Disney x COACH系列，在夜色中也能闪耀出格。	COACH men's products full range of Chinese spokesperson @许魏洲ZZ debut in Nanjing Deji Square #COACHDark fairy tale # limited time shop, explore the other side of the fairy tale! Feel the new Disney x COACH collection and shine in the night.	21859	1271	9310	22/05/18	PHOTO	ADVERTISING (PRODUCT through models)
COACH	#COACH暗黑童话#走上街头，斑马线上炫出不羁态度，经典运动鞋也着上新花色！点击O网页链接 带你去发现更多精彩。	#COACH暗仙童话# Going to the streets, the zebra line shows off the attitude, and the classic sneakers are also on the new! Click on the O web link to take you to find more exciting.	184	274	6369	31/05/18	PHOTO	ADVERTISING (PRODUCT)
BURBERRY	品牌代言人吴亦凡@Mr_凡先生 携手英国模特Stella Maxwell，一同身着@Burberry 早秋系列登上@VogueMe 六月刊封面。 Do you 'LIKE THAT'? #Burberry吴亦凡#	Brand spokesperson Wu Yifan @Mr_凡 Mr. Joined the British model Stella Maxwell, dressed in @Burberry early autumn series on the cover of @VogueMe June. Do you 'LIKE THAT'? #Burberry吴亦凡#	12344	1730	6213	18/05/18	PHOTO	SPONSORSHIP
BURBERRY	品牌代言人吴亦凡@Mr_凡先生 身着@Burberry 2018二月系列印花丝质衬衫，为新专辑首支单曲《LIKE THAT》拍摄封面。#Burberry吴亦凡#	Brand spokesperson Wu Yifan @Mr_凡 Mr. wearing a @Burberry 2018 February series printed silk shirt, for the new album's first single "LIKE THAT" film cover. #Burberry吴亦凡#	20950	1674	5351	16/05/18	PHOTO	SPONSORSHIP
BURBERRY	吴亦凡@Mr_凡先生 身着@Burberry 典藏绣标宽松连帽衫，搭配条纹装饰棉质混纺平织运动裤，现身美国洛杉矶机场。#Burberry吴亦凡#	Wu Yifan @Mr_凡 Mr. wearing a @Burberry collection of embroidered loose hoodies, with striped decorative cotton-blend flat-woven sweatpants, appeared at Los Angeles Airport. #Burberry吴亦凡#	14582	1666	5150	29/05/18	PHOTO	SPONSORSHIP
BULGARI	心动，就立刻靠近TA；想念，就马上告诉TA。	When you are heart, you will be close to TA immediately; if you miss, you will tell TA immediately.	2591	1188	2996	20/05/18	ANIMATED	ADVERTISING
VALENTINO	#Valentino星光#@杨洋 身着Valentino2018春夏系列拍摄@时尚先生Esquire 5月刊封面故事特辑，尽显型男魅力！	#Valentino星光#@杨洋 Dressed in the Valentino 2018 Spring/Summer Collection @时尚先生Esquire May issue cover story special, full of male charm!	3737	869	2832	28/05/18	PHOTO	SPONSORSHIP
VALENTINO	#Valentino星光#@李宇春 身着Valentino 2018春夏系列拍摄@iWeekly周末画报 五月刊封面特辑，展现时髦态度！	#Valentino星光#@李宇春 Wearing the Valentino2018 Spring/Summer Collection @iWeekly Weekend Pictorial May Covert Special Edition, showing a stylish attitude!	5398	676	2516	30/05/18	PHOTO	SPONSORSHIP

3.4 Discussion of the posts' analysis

To conclude, what emerges from this qualitative analysis is that the style of communication of some luxury fashion brand company is nearly the same as for Facebook and Weibo.

Companies' distinctive characteristics are maintained also when communicating to the Chinese consumers. This strategy is adopted by companies to maintain their brand's image and values all over the world in order to be easily remembered.

Going into details of the analysis of social media platforms, communication materials, frequency of posting and the category of posts are the same in the two platforms.

As for the first element, companies prefer the alternation of pictures and videos, with a growing tendency of sharing more videos; as for the frequency of posting, they normally post daily on both platforms with the exception of Bulgari, which seems not to make a large use of social media.

Speaking of the content of the posts, there is a prevalence of advertising and sponsorship posts, using both western and Chinese models or KOL.

Events and storytelling posts also create good engagement rates, showing how it is important for the Chinese consumer to know more about the brand and participate more in the brand's backstage.

However, it cannot be omitted that this is not the case of a perfect standardization of contents; the content of social media posts is adapted to the target and there are just few cases of correspondence between the English post and the Chinese one. In particular, there are just 3 perfect correspondence of posts out of 200 since the written part going with posts is adapted to the platform used. This element is a very positive sign of the effort company do to communicate a message which is adapted to the cultural context and not simply translated.

Speaking about translation, one of the elements being adapted in the local language is the brand name, with 9 out of the 10 selected companies translating its name into Chinese to be closer to the final consumer, maintaining at the time the original name pronunciation.

Another adapted element regards the use of colours, not to incur into meaning misunderstanding. One example of this is the change in the logo's colours Dolce&Gabbana do substituting the colour white of the Facebook version with black for the Weibo's, since white is a colour linked to death in China.

Finally, what is important to highlight is that all the previously discussed results are relative to the analysed posts, thus it is not possible to generalise. The communication strategy of companies can change depending on factors such as the planning of launching new products, organizing events and fashion shows.
For this reason, it is possible to affirm that one of the limitations of this study is the limited number of posts analysed.

CONCLUSION

Luxury fashion is a key sector both for the global economy and for the Chinese one. Its great development had been possible thanks to the improvements of economy and, consequently, of people's life and richness.

As for China, in particular, the domestic consumption is by far inferior to the abroad one; this trend is due to the development of a tourism aimed at going to the luxury products' country of origin, and the establishment of the figure of the overseas buyer. This feature is the perceivable demonstration of one of the Chinese's culture traits: the need of looking for the authentic, the best quality and the original. This characteristic is directly linked to the importance of the culture of face and social acceptability of an individual within the group. One's position in the society is a key factor for the establishment of social relationships, the guanxi, which are indispensable for the success of a company in China. In this way, culture is one of the first elements to be considered when dealing with a foreign country, in order to find the perfect strategy combining aspects of both standardization and adaptation.

The empirical study conducted in this thesis to Chinese consumers helps giving a clear confirmation of those changing habits and trends discussed in literature.

The physical point of sale and the word of mouth cover a key role in the communication of luxury fashion brands and demonstrates that this kind of personal contact is still relevant, in spite of the importance of online means of communication and social media platforms, especially WeChat and Weibo.

Another relevant aspect resulting from people's answers is the growing interest in a service allowing consumer to have a personalised and unique product; this is another clear demonstration of the importance for Chinese to show their wealth and status to have a better reputation among one's group.

One more interesting result emerging from the empirical analysis is the constant growth of e-commerce and social media. E-commerce proves to cover a very important for companies, but it must also be said that there is also a considerable percentage of people who are reluctant of buying online for reasons such as the lack of touch of the products or the risk of counterfeiting.

As for social media, a company's success is determined by its presence and ability to communicate through this relatively new means of communication.

The analysis of social media posts on Facebook and Weibo, conducted to study the similarities and dissimilarities in the way companies communicate to culturally different consumers, shows that the communication strategy adopted by the examined companies is nearly the same.

Luxury fashion brands' mainly use social media to advertise their products through the use of KOLs, sponsorship and events. By communicating to consumers through social media, companies want to share their values, interact directly and know more about its target.

Among the analysed posts, the ones receiving higher engagement rates with greater numbers of likes and reposts are sponsorship photos, confirming the importance for Chinese to have a person of reference as inspiration.

In addition to this, luxury brands' consumers seem to be more and more interested in what stands behind the products, showing high interest in posts of companies' events and storytelling about the brand's values.

Even if the frequency of posting and the type of material used are nearly the same, however, companies adapt their content to the type and, in particular, to the culture they are communicating to. For instance, it is interesting to see how colours have different meanings in Western and Chinese and how few companies change their names in order to be closer to consumers and easier to remember.

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