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Master in International Technology and Innovation Management

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**Brand Communication Strategy of E-commerce SMEs in Chinese
Cosmetics Market**

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ABSTRACT

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This study concentrates on how to develop a brand communication strategy for ecommerce SMEs in Chinese cosmetic market with new media channels.

This study is a qualitative research. Data collection consists of primary data and secondary data. Primary data is from the case company's websites, observation of benchmarked companies and observation of the case company. Secondary data will be collected from relevant websites and reliable databases. In order to explore the research questions, comparative benchmarking was conducted to develop brand communication strategy for case company April.

The results of the study illustrate that e-commerce SMEs have to consider brand positioning strategy, brand awareness strategy, brand attitude strategy, brand media strategy and the brand benefits as well to develop brand communication strategy.

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1. INTRODUCTION

1.1 Background

In recent years, the development of online business in China can be described as booming. In 2008 the e-commerce overall trade size reached 2, 9 trillion Yuan while the number enhanced to 3, 6 trillion in the year of 2009. In 2010 and 2011 overall trade size of e-commerce increased to 4, 8 trillion Yuan and 6, 4 trillion Yuan respectively. The e-commerce trade size improved to 8, 1 trillion Yuan in 2012. It is predicted that the trade size will reach 10, 2 trillion Yuan in 2013. (iResearch, 2013)

Till 2011, there are 150,000 Chinese e-commerce services enterprises (iResearch, 2013). Among them, there are many big e-commerce enterprises and also many huge e-commerce B2B and B2C plat forms such as Taobao (www.taobao.com), Jingdong (<http://www.360buy.com/>), Huicong (<http://www.hc360.com/>) and so on.

There are numerous small e-commerce enterprises and start-ups as well. For instance, till 2012 April, there are approximately 50 million small e-commerce enterprises (Ma, 2012). SMEs play a significant role in Chinese economy. It accounted for 55% of GDP, making up 99% of enterprises, created 75% of employment opportunity and paid 46% taxes in China in 2006(Ma, 2012).

However, it is difficult for e-commerce SMEs and start-ups to survive in the market and to outstand themselves in the fierce competition. Compared with those large e-commerce enterprises and big e-commerce plat forms, small e-commerce enterprises and start-ups are lack of financial capitals, brand awareness, influences, credit basis to customers and other resources.

Nevertheless, due to the large amount of Chinese online consumers (e.g., in 2010 there are 185 million online consumers), e-commerce SMEs have

great market potential. E-commerce SMEs need to be known, to be trusted and to be recognized. It is crucial for e-commerce SMEs to be distinct from competitors and find appropriate and effective methods to attract online consumers. E-commerce has been studied a lot in theory. Mostly the studies focused on enterprises applying e-commerce or large and medium e-commerce platforms. There are few studies done for SMEs brand communication in the market of China.

Consequently, from both practical and academic perspectives, it would be significant and necessary for e-commerce SMEs to have their own brands and communicate the brands with customers. This study concentrates on how e-commerce SMEs communicating brand to maximize the business value.

Case company for this study is an e-commerce SME called “April” (四月 <http://shop66278324.taobao.com/>). It was founded in April of 2011. Since its establishment, April concentrates on providing Chinese consumers with Korean cosmetic products which have a reputation of good quality.

Nevertheless the case company has achieved poor performance in the market. The annual sales are few; the company brand is unknown to consumers; there are no extra budgets for mass media advertisements. The priority concern for the case company April is to be unknown in the market and to communicate the corporate brand with consumers.

1.2 Literature review

SMEs Branding

Literature offers few studies in terms of branding in small and medium sized enterprises. Inskip (2004) argued that branding is completely fresh theory towards people who work in SMEs. Similarly, Krake (2005) deemed

that branding literature mostly concentrates on large sized firms while Merrilees (2007) considered strong brands are not for SMEs since SMEs are lack of various sufficient resources. Ahonen M. (2008) also stated that branding within SMEs is seldom researched in academic field.

When branding in SMEs was studied, the literature background only comes to product branding despite the fact that an enterprise was studied (Ahonen, 2008). Consequently, branding should be increasingly investigated and applied within SMEs on both product level and corporate level. Xie and Boggs (2006) emphasized the significance of corporate branding. They stated that corporate branding allows firms to extend the brand from a single product or service to series of products and services from the perspective of increasing trust and relationships.

In terms of branding, there are several common acknowledgements. For instance, the concept of brand initially generated in process of differentiation and offering premium and distinct products or services to customers in the marketing field (Knox & Bickerton 2003). Wong and Merrilees also stated academia of SMEs branding generally generated in marketing concepts (Wong & Merrilees, 2005). Since SMEs have unique and special business features compared with large corporations or big firms, it is possible to integrate marketing and SMEs operations (Hitt et al., 2001).

Researchers and literature have been establishing systematic and efficient brand theory. The American Marketing Association (in short, AMA) defined brand as “a name, term, sign, symbol, or design or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition”(AMA, 2013).

Aaker (1996), Keller (2003) had concluded brand terminologies such as brand equity, brand awareness, brand association, brand loyalty, brand differentiation, brand association and brand perception and so on. The purpose of researching on brand literatures from different perspectives is

to establish famous brand which distinguishes itself from other products or services and establishes a connection with customers (Aaker, 1996; Keller, 2003).

Keller (2003) implied brand for assistance of marketing strategies and stated brand from customers' perspective with direct cognition. Aaker (1996) offered a comprehensive and systematic brand theory. He considered brand awareness, brand association, brand perceived quality and brand loyalty as brand equity which is the most valuable asset of a brand. Based on De Chernatony and Riley (1998), from holistic perspective of brand management, firms are able to utilize brand strategically on condition of the brand management system receives feedbacks from customer's perceived value of a brand. They stated the brand management system embraces uniqueness, values, company culture and so on.

Wong and Merrilees (2005) developed a new SMEs branding theory by combining case studies with traditional brand literatures. They named four crucial constructs which are brand distinctiveness, brand orientation, brand-marketing performance and brand barriers. Wong and Merrilees (2005) had taken shape a model of SMEs brand orientation, in which connections among brand barriers, brand distinctiveness, brand orientation and brand-marketing performance are revealed. The new theory distinguishes different ladder of SMEs brand orientation starting from the lowest ladder minimal brand orientation to higher ladder embryonic brand orientation and finally to integrated brand orientation (Wong & Merrilees, 2005). They stated that SMEs are on the lower ladders of brand orientation as well.

Internet in branding

In the past few decades, internet has changed economic and social life, especially in the business field. Ivanov (2012) indicated that internet has offered numerous business chances such as interaction and customization to enterprises and integrated using of other communication tools. Internet provides enterprises a lot of opportunities to deliver information to market, to communicate and interact with customers (Ivanov, 2012).

Decades ago, internet has not been used as effective marketing communication tools. Some researchers such as Herbig and Hale (1997) and Dutta and Segev (1999) pointed out that most corporations took little advantages of internet, which leded them to concluding internet as only “a publishing medium”. However, some other showed foresights. Tugent (1969) predicted that internet would be “an invisible global infrastructure serving as a global nervous system for the peoples and processes of this planet”.

In 2005, Guth argued that internet is more and more used over the past few years and is in the growing phase. It is obligatory for companies to present on internet, to show brands, logos and images on internet (Kotler & Keller, 2008). Ivanov (2012) considered internet as the competitive “bridge” connects organizations and consumers. Nevertheless, internet is not only a medium to publish. Internet is a competitive channel to deliver business information, to establish customer relationships and to communicate brands. It is the star of the new media (Rosenbaum-Elliott & Percy & Pervan, 2011).

Compared with other traditional communication channels such as printed hand-outs, TV and brochures, Internet could become an exceedingly effective and efficient tool for enterprises to communicate brand in terms of market penetration and expenses effectiveness (Lee, Cai & O’Leary, 2006).

There are many ways for enterprises to communicate brand with target customers via enormous internet. Advertising on internet is increasingly popular. Huge amount of money invested in advertising went to sizable

websites with large amount of visitors such as Google, Yahoo, AOL and so on (Rosenbaum-Elliot & Percy & Pervan, 2011). For instance, ComScore (2011) demonstrated numbers of global visitors to Google in May 2011 reached one billion.

Web video is another way of communicating brand with consumers on internet. Guth (2005) argued web video advertising is expected to increase largely in internet advertising despite it accounted for a small percentage of web advertising, approximately 2% in 2005. Oser (2004) indicated that pop-up advertisements, which increased largely in the early of 2000s, are not popular with internet users and are replaced by video advertisements gradually.

Rosenbaum-Elliot, Percy and Pervan (2011) also presented other ways on internet to communicate brand such as integration of brand message with online games, development of entertainment programs that intertwined with product recognition into the program background, streaming video/audio with combination of brand message and brand image, small computer programs and so on.

Furthermore, enterprise's website plays an important role in internet branding since Heldal, Sjøvold and Hedal (2004) argued efficient communications are essential to develop and maintain sustainable relationship with customers and enterprise's website offers the possibility to optimize the communication. Brymer (2001) pointed out the corporate website is supposed to communicate the brand message and idea successfully. Heldal, Sjøvold and Hedal (2004) stated that a website includes visual and interactive components. However, customers have different perception of the components since their culture and background are various (Heldal, Sjøvold and Hedal, 2004). As a result, customers' interpretation of the website could be diversified. Mandel (1997) suggested that it is likely to deliver correct information on a website and to reflect the right enterprise image by examining the background of target customers.

1.3 Research questions

Two online cosmetic enterprises Jumeiyoupin (聚美优品 www.jumei.com) and Yunifang (御泥坊 www.yunifang.com) are increasingly popular among customers in China. These two cosmetic enterprises have achieved remarkable reputation and brand popularity in few years since their establishments. They have outstood themselves in the market with distinct brand communication strategies. The study of these two benchmarked cosmetic E-commerce enterprises helps to identify, to understand and to adapt splendid practices that are appropriate to improve the case company's brand communication performances.

As a result, the main research question could be: How to build a brand communication strategy for an e-commerce SME in cosmetic business for Chinese market?

In order to further facilitate the main research question, there are also sub research questions:

- What can the case company learn from benchmarking the brand communication channels and messages of successful e-commerce SMEs in the cosmetics business?
- What are the special characteristics of Chinese online environment?
- What are the elements of brand communication strategy for an e-commerce SME?

1.4 Research methodology

The methodology chose for this study is qualitative research method. Since the development of brand communication strategy mainly concerns non-standardized data requiring classification into categories and the

analysis of data has to be done through the use of conceptualization (Saunders, Lewis, Thornhill, 2009), qualitative method is appropriate to this study.

In order to investigate the research questions of how to develop brand communication strategy for an e-commerce SME, comparative benchmarking will be conducted to develop brand communication strategy for case company April.

Cook (1995) stated that benchmarking is the procedure to identify, comprehend and adapt prominent practices from other enterprises to enhance performances. As a result, two examples of successful e-commerce company were taken to benchmark and study as a phenomenon in realistic business environment. Furthermore, a comparative benchmarking between the examples and the case company will be done to conclude the factors that lead to a practical brand communication strategy.

1.5 Central concepts

“Brand is a name, term, sign, symbol, or design, or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (AMA, 2013). Kevin Lane Keller (1998) defines brand as “Brand is that has actually created a certain amount of awareness, reputation, and prominence in the market place”.

Brand communication is considered as “a holistic communications strategy that integrates all communication activities such as public relations, advertising, investor relations, interactive or internal communications to manage and optimize the company’s most valuable asset its brand” (Interbrand, 2013). Brand communication refers to enterprise considers brand as its core value and promote a brand and develop its brand image

to enhance sales through suitable communication channels. It is also a practical tool to satisfy customers and nurture their brand loyalty.

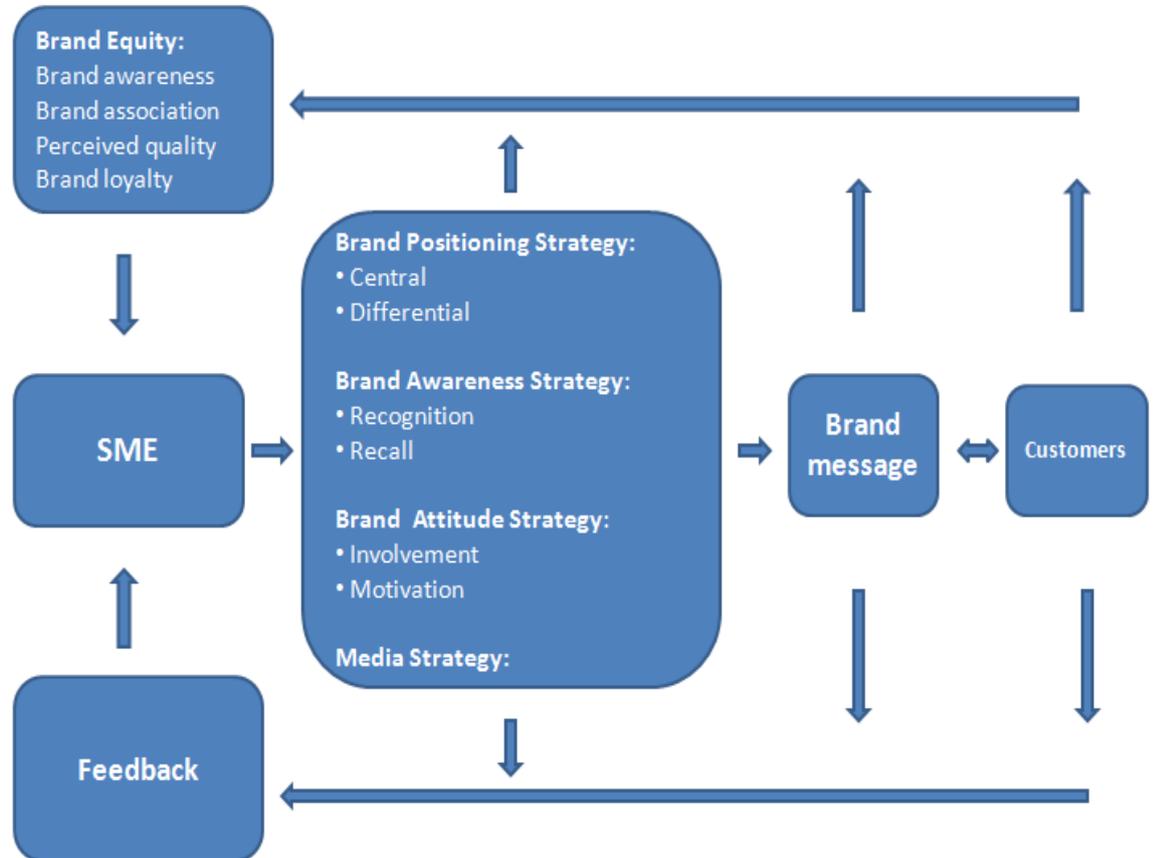
Brand communication strategy deals with situations of a brand coming to consumers' mind rather than competitors' brands when the need for a product category occurs and consumers would connect the brand and its brand benefits under such conditions (Rosenbaum-Elliott, Percy & Pervan, 2011). Brand communication strategy includes brand positioning strategy, brand awareness strategy, brand attitude strategy and media strategy (Rosenbaum-Elliott, Percy & Pervan, 2011).

Brand equity refers to the value added to products or services according to Kotler (2009). David A Aaker (2002) considered brand equity consists of brand awareness, brand associations, perceived quality and brand loyalty, which form the most valuable asset of a company.

Small and medium size enterprises (in short SMEs) refer to those companies with less than 250 employees and less than 50 million Euros turnover according to European Commission (2013).

Ecommerce is defined as the business or trade conducted based on websites or server under internet environment without both parties of seller and buyer meeting face to face (Thomas & Streib, 2005).

1.6 Thesis theoretical framework



Kuva 1 Thesis theoretical framework

This thesis is in the field of communicating brand by utilizing marketing communication tools that appropriate for e-commerce SMEs. According to Kotler and Keller (2005) the marketing communication tools are the procedures for a company to try to attract consumers to its products and brand, to remind customers and try to persuade consumer to buy the products and brand.

Rosenbaum-Elliott, Percy and Pervan (2011) concluded that brand communication strategy consists of brand positioning strategy, brand awareness strategy, brand attitude strategy and communication strategy. Brand communication strategy integrates brand relationship management

with consumers, media channels and communities to satisfy customers and nurture customer's brand loyalty.

In order to maximize the brand value with marketing communications, the different suitable communication tools should be integrated to deliver consistent message to consumers. Benchmarking studies of two e-commerce cosmetic examples will be integrated to create synergies for the case company.

Furthermore, online branding and brand community are extremely necessary for the SMEs' brand communications due to the efficiency and effectiveness of communicating with consumers and establishing relationships with customers via internet. Rowley (2004) stated that the brand relationships, on the other hand, turn customers into regular or loyal customers, build brand barriers against competition from other products or services and even bring more profits by charging at higher prices. This process of branding produces value and generates brand equity to the business. (Aaker, 1996)

David A Aaker (2002) has also provided a more comprehensive and systematical theory of brand equity. Brand equity mainly consists of brand awareness, brand loyalty, brand associations and perceived quality (Aaker, 2002). It is considered as the most valuable asset of a company (Aaker, 2002). Increasing of brand equity attracts more consumers, delivers unique brand message, offers impressive brand influences and enhances customer loyalty. As a result, improvement of brand equity creates competitive advantage (Aaker, 2002), which is significant to a SME.

Last but not least, feedbacks will help the case company to adjust marketing communications, manage the brand community and develop relationship with customers with integration of brand message.

2. THEORETICAL AND CONCEPTUAL BACKGROUND

2.1 Branding

American Marketing Association (AMA) defines brand as “a name, term, sign, symbol, design or a combination of these” to distinguish a product or service from other products or services. (AMA, 2013) Brand plays a significant role in outstanding its product and services in fierce market competition and this could be done through branding.

2.1.1 Role of Brand

A common recognition of brand is that it creates differences for one product or service from other products or services in different aspects. Kotler (2008) stated that on one hand these differences are related to product properties in terms of functionality, physicality and tangibility. On the other hand, he argued these differences are related to qualities the brand represents such as symbol, emotion and invisible things.

Brand plays a significant role. To start with, Hammond (2009) deemed that brand demonstrates a particular quality level. Customers are likely to purchase products under the same brand if they are satisfied. Brand loyalty offers calculable assurance of demand for the company and also establishes entry barriers to competitors (Hammond, 2009). Despite it is easy for competitors to copy and imitate producing processes or product design, competitors are not able to deliver impressive customer sensation, organization perception and unique using experience through strategically marketing communications (Hammond, 2009). Consequently, brand is a tremendous tool to ensure competitive advantage.

Secondly, Hammond (2009) argued brand means precious lawful property. Brand influences customer's consuming behavior and it offers brand holder secure and sustainable future incomes. Strong brand brings more revenues and makes more profits to company (Aaker, 2002). In another word, it generates more value to shareholders (Aaker, 2002).

2.1.2 Branding Objectives

Branding refers to endowing power of brand to products and services (Kotler, 2009). Kotler stated that key of branding is customers not considering all brands of a category are the same. Branding is to develop diversity. Differentiation of brand is related to product functions or product benefits. In order to brand a product, consumers need to be notified what the product is, what the product for and why customers should pay attention to it (Kotler, 2009).

Branding consists of establishing psychological structure, helping consumers to organize the knowledge of product and service they own and accordingly clarifying the decision-making (Kotler, 2009). Kotler (2009) believed that meanwhile in the process it generates value to the company. In order to make sure the realization of branding strategy and creation of brand value, it is significant to convince consumers that brands of a particular product or service category definitely vary from each other (Kotler, 2009).

2.2 Brand Equity

Kotler (2009) declared brand equity refers to the value added to products or services. According to Kotler (2009), brand equity reflects customers' consideration, perception and behavior towards a product and its price. It

also reflects market shares and profits the brand can bring to a corporation (Kotler, 2009). It is considered that brand equity is valuable and significant tangible asset to a company from both cultural and financial perspectives (Aaker, 2002; Kotler, 2009).

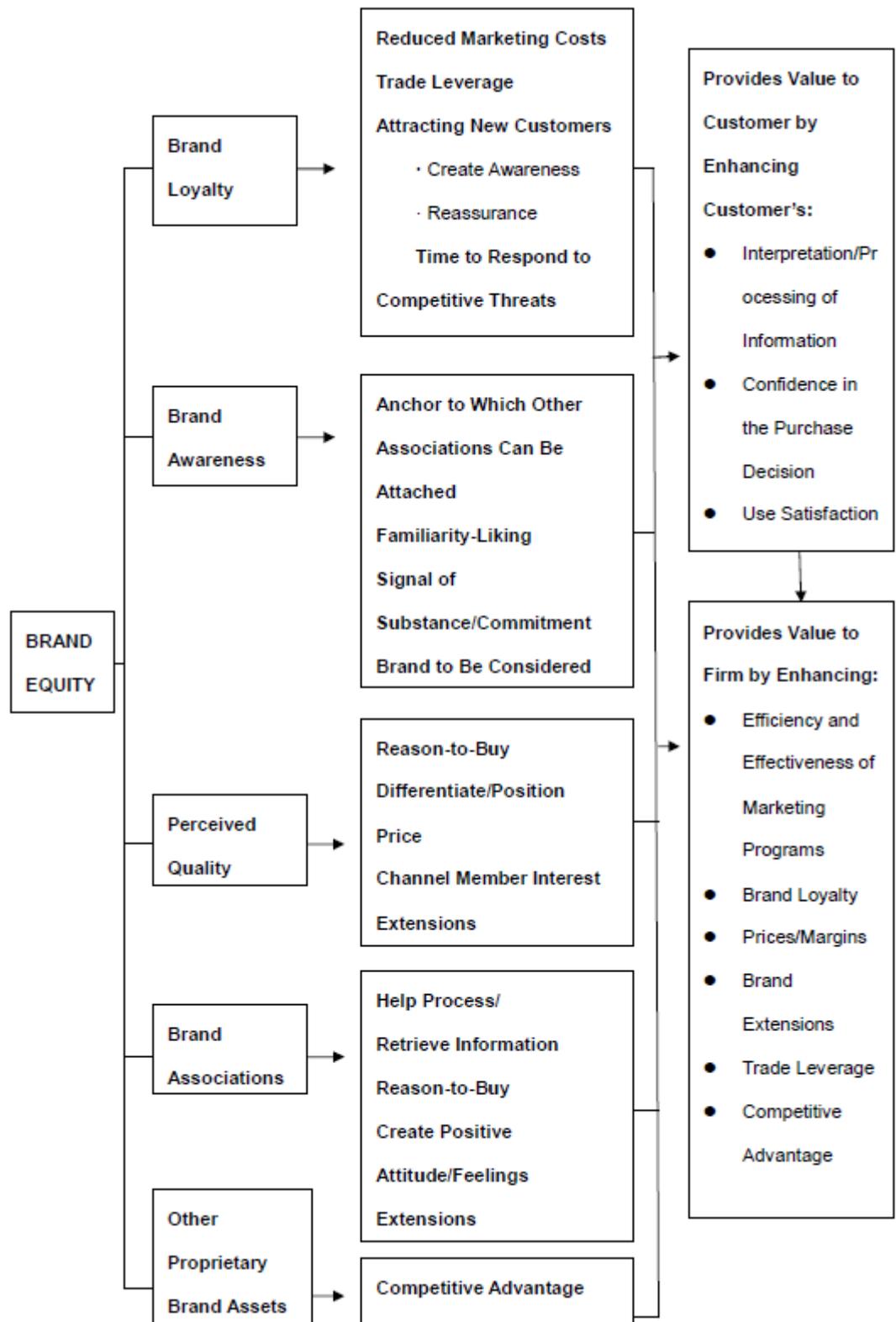
There are different opinions about brand equity from different research perspective. The research based on customers will be conducted from customers' perspective. Kotler (2009) think customer-based brand equity can be defined as different influences of brand knowledge to customer's reaction of the brand marketing. Assuming the brand was recognized and customers' having better reaction towards product and its marketing manner, thus the brand has positive customer-based brand equity (Kotler, 2009). If customers have worse reaction towards the brand marketing activities in the same condition, then the brand has negative customer-based brand equity (Kotler, 2009).

According to Kotler (2009) this definition consists of three key factors. First of all, brand equity generates from differences of customers' reaction (Kotler, 2009). If there are no differences, brand products are literally current version of commodity or product and this leads to the competition based on prices (Kotler, 2009). Furthermore, reaction difference is caused by consumer's brand knowledge which refers to consideration, perception, image, experience and faith that related to brand (Kotler, 2009). It is significant to make customers generating strong, beneficial and special brand association. Thirdly, customers' various reactions which composing brand equity express with recognition, favor and behavior that related to all areas of brand marketing (Kotler, 2009). Strong brands result in more revenue.

Geoffrey Randall (2000) had deemed several arguments about brand equity from the company perspective. He argued the value generated by brand equity is delivered to both customers and companies (Randall, 2000). Furthermore, brand equity is a series of asset of a company and the company manages brand equity to create and enhance the value of the asset (Randall, 2000). In addition, it is important to tell the different

ways of mighty brand creating value since each brand equity has various methods to create value (Randall, 2000). Last but not least, Randall (2000) argued that changing brand logo or symbol will damage brand equity since brand equity has a close relationship with brand logo and symbol.

David A Aaker (2002) has provided a more comprehensive and systematic conceptualization of brand equity. Brand equity mainly consists of brand awareness, brand loyalty, brand associations and perceived quality (Aaker, 2002).



Kuva 2 How Brand Equity Generates Values? (Aaker, 2002)

Brand awareness indicates the capability of a brand's presence in customer's or potential customer's mind (Aaker, 2002). Brand awareness can be measured in many ways from realization, to remembering, to dominance (Dahlen, Lange & Smith, 2010). Realization means knowledgeable impression from former experiences, which implies a certain impression of a brand (Aaker, 2002). Remembering or brand recall occurs in customer's mind when a product section was mentioned (Aaker, 2002). Brand dominance refers to majority of customers are able to name a brand in a brand recall process (Aaker, 2002).

Perceived quality reveals the capability of a brand satisfying customer's anticipation and expectation according to a company's current social image or brand image and customer's previous experience of consumption. It refers to customer's understanding of the comprehensive quality or prestige of a product or service about its intentions compared with its competitors (Aaker, 2002). Aaker (2002) stated several reasons that brand perceived quality increases brand value. To start with, perceived quality offers crucial reasons for customers to purchase, deciding which brands are taken into consideration or out of purchase lists and the final choosing brand (Aaker, 2002).

Furthermore, Aaker (2002) considered that the range of perceived quality is the correct target when positioning a brand and the brand characteristics. In another word, brand positioning and brand characters positioning are supposed to cope with the dimension of brand perceived quality. Moreover, a company benefits from charging premium prices and higher profits if the company achieves brand perceived quality advantages (Aaker, 2002). These profits in turn will contribute to brand establishing activities and strengthen the perceived quality (Aaker, 2002). Additionally, brand extension can be introduced by taking advantage of perceived quality (Aaker, 2002). A mighty brand with strong perceived quality is more able to achieve successful further extensions than a weaker brand (Aaker, 2002).

Brand loyalty is the essence of brand value according to Aaker (2002). Ford (2005) indicated that brand loyalty plays pivotal role to the survival, growing and increasing market share of a company. Brand loyalty can be defined as customer's faithfulness towards a specific brand despite the attraction of alternatives and price pressure or marketing pressure from its competitors (Aaker, 2002).

Ford (2005) argued that brand loyalty is closely related to customer's personalities and characteristics and their previous using experience of the products rather than depends on merely on product's quality, popularity, brand association or communication.

Aaker (2002) concluded the value of brand loyalty comprehensively as follows. Above all, brand loyalty decreases marketing expenditures and increases profits since maintaining existing customers is considerable cheaper than attracting new consumers (Aaker, 2002). Furthermore, company intends to generate value for customers rather than making profits only. Successful businesses depend on creating value for customers (Aaker, 2002). Significant value created by company contributes to nurture customers the concept of brand loyalty whilst loyal customers benefit the company in financial aspects and company value aspects (Aaker, 2002). Plus, Aaker (2002) believes it is more effortless to attract new customers with higher brand loyalty which refers to each of the loyal and satisfied customers could be an advertisement. Moreover, Aaker (2002) deemed sales channels will be broadened because of strong brand loyalty. Companies holding products with strong brand loyalty have more power to negotiate with player of distribution channel because those products are popular with wholesalers, distributors and retailers (Aaker, 2002).

Brand association was defined by Aaker (2002) as dimension of brand's assets and liabilities that encloses anything that related to a brand in memory. Similarly, Keller (2001) proposed terminology "brand knowledge" to describe the customer's perception of a brand. According to Aaker (2002) brand association includes user imagery, product attributions, using

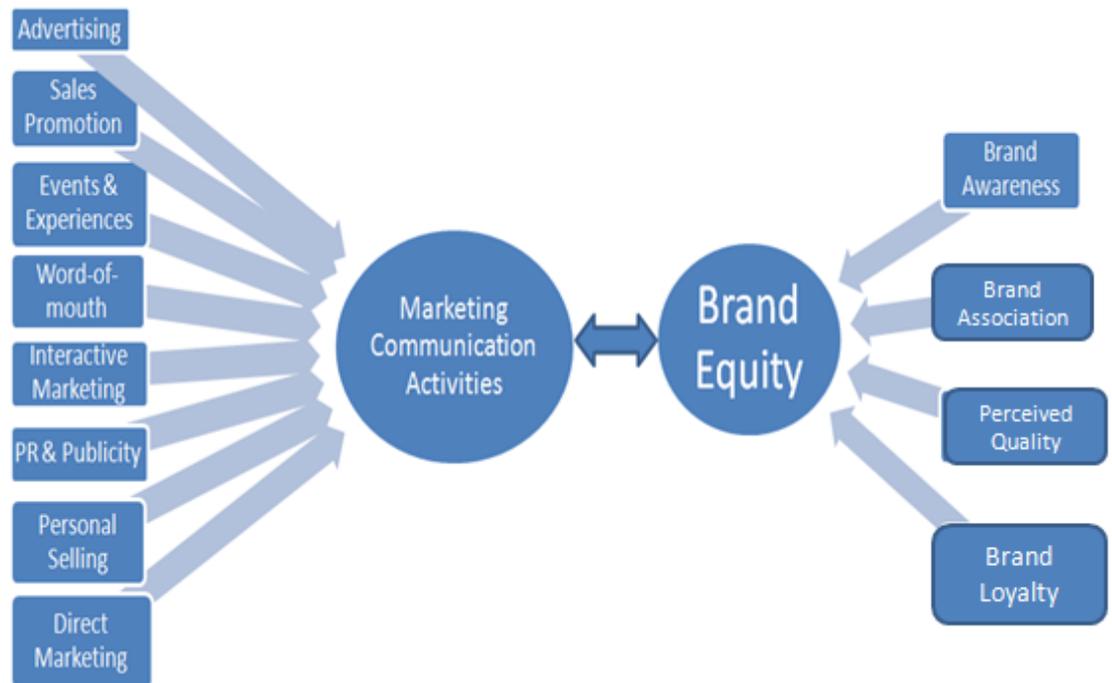
situations, organizational associations, brand personality and symbols. It is significant to determine the associations needed to develop and make marketing programs that connect the association to the brand (Aaker, 2002).

2.3 Relationship of Marketing Communication and Brand

Rosenbaum-Elliott, Percy and Pervan (2011) argued that there would be no brand without marketing communication. Relationship between brand and marketing communication is close and they cannot be separated. Marketing communication is the intermediate between company and consumers.

Kotler and Keller (2005) used a metaphor to describe marketing communication as the mouthpiece of a brand, which revealed the significance of marketing communication in communicating with consumers and establishing relationship with them. Marketing communication generates and increases awareness for a brand and endows it content (Rosenbaum-Elliott & Percy & Pervan, 2011). They pointed that the content is informed by brand association and marketing communication as well. These brand association, the content and marketing communication in turn contribute to brand equity (Rosenbaum-Elliott & Percy & Pervan, 2011).

Kotler and Keller (2005) indicated that marketing communication is the procedure for a company to try to let consumers know about its products and brand, to remind them and try to persuade consumer to buy the products and brand.



Kuva 3 Integrated marketing communication establishing brand equity, (Kotler & Keller, 2005)

The chart above illustrates that marketing communication can enhance brand equity by developing brand awareness, establishing brand association, generating brand feedback and reinforcing relationship between customers and brand (Kotler & Keller, 2005). Marketing communication is a means of connecting brand with other people, places, events, brands, experience, feelings and other things. From the company's perspective, these things contribute to development of brand equity through generating brand memory and creating brand association. Meanwhile, these things increase sales. Marketing communication demonstrates the reason of using a product, what kind of person should use it and when to use it to consumers; it explains what a company and a brand represent; it reveals the encouragements to consumers of using or trying out (Kotler & Keller, 2005).

To sum up, it is extremely significant to create and maintain bilateral relationships with other influential parties through marketing communications. Thus the communication of brand should follow the

marketing communication branch and integrate marketing communication with brand uniqueness to maximize the brand value.

3 BRAND COMMUNICATION STRATEGY

Brand communication refers to company consider brand as the core value and promote a certain brand and develop brand image to increase sales through appropriate communication tools. Brand communication is an effective tool for company to satisfy customers and nurture customer's loyalty.

Zehir et al, (2011) considered brand communication is to disclose the consumers to a brand. Its purposes firstly is try to achieve higher brand awareness and higher brand recall since consumers prefer brand with the highest recall (Zehir et al, 2011). Secondly, an exposure customer to a brand offers customers satisfaction of optima (Zehir et al, 2011). The process of exposing to brand communication has impact on audience responses and reactions. These responses and reactions from customer are able to be assessed by analyzing variables such as brand awareness about brand recall and brand recognition, favor ratings and specialty of brand associations in customer's mind (Zehir et al, 2011).

Brand communication is the fundamental components that integrates brand relationship management with consumers, media channels, communities and other participants such as staff, channel members and so on (Zehir et al, 2011). Pearson (1996), Duncan and Moriarty (1998) argued that brand communication is supposed to target at improving brand loyalty and reinforcing customer's brand relationship by fastening customers stronger to the brand.

Brand communication strategy is all about a company's brand rather than competitors' brand coming into customers' mind when they need a product and brand positioning which connects a brand and its brand benefits in customer's mind (Rosenbaum-Elliott, Percy & Pervan, 2011). Brand communication strategy consists of brand positioning, brand awareness strategy, brand attitudes strategy and media strategy (Rosenbaum-Elliott, Percy & Pervan, 2011).

3.1 Brand positioning

Brand positioning creates connection in consumer's mind between a brand and section need and the reason of need (Rosenbaum-Elliott, Percy & Pervan, 2011). Kotler (2005) defined positioning as it enables a brand to seize a "distinct and valued place" in the target customer's mind. The meaning of positioning is significant and it should be taken into consideration when positioning a brand and using communication tools to reach customers.

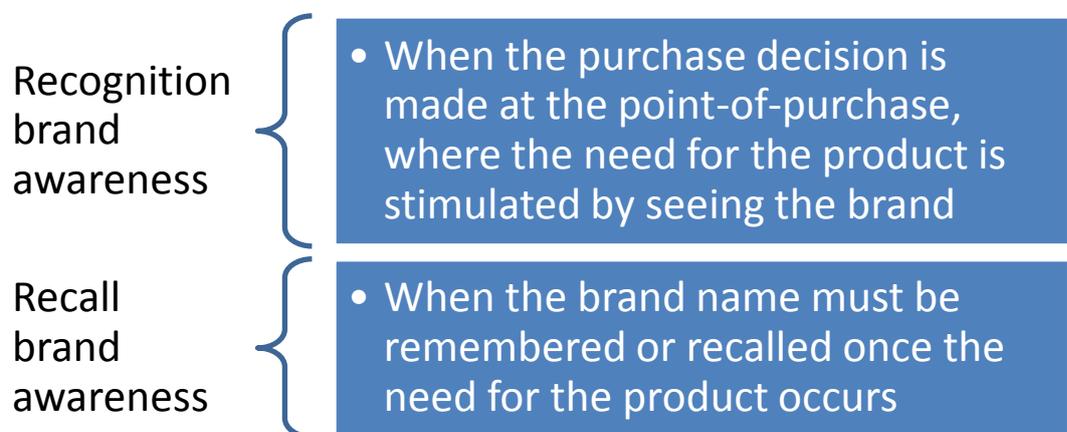
Rosenbaum-Elliott, Percy and Pervan (2011) divided positioning into two categories: central positioning and differentiated positioning. A central positioned brand is supposed to offer all the major benefits associated with the product range (Rosenbaum-Elliott, Percy & Pervan, 2011). Consequently, a central positioned brand should be considered as the best brand in the product range since it offers all the major benefits consumers are looking for in the product range (Rosenbaum-Elliott, Percy & Pervan, 2011). A differentiated positioned brand offers an important benefit that consumers are looking for and it is better than other brands (Rosenbaum-Elliott, Percy & Pervan, 2011). Rosenbaum-Elliott, Percy & Pervan (2011) also deemed that all the brands that are not the best in the market should adopt a differentiated positioning. Brand positioning should also integrate brand benefits (Rosenbaum-Elliott, Percy & Pervan, 2011). Benefits play a main role in positioning effectively for marketing communication.

3.2 Brand awareness strategy

Rosenbaum-Elliott, Percy & Pervan (2011) defined two essential categories of brand awareness strategy which are recognition and recall.

Recognition brand awareness refers to “when the purchase decision is made at the point-of-purchase, where the need for the product is stimulated by seeing the brand” while recall brand awareness is defined as “when the brand name must be remembered or recalled once the need for the product occurs” (Rosenbaum-Elliott, Percy & Pervan, 2011).

For those products that are purchased as “routinized response behavior” (Howard, 1977), consumers see the products and then make purchase decision. In this situation, the suitable brand awareness communication intention is recognition brand awareness (Rosenbaum-Elliott, Percy & Pervan, 2011). Rossiter and Percy (1988) defined it as visual iconic learning. Rosenbaum-Elliott, Percy & Pervan (2011) stated that in this situation a brand must be communicated and presented at the point of purchase.



Kuva 4 Brand awareness strategy, (Rosenbaum-Elliott, Percy & Pervan, 2011)

There are some other situations that consumers need to remember or recall the brand name in order to buy the product or service. Recall brand awareness is the suitable brand awareness communication purposes (Rosenbaum-Elliott, Percy & Pervan, 2011). Lee and Ang (2003)

considered this relies on “verbal paired-associated learning”. While the purpose of recall is the brand awareness communication, communication of the brand should connect to category need and is supposed to duplicate the brand name as frequent as possible (Rosenbaum-Elliott, Percy & Pervan, 2011).

Kent and Allen (1993) argued that duplication is significant since associative learning is much harder in the environment of disorder. Rosenbaum-Elliott, Percy and Pervan (2011) deemed that actually the association comes first and then the brand is needed. The brand communication tools such as advertising and so on cause the need; thereafter it satisfies the need with the brand (Rosenbaum-Elliott, Percy & Pervan, 2011). Consequently, this contributes to developing of suitable connections in customer’s memory between the need and the brand (Rosenbaum-Elliott, Percy & Pervan, 2011). When the need takes place, the brand will occur in customer’s mind.

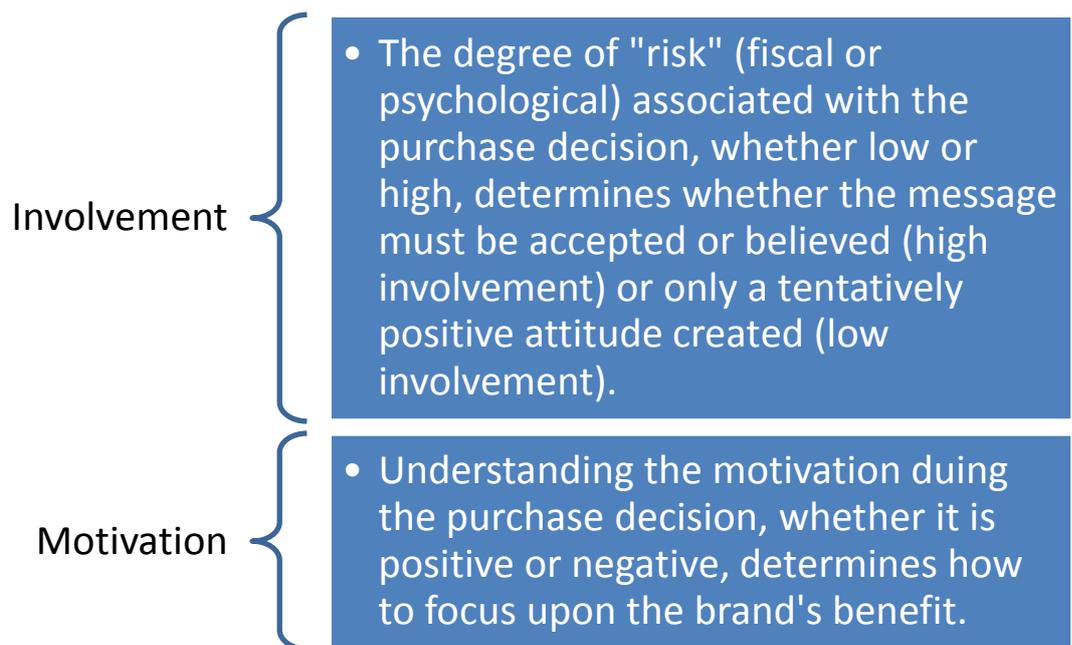
The connection is crucial when is brand is becoming successful and strong (Rosenbaum-Elliott, Percy & Pervan, 2011). In fact, in many cases, brand name itself does not contribute to help customers connect or associate brand name with the category need. The reason is that it is difficult for consumers to redeem brand names from memory since they are separated from concepts related learning (Rosenbaum-Elliott, Percy & Pervan, 2011). It is quite difficult for consumers to recall or remember a brand name without a forceful association or connection in mind with something particular (Rosenbaum-Elliott, Percy & Pervan, 2011).

Rosenbaum-Elliott, Percy & Pervan (2011) considers that it is significant to establish a distinctive identity for a brand through communication channels for the purpose of keeping consumers from confusing in mind with competitors’ brands. The connections in consumer’s mind between the need and the brand should be instantly associated and the brand should be recalled or remembered when the need takes place (Rosenbaum-Elliott, Percy & Pervan, 2011). It is communication tools’ responsibility to establish and maintain the association. If the connection between brand

and need is not forceful, there would be possible issues of competitor's brand with strong associations recalled by customers instead (Rosenbaum-Elliott, Percy & Pervan, 2011).

3.3 Brand attitudes strategy

Low and Lamb (2000) define brand attitudes as the consumer's comprehensive evaluation of a brand regardless it is good or bad. Brand attitudes include the essence of customer's attachment to a brand, which conversely influences customers' purchasing behavior (Low & Lamb, 2000). Hoek et al, (1997) stated positive brand attitudes like brand loyalty and brand trust are essential to sustainable development of brand and brand success in the long run. Successful brand managers are eager to establish and maintain positive brand attitudes through brand communications with substantial investments (Zehir et al, 2011). Kempf and Smith (1998) deemed brand communication has been coherently playing significant role in developing positive brand attitudes.



Rosenbaum-Elliott, Percy and Pervan (2011) believes that it is brand attitude shapes and maintains brand equity whilst it is marketing communication tools that shape brand attitude. Brand attitude is supposed to follow firstly the connection between the brand and the benefits associated with it (Rosenbaum-Elliott, Percy & Pervan, 2011). Then brand attitude follows the benefits recognized by effectual positioning and also the benefits integrated in marketing communications with a clear focus (Rosenbaum-Elliott, Percy & Pervan, 2011).

Rosenbaum-Elliott, Percy & Pervan (2011) considered two essential criteria in establishing brand attitude strategy: involvement and motivation as the Figure 3 above illustrated. The two criteria illustrate fundamental reasons for consumers purchasing products and the ways consumer purchasing, which is also believed to guide marketing communication means for a brand (Rosenbaum-Elliott, Percy & Pervan, 2011).

Involvement

Nelson (1970) considered that involvement reveals the grade of risk perceived by consumers when making decisions of purchasing or not purchasing or using or not using a product or service. According to Rosenbaum-Elliott, Percy and Pervan (2011), the perceived risk is closely related to target customers either in psychological risk aspects or financial risk aspects. Furthermore, the degree of involvement in making a product decision depends largely on a function of target customer's opinion of the purchase (Rosenbaum-Elliott, Percy & Pervan, 2011).

It is crucial to consider involvement concerning brand communication and brand attitude strategy since it influences the grade of acceptance or reliability in the message (Rosenbaum-Elliott, Percy & Pervan, 2011). Under low-involvement circumstance, it is not compulsory or necessary for

target customers to receive the message as true since target customers consider little risk exists in the purchase (Rosenbaum-Elliott, Percy & Pervan, 2011).

Maloney (1962) used a term “curious disbelief” to describe when a customer considers it may be true and customers would develop a “tentatively positive brand attitude” (Rosenbaum-Elliott, Percy & Pervan, 2011). Customers are able to try the product according to the tentative brand attitude and customers will not loss much if it is not true. If it turned out to be true, customers will form a more stable and positive brand attitude which is long-lasting (Rosenbaum-Elliott, Percy & Pervan, 2011).

However, under condition of high-involvement, target customers have to trust the message and receive the message as true (Rosenbaum-Elliott, Percy & Pervan, 2011). This contributes to creating positive brand attitude, especially to making a purchasing decision. If the target customers consider there is certain risk in the purchase, they will make the purchase decision only when they are sure of their choice. Consequently, customers’ dealing with content of brand communication varies largely relying on the decisions of low-involvement or high-involvement purchasing customers are making (Rosenbaum-Elliott, Percy & Pervan, 2011).

Motivation

Rosenbaum-Elliott, Percy and Pervan (2011) believe that some motivations are positively initiated while other motivations are negatively initiated. They concluded the reason of understanding what encourages or motivates customers to buy a product or service for brand attitude communication strategy is significant since reasons for consumers purchasing play a fundamental role in connecting benefits to the brand (Rosenbaum-Elliott, Percy & Pervan, 2011). In the situation of negatively motivated behavior, message has to concentrate straight on the benefits

while the message has to concentrate on emotional results of the benefits in positively motivated behavior situation (Rosenbaum-Elliott, Percy & Pervan, 2011).

When dealing with negatively motivated behavior, it is significant to realize that it refers to behavior that is supposed to figure problems or avoid problems instead of being negatively bad (Rosenbaum-Elliott, Percy & Pervan, 2011). Positive motives mainly refer to searching for individual satisfaction or social recognition (Rosenbaum-Elliott, Percy & Pervan, 2011). No matter target customer's motivation is positive or negative, communicating the brand should be coherent and consistent with the motivations beneath (Rosenbaum-Elliott, Percy & Pervan, 2011).

Rossiter-Percy Grid

Involvement and motivation have been utilized to develop practical brand attitude communication strategy. The two aspects are also exploited to develop the brand attitude quadrants of the Rossiter-Percy grid (1997) as the chart below shows.

		MOTIVATION	
		Informational (Negative)	Transformational (Positive)
INVOLVEMENT	Low	Provide one or two clear benefits, even exaggeration of the benefit.	Key is the perceived emotional authenticity of the execution, and the target audience must like it.
	High	Provide believable information about the brand that is consistent with the target audience's existing attitudes, be careful not to over-claim.	Emotional authenticity is critical, and the target audience must personally identify with the feeling created.

Kuva 6 Rossiter-Percy grid brand attitude strategy quadrants with creative tactics, (adapted from Rossiter et al., 1997; Rosenbaum-Elliott, Percy & Pervan, 2011)

The grid offers a form for making suitable and innovative strategies to be applied to practical and effective positive brand attitude and also brand awareness strategies with marketing communications (Rosenbaum-Elliott, Percy & Pervan, 2011). It is significant to consider both brand awareness and brand attitude strategy for all marketing communications.

One of the quadrants with combinations of involvement and motivation with consumer's purchasing decision will be reflected by brand attitude strategies (Rosenbaum-Elliott, Percy & Pervan, 2011). As the chart reveals, strategies were divided to handle negatively originated motivations called "informational" and positively originated motivations called "transformational" (Rosenbaum-Elliott, Percy & Pervan, 2011).

Rosster-Percy grid benefits brand managers to optimize the procedures and positively respond to brand communications by considering from customer's perspective how they make purchase decisions in the range (Rosenbaum-Elliott, Percy & Pervan, 2011).

As the chart above demonstrates, in the situation of low involvement informational strategies, little risk exists in purchase and there is negative motivation for customers (Rosenbaum-Elliott, Percy & Pervan, 2011). This is the simplest brand communication situation since marketers do not have to persuade target customers. The crucial factor is that brand communication offers some information or benefits even with exaggeration to invite and inspire target customers to take the brand into consideration of the possibility of solving problems or avoiding problems (Rosenbaum-Elliott, Percy & Pervan, 2011). Wood and Quinn (2003) argued that it is not necessary to be so obvious when trying to convince target customers since there is little risk in purchasing.

When dealing with high involvement situations, it is different to develop tactics with negative motivations. Under such circumstance, target customers have to be convinced by the information from brand communication (Rosenbaum-Elliott, Percy & Pervan, 2011). Though the information from brand communication may not be enough to persuade consumer to make purchasing decision right now, it has to be credible and trustworthy, resulting in developing of positive brand attitude.

For the purpose of assuring credible and trustworthy information, the claims of brand benefits have to be accorded with current brand image, competitors' brands and the general product category (Rosenbaum-Elliott, Percy & Pervan, 2011). According to Gilbert (1991), this decreases the possibility for target customers consciously debating about the information.

In terms of positive motivation, it is fundamental to express emotional truth in effective innovative execution of transformational brand attitude strategies (Rosenbaum-Elliott, Percy & Pervan, 2011). This works with or without involvement. Target customers have to recognize and be fond of

the brand communication. Baumgartner et al. (1997) stated there should be effects of enhanced inspiration through communicating.

Rosenbaum-Elliott, Percy and Pervan (2011) argued that actually message from brand communication could become benefit of a brand. This is believed to be the way transformational communicating works. The emotional truth of the advertisements and the consequence of executing it connect with the brand in consumer's mind (Rosenbaum-Elliott, Percy & Pervan, 2011).

In low involvement purchasing decisions, recognizing of the brand while purchasing, memory from advertisements or other channels is recalled, and that contributes to helping in making that purchasing decision (Rosenbaum-Elliott, Percy & Pervan, 2011). In high involvement transformational strategies, the different factor is that experience delivered from communicating the brand has to be identified with target customers by themselves (Rosenbaum-Elliott, Percy & Pervan, 2011). This will persuade target customers that they will receive the same positive experience as well, which contributes to establish positive brand attitude and result in purchasing the product (Rosenbaum-Elliott, Percy & Pervan, 2011).

4 NON-TRADITIONAL COMMUNICATION TOOLS

Percy (2008) argued that it is significant to choose suitable media channels to maximize the effect of consistent brand message delivery. Brand managers are supposed to consider comprehensively delivering the same key brand information and brand message through both traditional communications channel and non-traditional communication tools (Rosenbaum-Elliott, Percy & Pervan, 2011). Non-traditional communication tools play an important role in developing the brand and enhancing brand equity, especially for SMEs in e-commerce field.

SMEs are short of capital resources, financial channels, credit basis and other resources compared with large corporations. Consequently, the mass media channels such as advertising on television, fashion magazines, large events and sponsorships are not appropriate for SMEs to communicate their brands due to the high costs.

The new media channels based on internet technology enabled SMEs to communicate the brands, establish and maintain customer relationship and cultivate their brand loyalty. E-commerce enterprises conduct business and make deals on internet and their target customers are internet users as well, which make new media channels perfect for e-commerce SMEs.

The selected communication channels are online branding, brand communities on social networks and blogs, direct mailing, viral marketing like word of mouth and mobile marketing.

4.1 Online branding

Despite the general online branding literature is limited and it is in the phase of formation and is rarely integrated (Ibeh et al., 2005; Simmons,

2007), series of practical and qualified publications from Cocoran (2007) and Ries (2000) supplemented the academic and literature of online branding.

Cocoran (2007) divided the online branding into a collection of easy and practical modules such as technical issues like domain names, IP addresses, search engines, Java, Flash and branding issues as well like brand positioning, online communities and segmentations and so on. Ries (2000) proposed many functional and practical rules and principles of online branding from company's perspective including brand message delivering, online communication channels, and brand hierarchy and so on.

Rowley (2009) believed that some of the arguments and publications are controversial despite that there are valuable opinions and insights. She concluded the online branding literature under three primary themes which are branding basics, online branding objectives and other online branding strategy issues in her research on UK online fashion retailer branding (Rowley, 2009).

Chen (2001), De Chernatony (2002), and Rubenstein (2002) had stated that online branding requires other channels to establish on and to achieve synergies due to prevalent internet. Rowley (2004) stated that online branding is supposed to begin with generating and registering "logos, brand marks, and strap lines", and generation of brand awareness and presence. She also stressed that in the long term branding is supposed to deliver insistent and irresistible value and to offer satisfied using experiences to customers, which offers a chance to establish brand relationships with customers. The brand relationships, on the other hand, turn customers into regular or loyal customers, build brand barriers against competition from other products or services and even bring more profits by charging at higher prices (Rowley, 2004). This process of branding produces value and generates brand equity to the business. (Aaker, 1996)

Cuthbertson and Bridson (2006) argued that loyalty marketing strategies such as internet brand communities, bilateral communications, rewards,

efficient customer services, loyalty schemes are significant to brand building. Tzokas and Saren (2004) deemed web is a suitable and effective medium of communication to establish and maintain customer relationships. Nysveen et al, (2005) considered Internet as one medium, from which the relationships between customers and firms can be appreciated and evaluated amongst other various channels of branding relationships.

Rowley (2009) stated successful online branding relies on correct choices of online branding channels according to its business types and its online branding objectives as well. De Chernatony and Christodoulides (2004) advised corporate brand building achieves solid presence of brand and the corporate brand will achieve increasingly engagement by conducting more and more interaction, transaction equipment and online communities. It is suggested that marketing communication, service and relationship establishing can be offer meantime through online channel (Rowley, 2009). Dayal et al. (2000) expressed online branding from the perspective of customer experience of “convenience, achievement, fun, and adventure, self-expression and recognition, and belonging”, which stressed the significance of user experience from customers’ perspective.

4.2 Brand community

YouTube, Facebook, Twitter, photo sharing, weblogs and other social media channels have attracted plenty of attention of marketing and branding professionals. Patel (2010) indicated that more and more companies has integrated social media tools to marketing, sales, research and product development, customer services and other aspects of businesses. Rosenbaum-Elliott, Percy and Pervan (2011) considered it is significant for a firm to combine Integrated Marketing Communications with social media tools among every departments of the firm. Consequently,

social marketing plays an increasingly important role in nowadays communicating between company and customers.

Apart from traditional ways of branding and communicating such as advertising on social media, an effective, efficient and practical way for companies especially SMEs to take advantage of social media is to build brand community, on which members, customers and marketers are able to share significant consumption experience, practical knowledge and information and beneficial resources among each other.

The concept of Brand Community was defined by Muniz and O'Guinn (2001) as "specialized, non-geographically bound community, based on a structured set of social relations among admirers of a brand". One brand community consists of community members, the connections among them and contexts they share with each other.

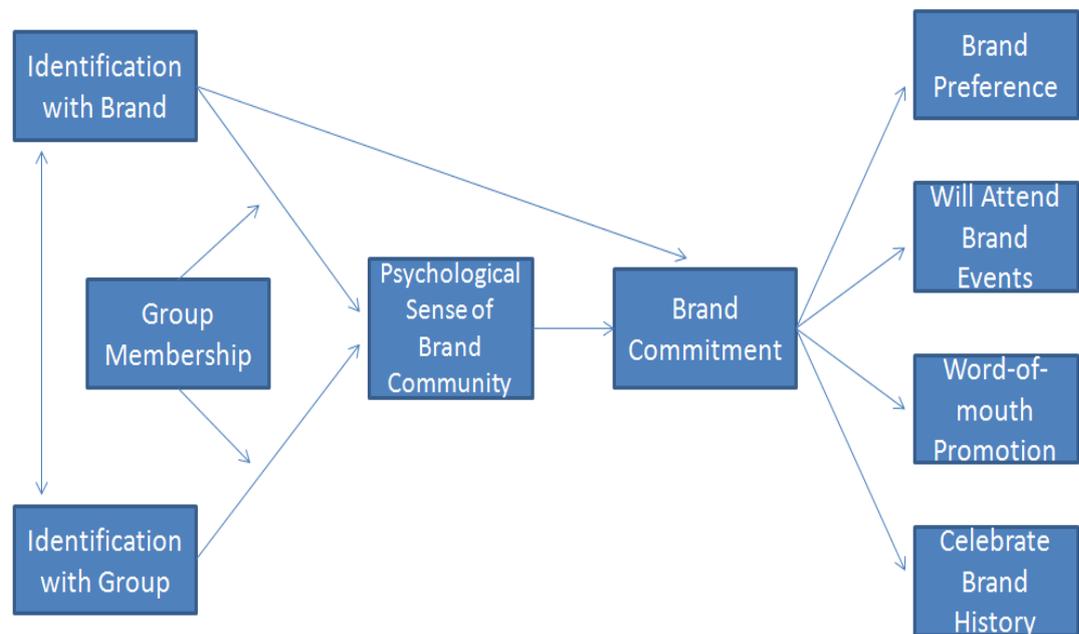
The most valuable significance of a brand community relies on the generation and sharing of content (McAlexander et al., 2002). In addition, other advantages come from brand communities include promoting share of information, solidifying the brand culture and history, assisting consumers and increasing brand loyalty (Muniz & O'Guinn, 2001).

From consumer's and customer's perspective, there are both psychological and material reasons to join brand communities on social media. Social media and brand community can offer consumers a social communication platform and a sense of gathering together. Plus, brand communities on social media can fulfill consumers' need of sharing their consumption experience and using experience. Moreover, brand communities on social media provide consumers social positions or social identifications. Last but not least, consumers have access to valuable information and resources concerning a certain product or brand.

Carlson, Suter and Brown (2008) argued that brand community consists of social brand community and psychological community. The difference between social and psychological brand communities is the character of relationship between communities members (Carlson, Suter & Brown,

2008). They deemed that a “psychological sense of brand community” exists among brand users even when the social interaction does not exist.

Carlson, Suter and Brown (2008) defined psychological brand community as “a group of brand admirers who perceive a sense of community with other brand admirers, yet do not hold membership or engage in social interactions” (Carlson, Suter & Brown, 2008).



Kuva 7 Hypothesized model of psychological sense of brand community, (Carlson, Suter & Brown, 2008)

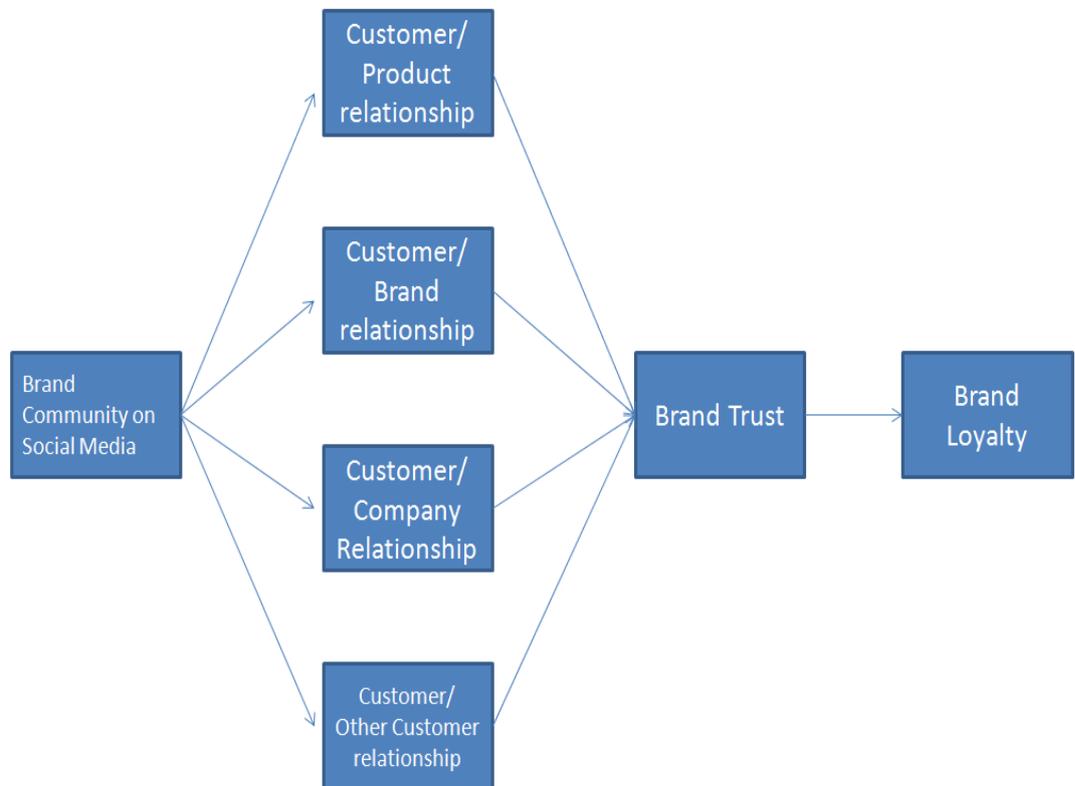
As the diagram illustrates, Carlson, Suter and Brown (2008) concluded that psychological sense of brand community plays a significant role in the relationship between consumers and brand in both social and psychological brand community. They concentrated on psychological relationships among consumers who recognized a sense of community and the existing brand community. Brand managers are suggested to reinforce brand commitment through psychological sense of brand community since Carlson et al. (2008) proved that customer who has a sense of community with other brand consumers will commit to that brand. Based on Carlson, Suter and Brown’s (2008) research, it is much easier

and economical to establish and develop psychological brand community than social brand community.

From company's perspective, brand communities enhance brand loyalty (McAlexander et al., 2002) and social media, as an efficient and direct communication channel between company and customer, affects customer's and consumer's cognition and action (Williams & Cothrell, 2000).

Social Media Based Brand Community

Base on McAlexander and his partners' research, Laroche, Habibi and Richard (2012) proposed a terminology called "Social media based brand community" to describe the crossing and uniting of brand community and social media. A further research on role of brand communities in improving customer relationships with components of brand community was designed by Laroche, Habibi and Richard (2012) from strengthening customer and components of brand community relationship perspective.



Kuva 8 Model of the effects of brand community on social media, (Laroche, Habibi & Richard, 2012)

As the diagram above reveals, Laroche, Habibi and Richard (2012) hypothesized and proved that social media based brand community have positive effects on four relationships: customer and product relationship, customer and brand relationship, customer and company relationship and customer and other customer relationship when meaningful context interaction happened among brand community components. Researchers believe that the meaningful and contextual interaction results in effective sharing of information, reinforcement of members' relationship and strengthening the components of customer centric model of brand community. As a result, social media based brand community has positive effects on customer and product relationship, customer and brand

relationship, customer and company relationship, customer and other customer relationship (Laroche, Habibi & Richard, 2012).

Further, improvement of these four types of relationships contributes to enhancing of brand trust (Laroche, Habibi & Richard, 2012). Finally, brand trust has been proved to have positive and significant effects on brand loyalty (Laroche, Habibi & Richard, 2012). In addition, the improved brand loyalty benefits brand equity and as a result in turn benefits social media based brand community.

Nevertheless there are some drawbacks of social media marketing regardless of its advantages such as economy, effectiveness, efficiency and precise targeting. Above all, social media marketing requires long term marketing as the occasion demands, and updating and controlling contexts and cyber safety issues as well.

4.3 Direct mail marketing

Direct mail marketing refers to sending mails or emails directly to customers or potential customers to deliver marketing message in a way customers prefer based on Roddy's (2002) definition on direct marketing. Direct mail marketing can be categorized into permission-base emails and no permission-based emails by customer's permission. It can also be divided into short term or long term direct mail marketing according to marketing planning. Currently, the permission-based emails are widely used due to consumer's antipathy to unsolicited emails (Ellis-Chadwick & Doherty, 2012).

There are many benefits of direct mail marketing. Mohr, Sengupta and Slater (2010) argued that direct mail marketing is more precise than advertising or public relations. Target group of direct mail marketing is most likely to turn into pay customers. Furthermore, it is effective and economical to develop potential customers. Moustakas et al, (2006) stated

that widely distributed emails are more economical and affordable to SMEs to promote business and spread information to target group. It also benefits establishing long term relationship with customers, nurturing customer loyalty and collecting more feedbacks.

Nevertheless, consumers generally consider mails from direct mail marketing as junk email if they did not order the emails. Receivers of direct mail marketing will have antipathy if they are not respected or they are forced to receive emails. These drawbacks will decrease brand reputation and damage the brand equity.

For those permission-based emails receivers, the main motivation of receiving a company's marketing emails and reading the emails is that their interests matches the company's business range (Grunert, 1996).

Process of direct mail marketing

It starts with collecting email addresses. There are two ways of collecting. One is to purchase from direct mail marketing service provider or other similar service provider while the other way is to gather from your own website database. It is significant to categorize customers into such as loyal customers, active customers, medium active customers, new customers and potential customers and so on. It is possible to divide customers by genders, ages, consumption favors as well.

The second step is to design the content of direct mail marketing. The content should be interesting, useful, practical or functional to target groups. Take e-commerce enterprise as example, the content depends on the customer's activity. To the active customers, the content should be new products information since active customers are the most loyal group and they are most likely to purchase again. To the medium active customers, it is better to send discount information. Since medium active customers are more familiar with products than the company or the brand,

discounts on familiar products are more attractive to them. Towards the new customers or not active customer, it is effective to send them vouchers, coupons and discount information since they are not familiar with the company or the brand.

The third step comes to design email layout to accord with customers reading habits. It is suggested that interactive features should be included to obtain more information and enhance consumer involvement (Ellis-Chadwick & Doherty, 2012). The chart below shows top seven interactive features out of 26 various categories of interactivity in direct mail marketing (Ellis-Chadwick & Doherty, 2012).

Interactive features by type of marketing e-mail (% of total).

Interactive feature	Message focus				
	Information	Pre-purchase activities	Incentives	Purchase mechanism	Post-purchase support
Unsubscribe (98%)	Search for specific information (12.6%)	Website landing page (100%)	Contest (5.1%)	Order online (54.4%)	Interactive customer services (18.0%)
Send an e-mail to the company (54.2%)	Find out what's on in store (6.6%)	Store locator (17.9%)	Collect voucher (1.5%)	Interactive catalog (9%)	Web/advice chat line (1.0%)
Send the e-mail to a friend (16.5%)		Order a catalog (9.0%)	Collect reward points (0.6%)	Gift ordering service (4.8%)	Leave feedback (0.1%)
Join the club (5.3%)		Book an appointment or event (4.8%)	Complete a quiz (0.2%)		
Send a card (1.9%)		Check availability of stock (1.9%)			
Complete a survey (0.4%)		Register for price alert/get a quote (1.3%)			
Contribute to a blog (0.03%)		Create a shopping list (0.5%)			

Kuva 9 Interactive features by type of marketing email (% of total), (Ellis-Chadwick & Doherty, 2012)

Ellis-Chadwick and Doherty's (2012) study also reveals that all marketing emails have a subject line which is eye catching. 75% of marketing emails have a clear headline beside the subject and a clear link leading to the content as well (Ellis-Chadwick & Doherty, 2012). Almost all the marketing emails enclose a brand logo dominant in the up corner and minimum a hyperlink to other websites (Ellis-Chadwick & Doherty, 2012). Furthermore, there are several types of emails. One is product introduction type including new product launch or product improvements with a focus on product characteristics or performance. Another type is promotion such as holidays or anniversaries with a concentration on price. A further category

is event marketing type which focuses on social communications combining with hot events. An extra type is calling up which requires customers recommend friends to take part in activities, usually for free.

Fourthly, frequency of mailings is supposed to accord with the content and customer's activity since it is a significant part of establishing customer relationships (Ellis-Chadwick & Doherty, 2012). Too much irritates consumers while too less loses their attention (Ellis-Chadwick & Doherty, 2012). Taking e-commerce enterprises for example, mailing to loyal and active customers can be more frequent such as once a week while send mails to medium active customers could be twice a month. Frequency of once a month should be enough for new customers and not active customers. In addition, there are some specific dates that mailing to customers cannot be avoided such as holidays or customer group's anniversaries. Concerning timing of sending marketing emails to consumers, Ellis-Chadwick & Doherty (2012) indicated that the best timing are evenings, Friday afternoons and weekends according to studies of hits and click-through.

Last but not least, channels of sending emails depend on the numbers. It could be send by the company itself or third party software or direct mail marketing outsourcers.

4.4 Viral marketing

Viral marketing was defined by Mohr, Sengupta and Slater (2010) as "making marketing offers so compelling that people voluntarily pass them around to their friends". Viral marketing spreads and disseminates marketing message through public activity and voluntary and interpersonal networks. Those marketing message were imitated quickly and passed to millions of receivers.

Krishnamurthy (2001) indicated the purpose of viral marketing is to take advantage of consumer to consumer communications to spread product or service message and information following with a more speedy and economical adoption by more consumers in the market.

Bruyn and Lilien (2008) argued that viral marketing is one of the most “intriguing” customer-leveraging potentialities on internet (Brodin, 2000). Dye (2000) also indicated that McKinsey predicts that in United States of America 67% of products and services is influenced by buzz. This has offer a great marketing channel for SMEs. Though some of the viral marketing tools such as free email service or instant communication are not suitable to SMEs, yet the spirit of viral marketing is applicable to SMEs and it is possible to achieve considerable effects in a certain area.

Consumers are willing to promote a product or service and disseminate the message to their friends or colleagues either because of some particular encouragements such as economic incentives or because of the pure desire to share the product or service advantages with friends (Bruyn & Lilien, 2008).

As a result, marketers have to encourage consumers by incentives or integrate valuable contents to the marketing message so that consumers are will to spread the word. Bruyn and Lilien (2008) deemed that the crucial aspect of successful viral marketing is developing attractive campaign which encourages consumers to spread the word. Success of campaigns is supposed to fulfill fun, interactivity and a certain rewards (Bruyn & Lilien, 2008). In another word, viral marketing contents or message should be fun, interactive and rewarding.

Bruyn and Lilien (2008) concluded that consumers are willing to pass on marketing messages unsolicited if the messages are:

- capture the imagination by being fun or intriguing;
- are attached to a product that is easy to use or highly visible;
- are well targeted;

- are associated with a credible source;
- Combine technologies.

Base on Bruyn, Lilien and other's research, we can conclude that successful viral marketing relies on effective communication networks, valuable and attracting marketing messages, simple and easy methods of passing on the messages, public positivity and behavior.

4.5 Mobile marketing

Mobile marketing refers to taking mobile phone platform as a tool of advertising (Mohr, Sengupta & Slater, 2010). Furthermore, according to the UK Mobile Marketing Association (2005), mobile marketing is "The use of the mobile medium as the communications and entertainment channel between a brand and an end-user. Mobile marketing is the only personal channel enabling spontaneous, direct, and interactive and/or target communications, anytime, anyplace".

Viittet-Phillippe and Navarro (2000) argued that the most important benefit of mobile marketing concerning communicating brand depends on target groups agree to receive advertisements on their mobile phones.

Traditional mobile marketing includes sending SMS or text messages straight to consumers' mobile phones (Mohr, Sengupta & Slater, 2010). This requires consumers offer their phone numbers and give permission of receiving messages.

According to Rohm, Gao, Sultan and Pagani (2012), smart phones in use will surpass computers by the year 2015. The mobile marketing platform will be the most significant marketing communication platform. Since smart phones are increasingly popular, mobile marketing makes it possible for companies to develop an existence by the side of customers without geographical and time limitations (Varnali & Toker, 2010). Furthermore, Rosenbaum-Elliott, Percy and Pervan (2011) presented advertising on

mobile devices attracts marketers due to “the ability of tightly target messages, along with control of the message environment and time of exposure”.

With the introduction of iPhone, mobile marketing has been largely extended and widely spread in reaching customers and developing relationships. With the capability of accessing internet, smart phones are able to receive online marketing messages as well and thus can be integrated with other communication tools to create synergies.

With capacity of installing Apps, smart phones allow customers to purchase specific content, search particular information and communicate interactively. For instance, digital magazine Apps with specialized content on mobile phones could also be a media of advertising; Discount information or coupons can be distributed through a firm’s business App; Instant messaging Apps on mobile phone can be considered as a social media with the capacity of developing brand communities. Consequently, the smart phones and mobile application create a good channel to generate brand awareness and enables customers to communicate with the brand with an integrated and comprehensive brand communication strategy (Sullivan, 2010).

5. EMPIRICAL STUDY OF E-COMMERCE SMES BRAND COMMUNICATION STRATEGY IN CHINESE COSMETICS MARKET

5.1 Research design and data collection

Qualitative research method is selected for the empirical study. The data collected for solving the research questions is based on meanings expressed through words. The collection leads to non-standardized data which needs to be classified into categories. Data analysis is conducted through the use of conceptualization. (Saunders, Lewis & Thornhill, 2009)

In order to analyze and facilitate main research questions and sub-questions, two popular Chinese ecommerce cosmetic enterprises were benchmarked to research how they communicate their brands and what are their brand communication strategies. With integration of special characteristics of Chinese online environment and practical benefits and thinking learnt from benchmarked enterprises, a brand communication strategy will be developed for case company. It should be applicable to other ecommerce SMEs with similar situation.

As a common research approach, case study analyzes qualitative or quantitative evidence on a particular case (Thomas, 2011). It suits well the objective of this study: to reveal underlying principles and develop a brand communication strategy.

Data collection of this study consists of primary data and secondary data. Primary data will be from the case company's websites, observation of benchmarked companies and observation of the case company. For instance, participant observation will be taken to investigate what communication channels were used by benchmarked companies, how did they present the brands, what benefits and messages they delivered through which communication channels and so on; case company information such as annual sales, registered customers, and product categories and so on were collected during April and May and they are

considered as a reference assisting to making its brand awareness strategy and brand attitude strategy. Secondary data will be collected from relevant websites and reliable databases. For instance, the numbers of registered users of online communities, blogs, and microblogs, social networks were collected during May 6th to May18th. This helps to study media channel strategies.

5.2 Benchmarking studies of brand communication in Chinese cosmetic market

Benchmarking studies of brand communication in Chinese cosmetic market consists of two popular and outstanding e-commerce cosmetic enterprises: Jumeiyoupin and Yunifang. Both companies have successfully utilized and integrated non-traditional media communication channels to achieve remarkable brand awareness, positive attitudes and high brand loyalty.

5.2.1 Brand communication of Jumeiyoupin

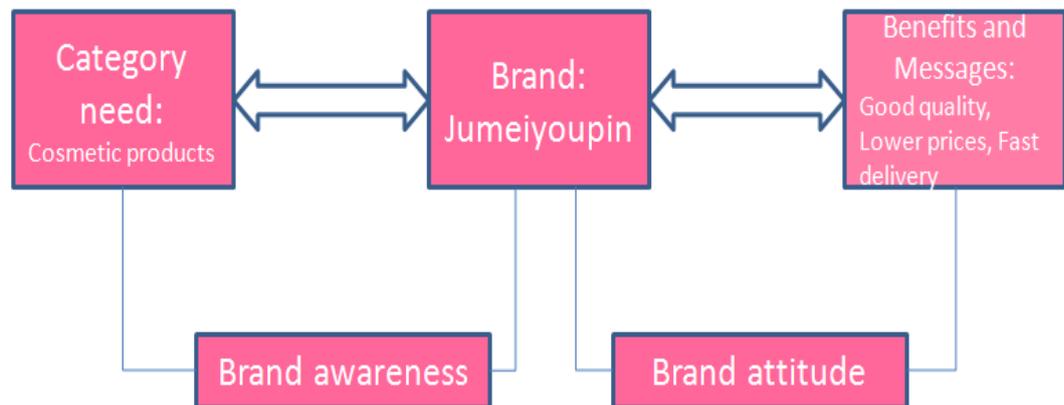
Jumeiyoupin is the first online cosmetic time-limited selling enterprise in China. It was founded in 2010. It dedicated to create simple, fun and trustworthy cosmetic consumption experiences to customers, with a mission of helping you to be beautiful and a vision of easy to be beautiful (Jumeiyoupin, 2013). Its online B2C operation mode consists of business to individual customer and business to a group of customers. Jumeiyoupin firstly developed a “Cosmetic group-purchasing mode” which refers to the enterprise offers a dozen type of most popular cosmetic products at attractive prices with limited quantities on its website (Jumeiyoupin, 2013).

Jumeiyoupin now has achieved hundreds of millions monthly sales and a well-known brand in less than two years since its establishment (Jumeiyoupin, 2013). Its success is not a coincidence. Apart from ensuring the product quality and logistic fluency, Jumeiyoupin has paid special attention to its brand communicating through multiple communication tools. Its success depends largely on its brand communications. There are many things that Chinese SMEs can learn from Jumeiyoupin brand communication strategy.

Jumeiyoupin Brand Positioning and Brand Message

Brand positioning sets an internal connection between a brand and the according target customers of a brand (Sujan & Bettman, 1989). In another word, brand positioning occupies an appropriate place for a certain brand in the market (Sujan & Bettman, 1989). The objective is to let consumers think of the brand when a need for a product category occurs in consumers' mind.

Jumeiyoupin adopts the centrally positioned brand strategy which offers consumers all the main benefits they are looking for in cosmetic products and reminds consumers of its brand as the best in the market. The brand name Jumeiyoupin (聚美优品) includes two implications: collection of beauty and premium products which directly connect consumers to its product category and product position (Jumeiyoupin, 2013). Plus, Jumeiyoupin has reinforced the connection between its brand "Jumeiyoupin" and the cosmetic products through multiple marketing communication channels such as advertising, social media and so on.



Kuva 10 Jumeiyoupin brand positioning, (adapted from Rosenbaum-Elliott, Percy & Pervan, 2011)

Furthermore, Jumeiyoupin has carefully selected brand benefits such as good quality, fast delivery, lower prices and 30 day's refund (Jumeiyoupin, 2013). These benefits play essential role in effective brand positioning and marketing communication and relate to brand attitude that drives consumers purchasing motivations. Moreover, Jumeiyoupin has endowed specific meaning of confidence, positive and pursuing dreams to its brand messages. These brand messages are highly identified with young consumers who are the main customer groups of Chinese online enterprise (iResearch, 2013). The brand benefits with integration of highly recognized brand messages are consistently spread through brand communication tools.

Jumeiyoupin Brand Communication Tools Strategy

As the chart below shows, Jumeiyoupin utilizes and integrates various communication tools to reach customers and to spread its brand message: confidence, positive and pursuing dreams which are identified with many Chinese consumers. With the recognition and awareness from consumers, Jumeiyoupin tries to turn the consumers' recognition and awareness into positive brand attitude with its good quality products and services. Once

customers are satisfied, they will spread the word to their friends through various channels such as social network, word-of-mouth, online brand communities and so on. Meanwhile Jumeiyoupin utilizes various marketing channels to develop brand awareness and to help consumers to recall the brand.



Kuva 11 Jumeiyoupin brand communication channels

Among all the communication channels Jumeiyoupin uses, its corporate website and social media are paid special attention due to large register users on them. These communication channels: corporate website and social media are considered as the two main platforms that communicate its brand, deliver brand and marketing programs, establish and maintain relationships with customers. Other communication channels attract customers to its corporate website and social media despite other channels communicate the brand and promote marketing programs as well.

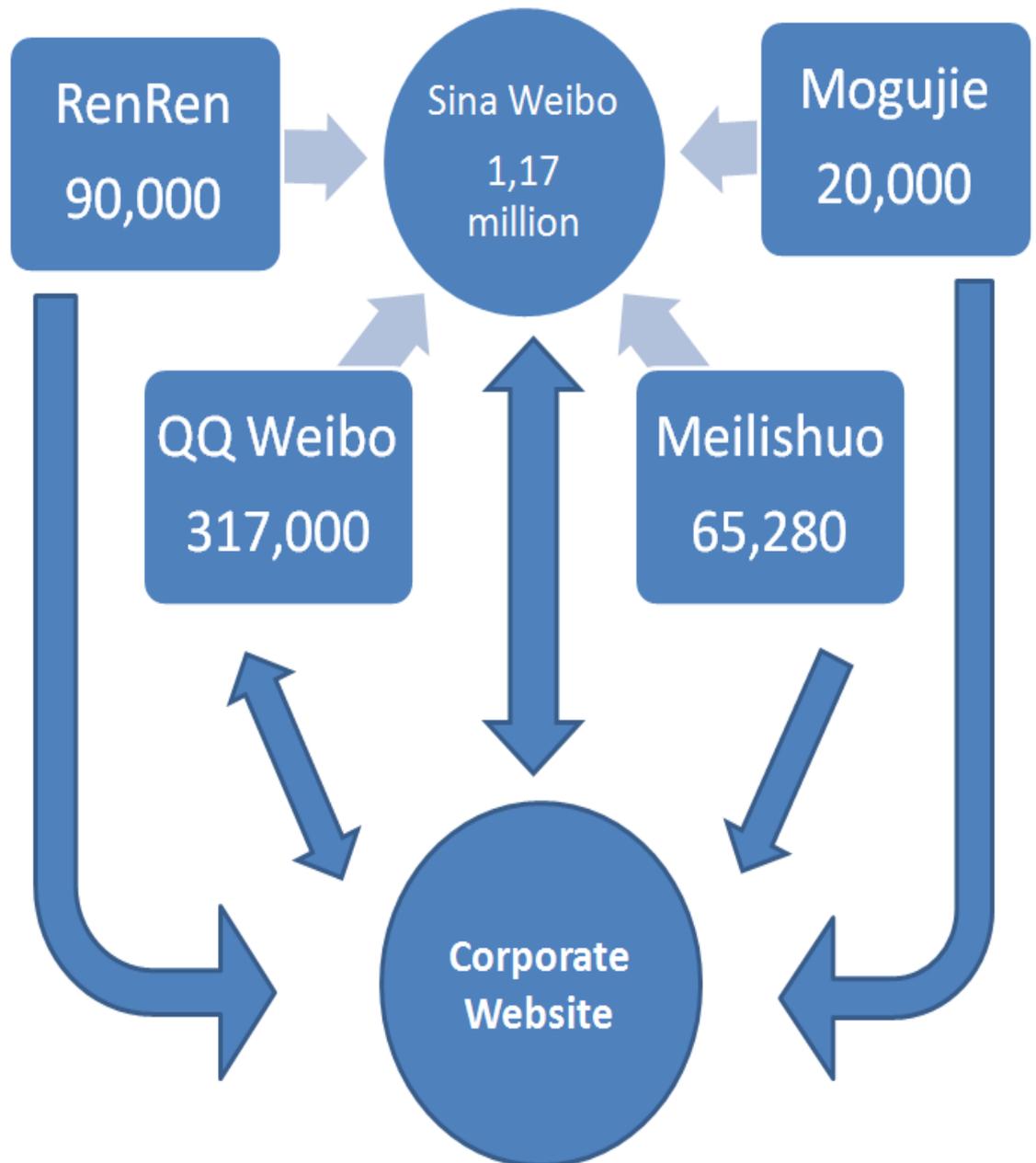
Web is an appropriate and effective communication medium to establish and maintain customer relationships (Tzokas and Saren, 2004). Jumeiyoupin uses various websites to communicate the brand. For instance, Jumeiyoupin website and brand promotion videos are available on all Chinese video websites and also are spread through integrated communication tools such as social networks and microblogs.

Essentially, Jumeiyoupin is a B2C website. Besides the integrated utilization of other online branding websites, the development of its website is significant since there are many outstanding features that Chinese e-commerce SMEs can learn from. Firstly, design of its website is simple, clear and customer friendly. It is easy to use, to register and easy to find product information (Jumeiyoupin, 2013). Secondly, there is a customer/brand community that allows customers to share their consumption experiences and using experiences. Plus, consumers will have access to valuable information and resources concerning a certain product or brand. On the other hand, the existence of this brand community attracts consumers to the website.

Another significant communication tool contributes to Jumeiyoupin brand communication is social media such as social network websites and microblogs. Social marketing contributes to companies in terms of sales and marketing, research and marketing, customer support and services, communicate brand and so on (Patel, 2010).

Due to the uniqueness of Chinese market, traditional social network websites such as Facebook and microblogs such as Twitter are not popular in China. Nevertheless, there are popular social networks and microblogs utilized by Jumeiyoupin. There are Jumeiyoupin communities, corporate official pages on popular social networks and microblogs such as Sina Weibo (www.weibo.com), RenRen (www.renren.com), QQ Weibo (www.weibo.qq.com) and so on. There are also female online shopping websites such as Meilishuo (<http://www.meilishuo.com>) and Mogujie (<http://www.mogujie.com/>). Among all of them, the most popular one is Sina Weibo because it has the largest registered user number. Till the end

of December 2012, there are over half billion registered users and 50 million daily active users on Sina Weibo, which offered Jumeiyoupin large amount of audiences (Xinhua News, 2013). The number has increased to over 1 million in May of 2013 (Sina Weibo, 2013).



Kuva 12 Jumeiyoupin brand communication on social medias, (Sina Weibo, 2013)

As the chart above shows, Jumeiyoupin communicate its brand on many social media which expose the brand to consumers and try to attract consumers to its website. Sina Weibo, with over 1 million fans of Jumeiyoupin (Sina Weibo, 2013), plays a significant role in the brand exposure. Another important media QQ Weibo, with approximately 150,000 fans that follow Jumeiyoupin brand, has a certain influence on the brand communication (QQ Weibo, 2013). RenRen community has almost 90,000 fans following Jumeiyoupin (RenRen, 2013), despite it is the largest social network community in China. As online shopping communities with a focus on female dresses and accessories, Meilishuo and Mogujie offered 65,280 and 20,000 followers respectively that are all target audiences to Jumeiyoupin (Meilishuo, 2013; Mogujie, 2013).

To sum up, we can see that brand communication media strategy of Jumeiyoupin is accurate and effective. The consistent brand messages, benefits and marketing information are delivered to consumers and target audiences through integrated using of appropriate communication channels.

Jumeiyoupin Brand Awareness Strategy

With the basis of correct brand positioning, brand awareness strategy in marketing communication contributes to create salience for Jumeiyoupin in consumer's mind, which refers to the brand of Jumeiyoupin that comes to consumer's mind immediately when a need of cosmetic products occurs.

Brand awareness strategy consists of recognition brand awareness strategy and recall brand awareness strategy, which are suitable to different purchasing occasions and product types (Rosenbaum-Elliott, Percy & Pervan, 2011). Due the online shopping mode of Jumeiyoupin and its comprehensive cosmetic products category (Jumeiyoupin, 2013), both recognition and recall brand awareness strategy are utilized.

In terms of consumer's "routinized response behavior" (Howard, 1977) or "visual iconic learning" buying behavior (Rossiter & Percy, 1998), recognizing Jumeiyoupin brand awareness is set as the communication objective. When consumers see cosmetic products and then make buying decision, Jumeiyoupin brand has to be communicated and presented at the point of purchase where consumers will see. Based on studying and observing of Jumeiyoupin brand communication, we can find Jumeiyoupin brand's presence in many communication medias including online shopping websites, online shopping communities on social networks and so on.

Under condition of recall brand awareness when consumers need to recall Jumeiyoupin brand, communicating of the Jumeiyoupin brand is supposed to repeat Jumeiyoupin name with direct connection to cosmetics as often as possible. There are many communication channels applied by Jumeiyoupin to present its brand such as advertising, online branding, social networks, mobile marketing, viral marketing, direct mail marketing and so on.

Jumeiyoupin Brand Attitude Strategy

Brand attitude constructs and maintains Jumeiyoupin brand equity and it is marketing communication contributes to constructing Jumeiyoupin brand attitude. Two essential considerations involvement and motivation form the development of Jumeiyoupin brand attitude strategy and approach marketing communications to the Jumeiyoupin brand.

		MOTIVATION	
		Informational (Negative)	Transformational (Positive)
INVOLVEMENT	Low	Provide clear Jumeiyoupin benefits: <ul style="list-style-type: none"> • Good quality • Lower prices • Various product categories • Good services 	Perceived emotional authenticity of the execution, which customers agree to: <ul style="list-style-type: none"> • It is easy to be beautiful • Confidence • Jumeiyoupin makes it positive to be beautiful
	High	Provide trustworthy brand information with consistence of target customer's present attitude towards Jumeiyoupin: <ul style="list-style-type: none"> • 30 days unconditional refund policy • Quality guarantee • Fast delivery of products 	Emotional authenticity is significant, customers identifies with that feeling : <ul style="list-style-type: none"> • Helps you to be beautiful • It is fun to be beautiful with Jumeiyoupin

Kuva 13 Jumeiyoupin brand attitude strategy quadrants, (adapted from Rossiter et al., 1997 & Jumeiyoupin, 2013)

As the chart above shows with pink background, Jumeiyoupin particularly concentrates on customers with low involvement since the target groups are more likely to be in low involvement. Involvement reflects the level of risk perceived by customers when purchasing Jumeiyoupin products in both psychological and financial aspects. Low involvement refers to customers perceive low risk of buying Jumeiyoupin products.

Jumeiyoupin delivers clear brand benefits to customers. It announces that its products are from formal and official channels with certificates on its websites front page. Furthermore, it declares its company has "A class

prestige certificate” (Jumeiyoupin Guarantee, 2013) through mass media and online shopping communities to reinforce the positive brand benefits. Moreover, Jumeiyoupin send discount information and promotion messages to consumers through Sina microblogs, social media, and communities and also through word of mouth. Plus, Jumeiyoupin offers good services such as group-buying service which allows customers join a group to buy at a lower price on its website. These messages are integrated with brand benefits and communications together contributing to establishment of positive brand attitude which convinces customers to purchase.

When dealing with low involvement and positive motivation, Jumeiyoupin identifies the emotional feelings such as “it is easy to be beautiful, be confidence and positive to be beautiful” that consumers agree to. Jumeiyoupin had made videos to promote its brand and brand messages of positive and pursuing dreams. The short video propagandizes a spirit of young generation’s not giving up and insisting on. It was integrated well with its brand messages by express “You only smell my perfume, but did not see my endeavor” (Jumeiyoupin Promo, 2013). Consequently, this video was identified with young Chinese consumers and was retweeted millions of time in China. These types of customers identifying emotionally with Jumeiyoupin brand and form a positive brand attitude that encourages consumers make purchase decision.

Concerning Jumeiyoupin customer’s motivation, both negative motivation (or informational) and positive motivation (or transformational) are involved as the chart above illustrates. Negative motivation involves behaviors that solve a problem or avoid a problem such as covering physical or facial flaws or cleaning and taking care of skins and so on while positive motivation deals with seeking individual satisfaction or social approval such as personal satisfaction of beauty or be more confident and attractive to others (Rosenbaum-Elliott, Percy & Pervan, 2011).

Nevertheless, for the consumers with high involvement and negative motivation, Jumeiyoupin delivers reliable and trustworthy information. It

aims at decreasing the customer's perceived risk in buying Jumeiyoupin products by ensuring the product quality and announcing a 30 day's refund policy without any conditions (Jumeiyoupin Guarantee & Refund Policy, 2013).

With the brand attitude strategy of high involvement and positive motivation, Jumeiyoupin pursues emotional recognition of fun and positive to be beautiful through Jumeiyoupin. Jumeiyoupin tries to inform consumers that Jumeiyoupin helps you to be beautiful. Once consumers tried its products and are satisfied, they will form a positive brand attitude towards Jumeiyoupin.

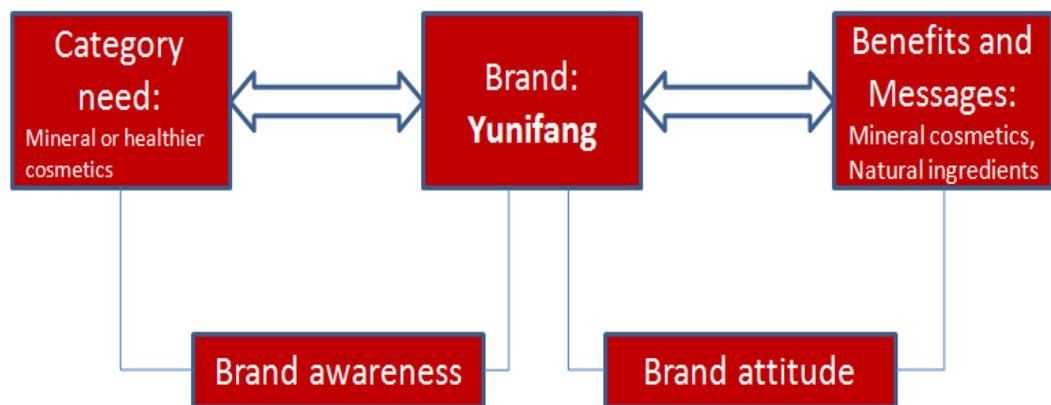
5.2.2 Brand Communication of Yunifang

Yunifang (御泥坊) is the first mineral cosmetic brand in China with a business concept of "caring skin with mineral cosmetics" (Yunifang, 2013). It has a remarkable and centuries-old brand story. Story of Yunifang originated in a small town in Xiangxi China (中国湘西), which has special and mystery lump of clay that ancient local inhabitants use to maintain beauty and keep young (Yunifang Brand Story, 2013). Afterwards in Qing dynasty, skin care products made from this mysterious lump of clay were popular and were progressively paid tribute to the royal court (Yunifang Brand Story, 2013). Then it was named "royal mud" by the court (Yunifang Brand Story, 2013).

Yunifang concentrates largely on word-of-mouth in communicating its brand. With integration of brand story, brand benefits and other communication channels, Yunifang achieved wide brand awareness, positive brand attitude and brand loyalty by successful utilizing word of mouth.

Yunifang Brand Positioning and Brand Message

Yunifang takes a differential brand positioning which offers an important benefit that customers look for and has better performances than other brands. That brand benefit is skin care with mineral and natural cosmetic products. Essentially “royal mud” is mineral mud which is rich in many necessary mineral micronutrients (Yunifang, 2013) and it is produced in physical extraction method without adding chemical compositions (Yunifang, 2003).



Kuva 14 Yunifang brand positioning, (adapted from Rosenbaum-Elliott, Percy & Pervan, 2011)

With emphasis on the mineral and natural ingredients, Yunifang narrowed its brand positioning from cosmetic products to mineral cosmetic products, which establishes connection between mineral cosmetics and Yunifang brand in consumer’s mind. When a need for mineral cosmetic products occurs, the brand Yunifang comes to customer’s mind. Brand positioning of Yunifang is effective. It optimizes the possibility of establishing a strong and positive brand attitude by selecting an accurate benefit for Yunifang.

Yunifang Brand Communication Tools Strategy

Yunifang has achieved good brand awareness, brand recognition and enlarged market through brand communications, especially through word of mouth. The booming of internet, social networks, microblogs, online communities and mobile medias have enabled the topics that consumers interested in can be spread in a super fast speed.



Kuva 15 Yunifang brand communication channels

As the chart above illustrates, Yunifang communicates brand relying largely on word of mouth with integration of other new media channels and

traditional media. Its main purpose is to let customers share using experiences and pass on quality and trust.

Yunifang benefits from communicating brand by word of mouth in three aspects. Firstly, reliability of word of mouth is quite high since it is spread among close groups such as friends, relatives, colleagues or classmates and so on. There are special relationships and connections existing before words were spread. It is more reliable and trustworthy to consumers compared with merely advertising, promotion or seller's recommendations. Secondly, costs of word of mouth are very less. Words were spread by customers and consumers spontaneously. Lastly, there is habit of spreading words and information in groups, which improves possibility of communicating Yunifang brand accurately in target groups. As old saying goes: "Birds of a feather flock together", cosmetic consumers are likely to form their groups and communities and share cosmetic related topics and concern.

Furthermore, Yunifang paid special attention to reach its target audiences by word of mouth. Yunifang selects female online shopping communities such as Mogujie, Meilishuo and other platforms to spread the words. Moreover, with integration of other new medias and traditional mass media channels, Yunifang delivers the brand message and brand information and increases its brand equity. In addition, the mysterious and historical Yunifang brand story has been spread widely, contributing largely to its high brand awareness.

Other communication channels are also utilized. Yunifang uses blogs to publish and renew corporate information, to answer customers' questions and inquiries, which benefit Yunifang with high interactivity, high influences and accurate marketing. Yunifang send direct mails to target customers with new products information, discount information and relevant links to deliver valuable information and maintain relationship with them. Yunifang had taped some themed videos to communicate the brand. For instance, there are popular and funny videos called "female wrestling in royal mud" on Chinese video websites Youku and Tudou (Youku, 2013; Tudou, 2013)

which had attracted tremendous attentions with integration of Yunifang brand messages.

Yunifang Brand Awareness Strategy

Similar to Jumeiyoupin, Yunifang brand awareness strategy consists of recognition brand awareness and recall brand awareness since there are both possibilities for customer to make purchase decisions when see Yunifang brand and to recall the brand once the need for (mineral) cosmetics occurs.

Under condition of the cosmetics purchased by consumer as a result of “routinized response behavior” (Howard, 1977) such as daily used Yunifang products like lotion that consumers spend very little time considering, it is the key goal for Yunifang to increase recognition brand awareness. As a result, Yunifang presents its brand at the points of purchase which are female online communities, online cosmetic communities and online shopping malls such as Mogujie, Meilishuo, Taobao, and Jingdong and so on.

In situation of consumers need to recall Yunifang name to search for the product or make buying decisions, recall brand awareness should be achieved by Yunifang. Consequently, Yunifang brand presence and brand communication connected with category need should be repeated as much as practical. Yunifang utilized integrated marketing communication tools such as social media marketing, mass media marketing and so on to ensure its brand presence. The most effective and efficient communication approach utilized by Yunifang is word of mouth, which has raised consumers’ interests, increased brand awareness and brand loyalty largely.

Yunifang Brand Attitude Strategy

Brand attitude strategy of Yunifang is analyzed according to the Rossiter-Percy grid consisting of four different quadrants with combinations of involvement and motivation as the table below reveals.

There are four quadrants reflect different situations that Yunifang considers to develop appropriate brand attitudes. As the chart below illustrates with red background, Yunifang mainly focuses on situation of low involvement and negative motivation, in which consumers have a healthier skin care problem to solve or an issue of chemical cosmetics to avoid while perceiving less risk of buying Yunifang. Consequently, Yunifang offers clear brand benefits to consumers. For instance, it announces good quality with SGS (Societe Generale de Surveillance S. A.) certificate (Yunifang, 2013) through media channels. Yunifang also spreads messages such as its mineral ingredients without chemical composition to the market. Yunifang spent large amount of money to educate customers that minerals are better and healthier to skin through mass media.

Under condition of consumer's high involvement, Yunifang provides trustworthy and believable brand information with consistence of target customer's current attitude to Yunifang. For instance, in order to decrease consumer's perceived risks of the brand, Yunifang offers 7 days refund policy and 15 days replacement of its products to consumers if they are not satisfied with the products. Plus, it guarantees product quality with SGS certificate and fast delivery of products within one week.

		MOTIVATION	
		Informational (Negative)	Transformational (Positive)
INVOLVEMENT	Low	Provide clear Yunifang benefits: <ul style="list-style-type: none"> • Good quality • Mineral ingredients • Natural product • Better and healthier skin care 	Perceived emotional authenticity of the execution, which customers agree to: <ul style="list-style-type: none"> • Natural and healthier lifestyle • Maintain beauty and young
	High	Provide trustworthy brand information with consistence of target customer's present attitude towards Yunifang: <ul style="list-style-type: none"> • 7 days refund policy, 15 days of replacement of products • Quality guarantee(SGS certificate) • Fast delivery of products(<7 days) 	Emotional authenticity is significant, customers identifies with that feeling : <ul style="list-style-type: none"> • Premium using experiences

Kuva 16 Yunifang brand attitude strategy, (adapted from Rossiter et al., 1997; Yunifang, 2013)

In terms of positive motivations, the perceived emotion about Yunifang has to be identified with consumers regardless of consumer's involvement. When dealing with positive motivation and low involvement, Yunifang concentrates on delivering to consumers attitudes like natural and healthier lifestyle, maintain beauty and young with mineral cosmetics, which are agreed by customers. When dealing with high involvement with positive motivation, Yunifang focuses on sending consumers messages like Yunifang is "royal" products and offers premium using experiences which may be identified by them.

5.3 Case company brand

The case company called “April” is a small ecommerce enterprise founded in 2011 (April, 2013). The products provided by case company include various Korean cosmetics which have a reputation of good quality and reasonable prices in Chinese market (April, 2013). Compared with European or American cosmetics, Korean cosmetic products are considered more suitable to Chinese consumer’s skin and their make-up style.

The annual sales are very few due to its unknown brand and limited communications of the brand. It has limited budgets and cannot afford making mass media advertising (April, 2013). Concerning brand communications, case company only has a website <http://shop66278324.taobao.com/> and several followers of the website (April, 2013). It is extremely urgent to form a brand communication strategy for case company.

5.4 Special characteristics of Chinese online environment

Internet has spread and been developed in a very high speed in China for the past decades. Recently, the development pace is slower. Compare with the international online environment, there are three characteristics of Chinese online environment.

Firstly, the size of internet user in China is huge while the market still has great potential. There are 564 million internet users in China until end of December 2012 with an internet penetration rate of 42, 1% (CNNIC, 2013). Numbers of new online users increase slightly. New internet users of year 2012 reached 50, 9 million, maintaining a low speed of growing (CNNIC, 2013).

Secondly, among all the internet users, teenagers (10-19 years old), youths (20-29 years old) and middle age users (30-39 years old) are the largest online groups. In 2011, teenagers, youths and middle age users accounted for 26, 7%, 29, 8% and 25, 7% respectively (CNNIC, 2013). In 2012, the proportions are 25, 4%, 30, 2% and 25, 4% (CNNIC, 2013).

Thirdly, online consumers who participate group-buying increased largely since 2010. Group-buying refers to an online shopping mode that consumers unite to increase the negotiating power with ecommerce enterprises in order to achieve the best prices. Online shopping consumers reached 242 million till end of 2012, in which 83, 27 million of them are group-buying consumers (CNNIC, 2013). The number of online group-buying consumers increased by 28, 8% from 2011 to the end of 2012 (CNNIC, 2013).

Fourthly, using of mobile terminal to access internet and to purchase online is increasingly popular among Chinese internet users (CNNIC, 2013). In 2012, number of mobile phone online users reached 420 million with an annual increasing rate of 18% (CNNIC, 2013). 55, 44 million of them have done online purchasing through mobile phones (CNNIC, 2013).

Lastly, concerning the customer's satisfaction of online shopping in China, 89, 3% online consumers are satisfied with online shopping while 5, 5% claimed dissatisfaction in 2012 (CNNIC, 2013). The most dissatisfaction aspect is delivery of products takes too long time, accounted for 49, 2% (CNNIC, 2013). The second most dissatisfied aspect of online shopping is inconsistent feelings of products from website publicity, took a proportion of 49% while 23, 3% of online customers considered fake and shoddy products as the third most dissatisfaction in online shopping (CNNIC, 2013).

5.5 Brand communication strategy for case company

5.5.1 Brand benefits and brand message

As mentioned in the case company introduction, case company April is a young company. It did not mention clearly its brand benefits, brand message or even product advantages.

Brand benefits and brand message play an essential role in effective brand positioning for marketing communications. Brand benefits and brand message have a close relationship with brand attitude which drives consumers buying motivations (Rosenbaum-Elliott, Percy & Pervan, 2011). Consequently, it is necessary to conclude clear benefits and message for the brand of case company.

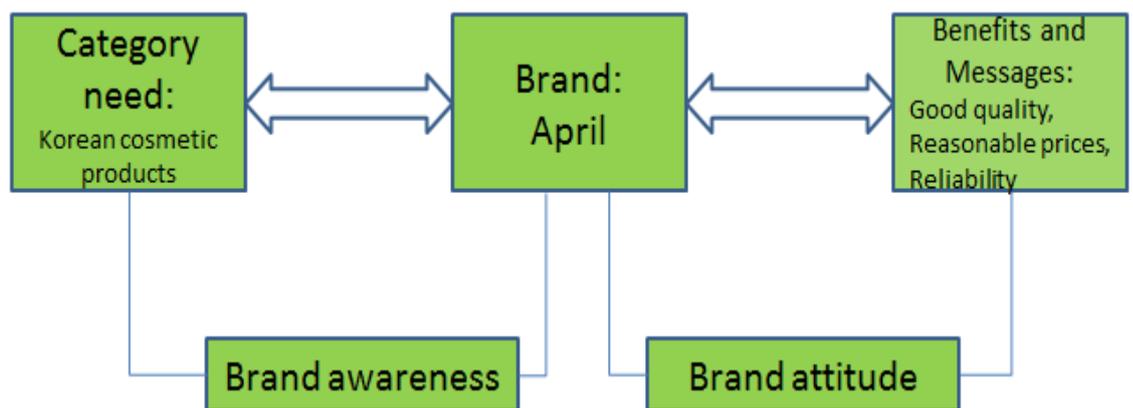
Since all cosmetic products offered by case company April are Korean cosmetics which have reputations of good quality, reasonable prices and suitable for Asian consumers' skin, it is appropriate to integrate product benefits to underlie the brand benefits. Furthermore, due to the special characteristics of Chinese online environment, it is significant to deliver messages of reliability and guarantees to consumers to decrease their perceived risks.

To conclude, brand benefits of the case company can be described as "your reliable skin care advisor" which includes messages such as good quality, reasonable prices and reliable skin care.

5.5.2 Brand positioning strategy

Brand positioning strategy establishes link in customer's mind between a brand and the category need. Brand positioning strategy can be divided into central positioning strategy and differential positioning strategy

(Rosenbaum-Elliott, Percy & Pervan, 2011). A differential positioning strategy offers a significant benefit to consumers. Since the newly established case company April is not the best in Chinese cosmetic businesses, it is more appropriate to adopt a differential positioning strategy which provides consumers with an important benefit that they are looking for. April performs better to offer the important benefit than other brands. This is similar to the benchmarked company Yunifang with a better benefit of mineral cosmetics. The benefit from case company is reliable Korean cosmetics with good quality at reasonable prices and Korean fashion with high-end image.



Kuva 17 Model of April brand positioning, (adapted from Rosenbaum-Elliott, Percy & Pervan, 2011)

As the chart demonstrates, brand positioning introduces potential customers what the April is, who is April for and what April provides. It also reveals the relationship between April brand and its brand awareness and April brand attitude. Brand awareness establishes the connection in consumer's mind between the brand April and the need for Korean cosmetic products. Brand attitude establishes the connection between the brand April and its brand benefits in customer's mind.

5.5.3 Brand communication media strategy

Brand communication generates and sustains strong brand awareness for the case company April. The brand communication of April should achieve an effect that when a need for Korean cosmetic products occurs in consumer's mind, the brand April immediately comes to mind. Consequently, the selection, utilizing and integration of brand communication tools are fundamental in delivering brand benefits to consumers, establishing relationship with consumers and nurturing brand loyalty.

Since the case company is young, the main online branding objective is to achieve high brand awareness at first. Afterwards, positive brand attitude should be built and then to establish brand equity for the case company.

With limited budgets and its ecommerce business type, the brand communication should focus mainly on social networks, online shopping communities, blogs and microblogs, direct mails and also viral marketing such as word of mouth, with using for references of benchmarked companies.

Through these communication medias, the brand April should be interacted with consumers, be integrated with other communication tools, should encourage consumers share their using experiences, and try to achieve effects of word of mouth as well.

Social networks should select RenRen due to it is the largest and most popular social network in China. RenRen is a social network similar to Facebook which is not available in China. Until 2012, there are approximately 200 million registered users on RenRen; half of them are young and middle age customers who are the main online shopping groups (IDCPS, 2013). Plus it is free to establish a corporate page on RenRen. It is significant to establish a corporate page with a solid brand

presence so that its brand April can be communicated with large amount of customers and potential customers. As a result, communication and interaction on RenRen increases April brand commitment and contributes to its brand preference, word of mouth effect and enhance brand loyalty (Carlson, Suter & Brown, 2008).

Blogs and microblogs are increasingly important within social media marketing to deliver consistent brand information in Chinese market. Sina blog and Sina Weibo are the most popular blog and microblogs in China. There are over 300 million registered users on Sina Weibo (Sina Weibo, 2013). Through Sina blog, case company is able to publish and renew company information, interact with consumers and attract consumers to its corporate website. With Sina microblogs, it is very fast to spread brand benefits and messages, promotion and discount information, have interaction with customers and attract them to its corporate website and other relative links.

Online shopping communities such as Mogujie (www.mogujie.com) and Meilishuo (www.meilishuo.com) are the two most popular communities among female consumers in China. Mogujie has over 20 million female memberships while Meilishuo has 15 million (Mogujie, 2013; Meilishuo, 2013), both provide case company with large amount of female customers and potential customers. Establishing April brand community in the cosmetic field on these female online shopping communities enable case company to conduct precise brand communication and marketing towards target groups. April is able to develop and reinforce customer and product relationship, customer and brand relationship, customer and company relationship and customer and other customer relationship as well (Laroche et al., 2012). Thus customers will enhance the brand trust towards the case company. Enhancement of brand trust contributes to forming of brand loyalty (Laroche et al., 2012).

Permission-based direct mail marketing is extremely appropriate for SMEs like case company. Information about new product launch, promotion, discounts and coupon can also send to in direct mails to customers. With

customer's registration and permission, case company April is able to precisely reach target groups, efficiently develop customer relationships, nurture customer brand loyalty and collect feedbacks through direct mails (Roddy, 2002).

In terms of viral marketing, there are valuable practices can be adapted to case company from benchmarking studies since two benchmarked companies achieved considerable brand effects by utilizing mouth of mouth. When promoting the April brand through various media channels, it is significant to encourage consumers by incentives to pass on the brand benefits, company message and product information. Plus, the content of the marketing message has be valuable to consumers so that they are willing to spread the word, which requires April has to develop fun, interactive and rewarding marketing message.

5.5.4 Brand awareness strategy

Brand awareness strategy is divided into two categories: recognition brand awareness and recall brand awareness by the customer's purchasing behavior (Rosenbaum-Elliott, Percy & Pervan, 2011). Both categories are taken into considerations in developing April brand awareness strategy since there are potential situations of customers purchase April products when see the brand and customers need to recall the brand to make the purchase.

In the situations of customers purchasing routinized cosmetic products that take very little time of consideration or the need for cosmetics occurs when they see the April brand or the April products, the recognition brand awareness is supposed to set as the communication objective. April has to reinforce its brand presence on the online shopping terminals by establishing new shops on such as Jingdong, Huicong, Mogujie and Meilishuo and so on.

Under conditions of consumers need to recall the brand April to make the purchase, it is the recall brand awareness should be considered as the communication objective. In such condition, the brand April with connection to its category need should be presented and repeated as much as practical through communication channels. In order to keep customers from confusing in mind with competitors' brands, a distinctive identify of April such as "skin care advisor" should be established through communication channels. The marketing communication tools such as social media marketing, viral marketing and so on should be utilized to reinforce its brand's presence. With reference to benchmarked companies, word of mouth should be considered as the most effective and efficient communication approach to raise consumers' interests, increase brand awareness and brand loyalty.

5.5.5 Brand attitude strategy

With assistance of Rossiter-Percy grid and the way benchmarked companies, we can develop April's brand attitude strategy with combination of involvement and motivation and consideration of practical company situations.

		MOTIVATION	
		Informational (Negative)	Transformational (Positive)
INVOLVEMENT	Low	Provide clear April benefits:	Perceived emotional authenticity of the execution, which customers agree to:
	High	Provide trustworthy brand information with consistence of target customer's present attitude towards April: <ul style="list-style-type: none"> •Suitable to Asian consumer's skin •Good quality with reasonable prices • 7 days unconditional refund policy •Quality guarantee by 3rd party •Fast delivery of products 	Emotional authenticity is significant, customers identifies with that feeling : <ul style="list-style-type: none"> •Reliable •High-end product image •Helps to be beautiful •Korean fashion and style

Kuva 18 April brand attitude strategy, (adapted from Rossiter et al., 1997)

Since case company has extremely few customers, there would be no routinized purchases to the case company. As a result, the situation of low involvement should not be considered.

As the chart shows with green background, brand attitude strategy for April should be focused on high involvement strategy. For the high involvement and negative motivation customers, they want to solve a problem or to avoid a problem and they perceive high risk of purchasing April products. Thus, it is essential to provide reliable April brand benefits.

In order to decrease customer's perceived risk, it is fundamental to deliver trustworthy brand information with consistence of target customer's current attitude towards April via communication channels. For instance,

customers has to be clearly informed that the quality of April products is guaranteed by 3rd party, 7 days refund policy without any conditions, good quality with reasonable prices, fast delivery of products and the Korean cosmetics are suitable to Asian consumer's skin.

When dealing with positive motivation strategies, it is essential to establish authentic emotions that consumers identify with through communication channels regardless of involvement. In high involvement situation, key is to achieve significant emotional authenticity and to make sure that customers identify with the feeling such as reliable, helps to be beautiful and suitable to Asian consumer's skin, fashion and stylish.

To sum up, brand communication strategy for case company:

- Take a differential brand positioning strategy with integration of brand benefits of good quality with reasonable prices, reliable ingredients, suitable to Asian consumer's skin, Korean fashion and be beautiful , high-end image;
- With guidance from brand awareness strategy, two communication objectives: recognition brand awareness and recall brand awareness are set according to the customer's purchasing behavior of different products. As a result, communication of the case company brand should be conducted in both situations which are "at the purchase point" and "as much as practical".
- Brand attitude strategy of April mainly deals with high involvement situations due to its extremely few customers. It is significant to decrease customer's high perceived risk in different situations of customer's motives of buying April products. April should try to form a positive April brand attitude with providing trustworthy brand benefits and identifying emotional feeling with consumers.
- Through communication tools such as social networks, online shopping communities, viral marketing, direct mailing and blogs and microblogs are taken to communicate the brand April with

consumers to increase brand awareness, develop customer relationship and customer brand loyalty.

5.6 Elements of the brand communication strategy for e-commerce SMEs

Based on comparative benchmarking studies on Jumeiyoupin and Yunifang, we can conclude that the elements of brand communication strategy consist of brand positioning, brand benefits, brand awareness, brand attitude and media. These elements determine how an e-commerce SME can communicate its brand, interact with customers and eventually nurture customer's brand loyalty as the table below reveals.

Some elements of the brand communication strategy in two benchmarked are similar. For instance, brand awareness of both companies is the same because both brands need to be recognized and recalled in different occasions. It is the same for case company as well. Correct brand awareness strategy for case company enhances its brand's presence in customer's and potential customer's mind (Aaker, 2002).

The media selected by both companies are similar. They all focus largely on non-traditional media due to the e-commerce operating modes. However, there are differences in utilizing the media channels. Jumeiyoupin takes advantage of integrated marketing communication channels to optimize brand communication effects. Yunifang paid great attention to achieve word of mouth effects by informing clear benefits and brand messages through media channels.

Brand positioning elements are different between both companies. Jumeiyoupin took a central brand positioning because it aims at becoming the best brand in cosmetic market while Yunifang adopted differential

positioning to offer better mineral cosmetics in the market. Also, we can see that brand benefits are closely related to brand positioning.

Their brand attitude is different as well since Jumeiyoupin and Yunifang focus on different target groups, position brands differently and offer diverse benefits. In terms of case company brand attitude, the brand attitude has to focus on high involvement situation due to its extremely few customers.

	Jumeiyoupin	Yunifang	Case Company: April
Brand positioning	Central	Differential	Differential
Brand benefits	Good quality, fast delivery, low prices, 30-days unconditional refund	Skin care with mineral cosmetics, natural products without chemicals,	Good quality Reliable ingredients, Suitable to Asian consumer's skin, High-end image, Korean fashion
Brand awareness	Recognition Recall	Recognition Recall	Recognition Recall
Brand attitude	Mainly focus on low involvement and both negative and positive motivations	Mainly focus on low involvement and negative motivation	Mainly focus on high involvement and both negative and positive motivations
Media	Integrated and comprehensively use of social media, brand communities, viral marketing, advertising, mobile marketing, websites	Using various media like social media, mass media, online communities, direct mails, videos, blogs to achieve word of mouth effects	Female online shopping communities, social networks, blogs, microblogs, direct mails, word of mouth effect

Kuva 19 Elements of brand communication strategy

6. CONCLUSIONS AND LIMITATIONS

As it was discussed in theoretical and conceptual part, non-traditional media based on internet technology have enabled E-commerce SMEs to communicate brands effectively with customers. Currently increasingly more brand messages are delivered through non-traditional media.

Many studies about brand communication of SMEs have been done. Most researchers investigated the establishment of brand communication strategy through integrated marketing communication or combination of traditional media and new media channels. They explored influences of SMEs branding with new media channels. Significant attention was paid to integrating and utilizing non-traditional communication tools with traditional media to optimize the brand communication effects. Researchers have focused on using of traditional media channels in new and unique ways such as advertising in video games to deliver brand messages. As a result, SMEs are not able to concentrate on communicating brands without traditional mass media that they cannot afford. Examinations of brand communication strategy for SMEs through merely non-traditional media to effectively increase brand awareness, deliver benefits, develop relationship and nurture brand loyalty seem to be lacking.

Objective of this research is to develop a brand communication strategy for ecommerce SMEs in Chinese market with new media. The research gap generated from real case. As an ecommerce SME, the case company April has problems in enhancing its brand awareness and increasing its sales in Chinese cosmetic market due to the limited financial resources.

The research questions establishments are based on academic evidence of marketing communication generates and maintains brand equity. The main research question is about building brand communication strategy for ecommerce SME in Chinese cosmetics market.

In order to facilitate the research questions, benchmarking is introduced to the studies of two e-commerce cosmetic companies. The benchmarked

companies were analyzed in terms of their brand communication strategies with integration of special characteristics in Chinese online environment. As a result, good practices from benchmarked companies are applied to case company.

Based on the empirical studies, the brand communication strategy for e-commerce SMEs consists of brand positioning strategy, brand awareness strategy, brand attitude strategy and brand communication channels strategy.

Brand positioning strategy establishes connection in customer's mind between a brand and the category need. It aims at achieving effect that the brand comes to customer's mind when a need for a product category occurs. Brand positioning is closely related to brand benefits which convince customers make purchase decisions. Brand awareness strategy is divided into two categories: recognition brand awareness and recall brand awareness by the customer's purchasing behavior. If customer spends very few time to consider buying a routinized product, recognition brand awareness should be selected. If customer needs to recall the brand to purchase, recall awareness strategy should be chose. Brand attitude strategy deals with different situation of customer's involvement and motivation of purchasing the brand. Brand communication channel strategy benefits SMEs to deliver brand benefits, maintain customer relationship and nurture brand loyalty through media channels. Non-traditional media such as RenRen, Sina Weibo, QQ Weibo, Mogujie, Meilishuo, and Youku are the most suitable brand communication channels for SMEs in China. These media have to be integrated with viral marketing, direct mail marketing and mobile marketing to maximize the communication effect.

Limitations of this research consist of the limited data of benchmarked companies and merely utilization of qualitative research method. Though good practices and communication strategies from benchmarked companies were identified, comprehended and utilized, the success and popularity of benchmarked companies do not depend merely on its non-

traditional brand communication strategies. For instance, both companies utilized mass media to communicate their brands. No statistics were collected to quantify the effect of non-traditional media contributing to their brand communication strategies.

As for suggestions for further research, it would be meaningful to combine both quantitative and qualitative research methods to investigate the brand communication

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