

### Topic and Research Questions

This master thesis strives to provide an answer to the research problem and the related research questions how the similarities and differences in the usage of social media (SM) platforms as a promotional tool by companies from the luxury segment in China, India and Malaysia can be characterized. For this purpose, four case studies were selected from the People's Republic of China (Audi China), Hong Kong (Audi Hong Kong), India (BMW India) and Malaysia (Mercedes-Benz Malaysia). From the company point of view; social media offer vast online areas that have numerous opportunities how to attract social media users. In this thesis, it will be examined how companies from the premium sector use social media, especially each social media platform, as a promotional tool. Based on this, the specific research questions of this thesis are:

- [1] How can the use of social media as a promotional tool on specific social media channels by luxury brands be characterised?
- [2] How can the motivation of specific social media platforms and the use of the promotional mix in different countries in China, India and Malaysia be characterised?
- [3] To what extent do companies from the luxury segment use specific social media in China, India and Malaysia?
- [4] What are the similarities and differences between marketing practices in the luxury segment between China, India and Malaysia and how can they be explained?

### State of the Art

The theoretical framework was based on the theories of social media marketing, the Web 2.0 and the promotional mix.

According to Arca (2010) and Kaplan and Haenlein (2010), social media relevant for business are distributed in the following categories:

- 1) Social Networks Sites (SNS): Facebook types (Facebook, Google+, Renren, Kaixin), professional business social networks (PBSN; LinkedIn, Dajie), and mobile social network services (WeChat);
- 2) Blogs and Microblog: Twitter and Weibo; and

- 3) Content Communities or Media Sharing Sites (Video/Audio/Photo/Presentations): Flickr, YouTube, Vimeo, Picasa, Pinterest, Youku.

Marketing is characterised as a decision-making process of 'Four Ps'. Where 'Four Ps' defined by Kotler and Armstrong (2012); Kotler and Keller (2012) and McCarthy (1964) or alternatively 'Four Cs' are product/customer solution; price/customer cost; place/convenience; and promotion/communication.

Promotion is defined as 'informing, persuading, and influencing the consumer's purchase decision' (Kurtz 2010). For this paper, promotion is analysed and is based on five elements that help formulate marketing communication of social media platform. The literature (Kotler and Armstrong 2012; Kotler and Keller 2012; Pelsmacker et al. 2010; Kurtz 2010) categorize promotion/communication as follows: advertising, public relations (PR), sales promotions, direct marketing and personal selling.

### Methodology and Approach

In order to answer the research problem and the research question, the structured online observation of four case studies of their official fan pages channels on social media was provided. For this thesis, the exploratory nature was selected, as it strives to explain a phenomenon of conducting social media marketing strategies on specific social media platforms. With the emergence of the Internet and marketing in the online area Robert Kozinets (2002; 2010; 2012; 2006; Saunders et al. 2012) brought a new term in data collection 'netnography'. Netnography is a combined word of ethnography and the Internet (Kozinets 2012), which describes ethnography online that will be used also for observing companies activities.

The social media environment and used platforms of selected company in the country was analysed. After that promotional mix frequency of social media activities the analysis was provided.

Due to the character of social media, only three elements of promotion were observed and analysed: advertising, public relations and sales promotion. Each element was analysed and compared according to the sub-elements namely from advertising, public relations and sales promotion.

### Main Facts

Despite the fact that the PRC and Hong Kong are in the Sino-world, the online environment is not same. The PRC's online environment is in the strong contrast to Hong Kong, India and Malaysia, as it is censored. Therefore, companies are obliged to use for their promotional mix, social media that are allowed in the country.

Regarding to the first case: Audi China, the company primarily uses for its marketing purposes two main platforms: WeChat and Weibo almost on a daily basis with generating promotional mix content based on PR, as there is the high number of followers, while it left using SNS (Kaixin & Renren), however, it uses occasionally also business SNS: LinkedIn & Dajie for advertising mainly.

The second case Audi Hong Kong uses only Western social media: Facebook and YouTube, while they use solely Facebook for communicating with their fans using primarily for PR.

With reference to the third case BMW India, the company uses the most its Twitter account and Facebook daily, while other social media platforms are used infrequently.

The fourth case, Mercedes-Benz Malaysia uses Facebook very sporadically for PR chiefly, whereas the other social media platforms are utilized sporadically (YouTube, Google+ and Pinterest).

In each county, the majority of users are white-collars who use social media on a daily basis and companies strive to target them via promotional mix tools.

### Results

[1] All studied brands from the luxury segment utilize social media primarily for PR. The second most used tool was advertising, and finally sales promotions, while this promotional mix element was identified very occasionally. The scope of the promotional mix activities and type of PR activity were dependent on the type of social media platform. The most used tools of PR were PR advertising via WeChat in China, sponsorship in Hong Kong on Facebook, electronic word of mouth via Twitter in India and events in Malaysia on Facebook.

[2] Audi China, on WeChat and Weibo, is trying to target a huge mass of middle-class users, via PR in

order to enhance the brand image due to its luxurious status. Outside the PRC, Facebook is mainly used by white-collar workers in Hong Kong, India and Malaysia, therefore, all three companies are trying to target this mass of middle-class netizens via this network. Microblogging platform Twitter is used only by BMW India.

[3] In both online areas, the Chinese online area – the restricted one and the non-restricted online area (Hong Kong, India and Malaysia), there are a number of social media platforms which companies decided overall to leave (Kaixin and Renren in the PRC; Google+ and Pinterest outside China) and use only a small number of SM for their social media marketing activities.

[4] The main similarity is the usage of social media for PR. Across case studies it was found that social media are a suitable tool for enhancing the corporate image for premium brands, while companies concentrate their efforts on one or maximum two social media platforms in all observed cases. According to the analysed data, it can be concluded that there is no unified strategy found among cases, which was caused by the fact that there is no common social medium used by all studied cases. The main difference is the use of mobile social network. The only case that uses promotional mix tools at the moment is Audi China, despite the fact that WeChat is becoming popular also in Hong Kong, India and Malaysia.

### References

All references can be found in the full version of the MA thesis available at <http://othes.univie.ac.at>

### About the Author

Stanislav Mištík holds a B.A. degree in Chinese Studies (Charles University) and an M.Sc. degree in International Management for China (School of Oriental and African Studies). In the course of his studies he interned at the UNIDO and is currently working at the Ministry of Economy of the Slovak Republic. This research was part of the M.A. programme East Asian Economy and Society at the University of Vienna.



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