



The Study of Experiential Marketing in Chinese Tea E-Commerce - The Case of GuangXi Yihealth Tea Company

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Abstract

Chinese e-commerce is still in the development stage. Chinese Tea is an agricultural product of other value. It is late to enter e-commerce, and marketing on e-commerce is too single. Experiential marketing has achieved new achievements in the physical market, thus gradually becoming a mainstream marketing method. Applying experiential marketing to e-commerce is the direction that tea business e-commerce should consider now. This article takes the YIHEALTH Company as the research object.

This article will focus on the perspective of practitioners and consider how to apply experiential marketing to e-commerce. This article will use interviews to obtain information including the current e-commerce marketing methods and expectations for the future. Thematic framework analysis was used to analyze the qualitative data collected in a baseline survey. The study explores the practitioners' perceptions of experiential marketing on e-commerce platforms and combines the relevant literature of experience marketing to construct a potential theoretical relationship. The summary is to find out the views of tea industry practitioners on experiential marketing on e-commerce platforms, including how marketing can increase product sales and give companies a chance to make further profits. The final study will be combined with the literature on market dynamics and the situation of the three parties giving a summary. According to the conclusion, it is vital to advise the YIHEALTH Company on viable e-commerce experiential marketing. These suggestions hope to help the company and the same type of companies get new marketing breakthroughs in the future.

Keywords: Chinese tea, e-commerce, experiential marketing, YIHEALTH Company

1. Introduction

"Experience Economy" by Pine II and Gilmore put forward: The experience is that when consumers are willing to pay for a good experience generated by a combination of factors, such as emotion, physical strength, and intelligence, economic behavior is formed. Economic experience greater emphasis humanization and let enterprise to serve as stage props to commodities around consumers, the purpose is to make consumers have an unforgettable memory. (2Nd and Gilmore, 2001).

With the rapid development of the economy and the weight of culture in life is becoming more and more important in China now, Experience economy has become a market trend, and have a major impact on companies in society. Experiencing the economy is a new economic connotation. Bernd H. Schmitt presented in Experience Marketing that experiential marketing is a redesigned marketing approach from the customer's senses, emotions, thoughts, actions, and connections and pointed out that only by considering these five aspects as a whole to be successful in marketing we can succeed. (Mehlhorn, Schmidt, & Karpinski, 2001).

Schmitt considered that there are five parts in experiential marketing: sensory experience, emotional experience, thought experience, action experience, and connected experience. They work together to satisfy consumers' self-transformation, social identity and personal desires, make consumers happy. (Mehlhorn, Schmidt, & Karpinski, 2001). Tynan and Mckechnie consider that comprehensive experiential marketing included: the pre-consumer experience, the core experience at the time of purchase, and the post-consumer experience, those experience created by both companies and consumers that the relationship between business and consumers is inseparable. (Tynan and Mckechnie, 2009)

The concept of experiential marketing enters China in the 21st century, Chinese scholars have also conducted in-depth research in this regard. With the rapid development of e-commerce in recent years, there are also some innovative ideas on how e-commerce can conduct experiential marketing online. Scholars Wang Tao and Cui Guohua consider that experiential marketing is to create a specific scene and



atmosphere by enterprises, let consumers participate together, consumers will have an unforgettable experience at the beginning of the design event until the end of the event, and consumers are willing to pay for this experience. (Wang and Cui, 2003)

Wu Li studies from the perspective of customers and she put forward that the driving factors of cultural value, environmental quality, product creativity, and service quality are significantly related to the dimension of the consumer experience. (Wu, 2008)

Mu Lin and Che Meichao consider that the actual implementation of the current network experiential marketing model is to use traditional culture, modern technology, and artistic expression to increase the experience of products, through the effective medium of the Internet, it brings a strong shock to consumers' psychology. (Mu and Che, 2010). Liu Zhaoduan in the article exploring the marketing of consumer psychology on tea sales pointed out that clarify feedback from different consumers about tea sales can enable companies to take new measures to deal with different situations, it can promote the company's development. (Liu, 2018).

In terms of e-commerce, scholars have also made some innovative research results. Liu Xiansheng believes that in the Internet era, more and more young people are starting to buy tea as a gift online (Liu, 2016). Ren Chenchen and Sun Shanhui proposed that tea enterprises should bravely face new era requirements in the era of network marketing, innovate in thinking and technology (Ren and Sun, 2017). Wang Liang and Zhang Penghui proposed that the management of tea enterprises should be transformed in the era of the Internet, the company must establish an internet marketing team and strengthen the construction of business management content (Wang and Zhang, 2017). From the perspective of new retail, Fu Xiuli proposes that the convenient operation of online consumption can stimulate consumer desire, it will promote the overall progress and development of the tea industry (Fu, 2018). Wang Dong proposed that tea enterprises should not only realize their diversified development from e-commerce, it is also necessary to promote the improvement of consumers' experience to promote the marketing effectiveness of products (Wang, 2018)

By studying the current marketing strategies and expectations of YIHEALTH Company's practitioners, the author will combine the theory of experiential marketing and offer the company a new solution with experiential marketing content. The ultimate goal of the program is to successfully carry out new marketing methods recognized by practitioners. It is hoped that the new experiential marketing approach will effectively increase customer satisfaction and increase the positive impact of product expectations, such as product sales so that the company will get new development in e-commerce in the future.

2. Objectives

1. From the perspective of practitioners, to explore the feasibility of experiential marketing applications in e-commerce of tea industry and, whether it can increase sales, increase customer satisfaction and loyalty, and increase corporate brand awareness for tea companies.
2. To collect the company's current marketing materials through interviews, then analyze according to the subject analysis method. Finally, the author will give the theoretical views of practitioners on experiential marketing on the e-commerce platform, put forward suggestions for experiential marketing of tea e-commerce platform, and provide a scientific reference for tea companies in the e-commerce marketing section. This research method will be used by other companies of the same type to analyze problems and find corresponding countermeasures.

3. Materials and Methods

1. Literature research method. Combining experiential marketing-related theories to establish a research framework for the five innovative models of online experiential marketing to classify embedded interview information, reasonably design interview questions, and lay the foundation for the rationality and scientific basis of research.
2. Field investigation. The author will go to the YIHEALTH Company to conduct a field survey to get the relevant data and information needed for research.



3. Interview. Through interviews, the practitioners' relevant views on experiential marketing are obtained. The subject analysis method is used to summarize the relevant opinions of the practitioners on experiential marketing of tea e-commerce and to construct potential theoretical relationships.

4. Results and Discussion

4.1 YIHEALTH Company marketing model

The data collected through interviews and from field trips are concluded to summarize the current status of the company and the existing marketing model.

4.1.1 Company Status

YIHEALTH Company was founded in 2002, and its business includes organic tea cultivation, processing, packaging, sales, research, and tea culture communication. The company headquarters is located in Nanning, Guangxi whereas the tea land is located in Zhaoping County, Guangxi because Zhaoping County is suitable for growing tea.

The company's organic tea products have certified the organic product certification of China, the European Union, the United States, and Japan in 2008. The company's tea quality has been recognized by science, society, and public as relatively higher than similar brands.

The company management took back the outsourced Tmall flagship store in 2018. At the Tmall platform, the company's organic tea products are the only organic product that was certified by organic products in China, the European Union, the United States, and Japan for ten consecutive years. In summary, excellent product quality is the company's biggest competitive advantage.

4.1.2 Company's existing business and marketing methods

The company adopts a shop-laying model based on physical stores and supplemented by an e-commerce platform. The following table shows the business comparison between the company's physical store and the e-commerce platform store (Information from interviews and field trips):

Table 1 company business

Store	Physical experience store	Tmall flagship store
Retail	Primary service	Primary service
Group-buying	Primary service	/
Box	Primary service	/
Cold-brewing tea	Primary service	primary
Tea culture diffusion	Secondary business	Secondary business

Source: The results of this study

Consumers experience first and then consume physically in the store where consumers can try all tea products for free. Tea Specialists will brew and introduce tea products for consumers which they can choose to buy after satisfied. Further, the person in charge of the group purchase first contacts the company to negotiate the price then sends someone to consume physically in store to taste. If the trial is satisfied with the tea products, then the order will be confirmed. Box service is also provided with places and tea products for meetings. Cold tea is a new way of drinking launched by the company in 2018 because the quality of the tea is excellent and reaches the standard of cold bubbles. The way of cold bubbles allows consumers to get a new experience in drinking tea. The tea culture experience always runs through the various businesses in the physical experience store.

The Tmall flagship stores are mainly a retailer. In the store page, there is brewing and product information introduction for the consumers, and the new cold tea experience is also reflected in the interface. The tea culture experience also runs through various businesses in the Tmall flagship store.

There are also full send and pre-deposit marketing activities in physical stores during major festivals. Consumers spend at the activity price and get some gifts back in the full send activities. Consumers can enjoy different discounts on the purchase of tea according to the amount of the gift in pre-deposit activities. The Physical experience store decoration highlights the atmosphere of "spreading green and healthy organic tea culture," and tea specialists had received tea brewing and etiquette training. These create an excellent tea drinking environment for consumers.



The activities were mainly pricing on the e-commerce platform where there are “buy one get one,” “e-coupon,” and “Buy tea to send the cup” activities in major festivals.

In conclusion, YIHEALTH Company has two marketing models, one is the business model based on experience marketing in Physical experience store, and the other is retail based on price strategy in Tmall flagship store. From the scenario above, experiential marketing of e-commerce platform has not been carried out and valued.

4.2 Analysis of practitioners' views

All interviews were verbatim transcribed and analyzed using the thematic analysis method. The scale design was based on the experiential marketing theory and Tea e-commerce industry status for Data compilation. After in-depth analyzing the main and sub-categories and combining interactive comparison from the original data, we draw a conclusion.

Table 2 Practitioner's perception for marketing current situation

Main categories	sub-categories	content presenter(date sorting and extraction)
Tea industry e-commerce development	1. Convenient 2.Information spreading 3.Consumer characteristics	A-5:young consumer A-4 : Receive information quickly B-1:know about product information D-1:time saving
Existing marketing methods	1.Traditional marketing 2.Services Marketing 3.Experiential marketing	A-7: Suitable price B-3: Try to drink for free B-4: More consumers in stores B-8: experience first and then consume C-1: Tea Specialists service C-3:tea culture
Comprehend of experiential marketing	1.Sense Experience 2.Feel Experience 3.Think Experience 4.Act Experience 5.Relate Experience	A-2:excellent product quality D-2:Health concepts E-4 recommend products to friends E-5: willing to share F-4:festival activity G-1: Online consumer go to the Physical experience store H-3: lifestyle decision I-2:Corporate Culture J-1: increase sales J-2: Consumer recognition J-6:e-commerce experiential marketing unknown effect K-3:repeat buys K-4:Brand awareness
Expected of launch e-commerce experiential marketing in the tea industry	1.Sales 2.consumer satisfaction and loyalty 3. Expected	

Source: The results of this study

As summarized from the scale, we can see the practitioners' relationship with tea industry e-commerce platform and marketing expectations as follows: 1. The quality of tea products was recognized by the consumers, 2. Advantages of e-commerce platform were such as information spreading, time-saving, and so on, and 3. Effective marketing plan: A total of three aspects, though uses experiential marketing to increase sales and brand awareness, is as shown:

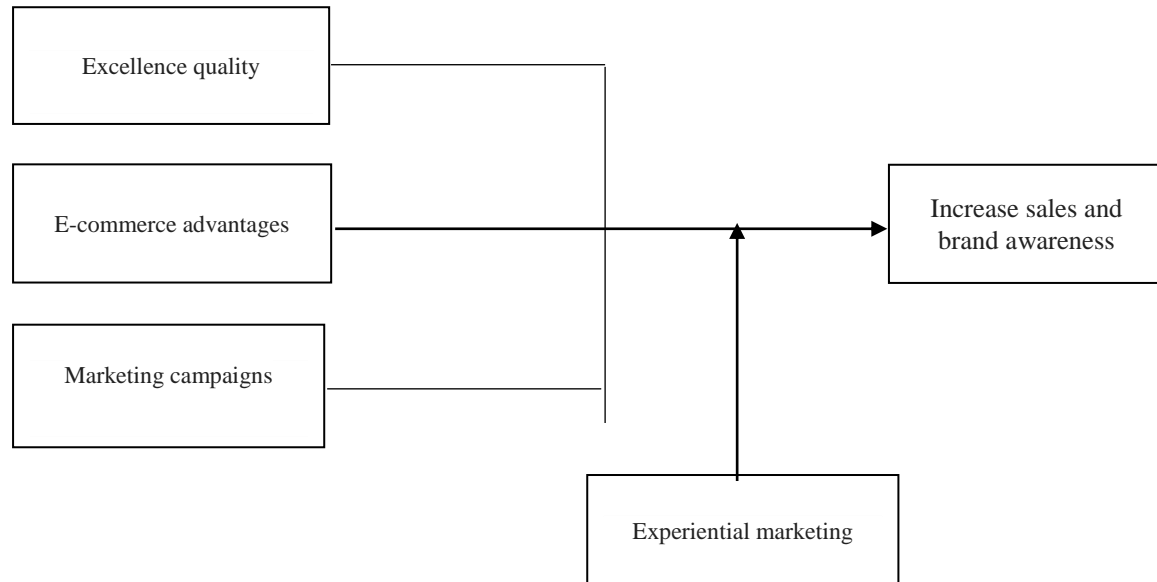


Figure 1 relationship to tea industry e-commerce platform and marketing expectations

4.2 Practitioners' views of experiential marketing on e-commerce

Reanalyze the content of experience marketing in interviews and find out what the practitioners are thinking on how to sort the five elements of experiential marketing.

Table 3 Practitioner's perception for the five elements of experiential marketing

Main categories	sub-categories	content presenter(date sorting and extraction)
Sense Experience	1.excellent quality 2.drinking feeling	A-1:certified organic A-2: Tea quality B-1: Tea Specialists B-7: creating the drinking atmosphere. C-1:Tea culture J-2:Consumer recognition
Feel Experience	1. Star benefits 2. Marketing at the festival	A-7: Suitable price F-4:Festival Activities L-1:Star to buy and show
Think Experience	1.WeChat Official Accounts Platform 2. Webcast	H-4:didn't carry out webcast J-4:attract customers J-6:unknown effect about new way to marketing
Act Experience	1. pursue health 2. Sharing feelings	D-2: Health concepts E-4: recommend products to friends E-5: willing to share G-1: Online consumer go to the Physical experience store K-3:repeat buys
Relation Experience	1.personal pursuit	K-1:two-way communication

Source: The results of this study

It can be seen from the analysis that the practitioners pay different attention to the five dimensions of experiential marketing. The first dimension is the sensory experience where the practitioners attach great importance to product quality. They believe that a good sensory experience is based on the quality of the products. The second dimension is the act experience. On the basis of excellent product quality, YIHEALTH Company's culture is to spread green and healthy organic tea culture. The company culture is easily accepted by consumers and promoted independently, attracting online consumers who are willing to



go to the store for the physical experience again. The third dimension is the feel experience in which the company sets the festival as the marketing cycle where they can get the sales to increase. The fourth dimension is the think experience. The company relies on the festive atmosphere to stimulate consumer thinking to increase purchase desire of the consumers. The company's WeChat official accounts platform will also be introduced to promote the festival activities as an aid to marketing. The last dimension is the relation experience where the practitioners view that personal pursuit of consumers is generally based on the recognition of products. They know from feedbacks that consumers' recognition of the products has a positive effect on them.

5. Conclusion

5.1 Conclusion

Combining the results of two analyses, the author can conclude the potential theoretical relationship that the practitioners expect for developing experiential marketing on an e-commerce platform. This relationship includes 1. Excellence quality, 2. E-commerce advantages, and 3. Marketing campaigns. A total of three aspects, though, using five elements of experiential marketing increases sales and brand awareness. Further, the sequence of the five elements of experiential marketing will affect the company to carry out experiential marketing activities and whether the practitioner is willing to do it, as shown:

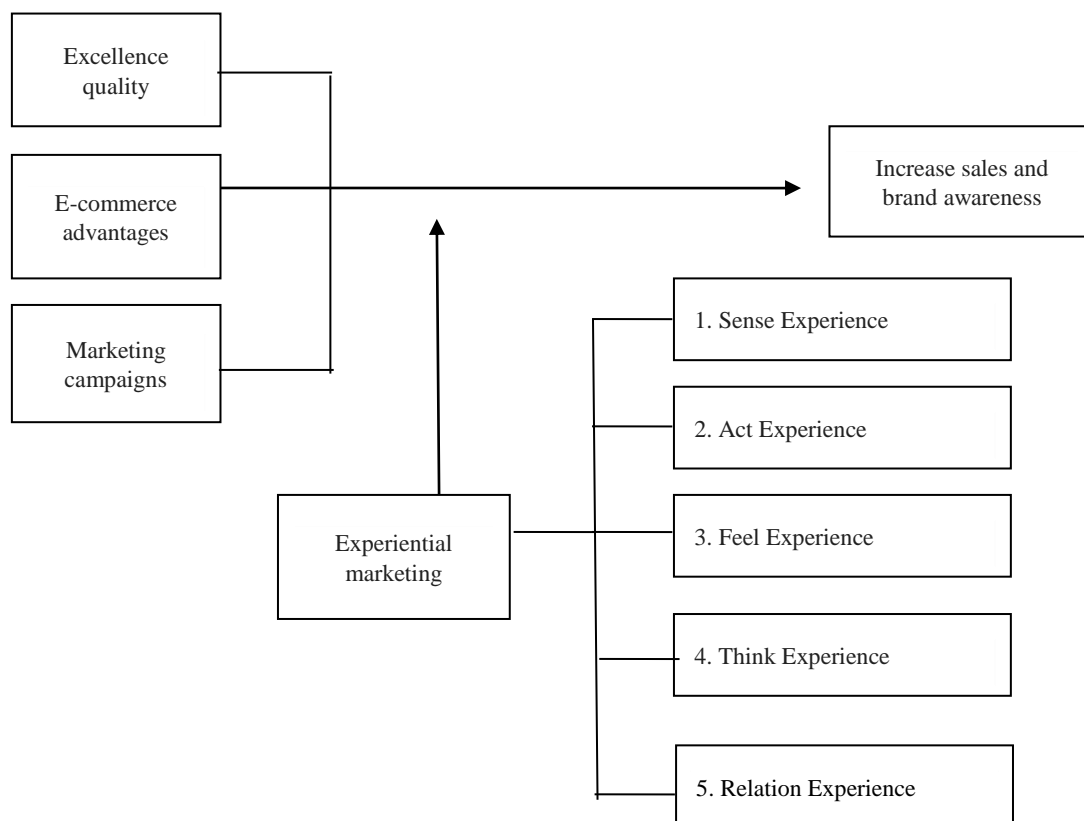


Figure 2 relationship to tea industry e-commerce platform and marketing expectations with five elements of experiential marketing



5.2 Suggestion

Practitioners have a good effect on the development of experiential marketing in the physical experience store but they show a lack of confidence in the development of experiential marketing on the e-commerce platform. In order to make the company have a new breakthrough, the author's suggestions with inquiry result are as follows;

1. Bold attempt

In fact, the e-commerce platform is very mature. Some products have achieved new sales breakthroughs through webcast or other ways online. The cost of such an attempt is very low and will not affect normal marketing expenses.

2. Sustaining Competitive Advantage—Sense Experience

Product quality is the biggest competitive advantage of the company. At the same time, the quality is also the most important factor in the sensory experience of experiential marketing. It will have a positive effect on the sensory experience.

3. Advocating lifestyle—Act Experience

Companies can use the network to promote the way of making tea, healthy links, tea that regulates the pace of life, and so on. It can let consumers buy and try the tea and then compare. Consumers can only experience the action when they try the product. The actual experience of action will give consumers a deeper understanding of the product and deepen the consumers' impression of products.

4. Ambience creation—Feel Experience

Through some media and means, companies can create some emotional experiences that resonate with consumers. Through new online communication channels, they can find the factors of consumer emotional change and stimulate consumer emotions. It is beneficial for product promotion and expansion of consumers, and this may allow consumers to purchase.

5. Inspire consumer interest—Think Experience

Young consumers are the main consumer in e-commerce platforms. Their participation will expand the effectiveness of online marketing. Secondly, by showing the beauty of culture, it will cause consumers to change their minds. This product enables consumers to think about a range of related meanings when drinking. If this kind of thinking is produced in every consumption, it will give them the opportunity to become loyal consumers.

6. Encourage consumers to share—Relation Experience

After consumers spend online, companies can actively contact the consumers through after-sales services and encourage consumers to share their consumption experiences and feelings on the e-commerce platform. The shared consumption experiences and feelings will help attract more consumers.

6. Acknowledgements

Professor Yang Shucheng repeatedly revised for me when writing a thesis, and put forward many indispensable opinions to this thesis. I can complete my graduation thesis smoothly and on time, because of the care and careful guidance of the professor Yang Shucheng. So I express my gratitude and respect to Professor Yang Shucheng firstly. Time marches on, my graduate study at Rangsit University's School is coming to the end. I have learned more knowledge and made more friends. I feel the beauty of life during this time. Thanks for everyone who helped and taught me.

I believe that the future belongs to those who believe in the beauty of their dreams.

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