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Francesca Checchinato and Lala Hu

Managing digital marketing strategies in emerging markets: The case of China

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FRANCESCA CHECCHINATO
< f.checchinato@unive.it>
Dept. of Management
Ca' Foscari University of Venice

LALA HU
<lala.hu@unive.it>
Dept. of Management
Ca' Foscari University of Venice

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Abstract. Since Internet has been seen as global, few studies have examined the influence of the context in the digital marketing strategies. This paper wants to contribute on the debate about standardization-adaptation, focusing on the digital strategies, defining how companies adapt them to the Chinese market identifying the drivers that call for this adaptation. China is selected because it is a contradictory market: more advanced than the Western one but also with many restrictions. We carry out a qualitative research based on interviews with nine key informants operating in the digital Chinese market with different roles. Our findings suggest that there are drivers that force companies to create an online presence and drivers that impact the digital localization. The main adaptations concern international distribution strategy and communication related to contents and media as well as organization.

Keywords: China, digital marketing, e-commerce, internationalization, Internet

JEL Classification Numbers: M31

Correspondence to:

Francesca Checchinato	Dept. of Management, Università Ca' Foscari Venezia
	San Giobbe, Cannaregio 873
	30121 Venezia, Italy
Phone:	[+39] 041-2346937
Fax:	[+39] 041-2348701
E-mail:	f.checchinato@unive.it

1. Introduction

According to a recent business report, emerging markets are going to be essential for e-commerce growth.[1] Globalization represents a fundamental opportunity to offset the saturation of mature markets and the Internet can be the key to enter new markets, especially where the web is commonly used by consumers as well as companies.

Twenty years ago, Quelch and Klein (1996) argued that the Internet would have allowed consumers from developing countries benefit from the expanded range of products, services, and information. Nowadays, this is a reality in several emerging markets, first of all in China. In fact, China's digital economy represents a leading global force (Woetzel et al. 2017). It is the country with the highest number of Internet users in the world and also the largest e-commerce market with revenues of US$499bn in 2017 (Statista 2017). As of December 2017, China had 772 million Internet users, of which 97.5% of the total (753 million users) was mobile users (CNNIC 2018). Regarding online sales, in 2016 China accounted for 42.4% of the world retail e-commerce transaction value compared to 2005 when the value reached 0.5% only, whilst the United States have reduced their total value from 34.9% to 24.1%. [2]

The relevance of the Chinese digital sector is given by the opportunities but also challenges for foreign firms that want to approach this market. The influences of the diffusion of the Internet on globalization are everywhere, mainly because it impacts trade, reducing markets distances, and decreases costs of gathering information (Huang & Sun 2016). Transparency and reliability are cited as two Internet important characteristics in achieving

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[1] Pandolph, S. (2017). *The global e-commerce landscape: How emerging markets will transform the future of online shopping*. Retrieved January 17, 2018 from http://www.businessinsider.com/the-global-ecommerce-landscape-report-2017-11?IR=T.

[2] Orr, G. (2017). *What can we expect in China in 2018?* Retrieved January 15, 2018 from https://www.mckinsey.com/global-themes/china/what-can-we-expect-in-china-in-2018.

the market globalization, but there are some countries where Internet is not so transparent and government controls information. Some global players, such as Google or Facebook, are censored. China is an example, most of the Western social networks do not work in China due to the strict censorship regime, therefore companies that want to operate in this market have to adapt their marketing plans and their knowledge about the digital environment.

Most studies on social media (e.g. Riegner 2007; De Vries, Gensler & Leeflang, 2012; Hajli et al. 2017) focus on the use and influence of social media on customers in relation to the buying and searching process, or analyze motivations to participate. Few studies have examined the influence of the context in the social media and Internet marketing strategies. Moreover, the firm perspective remains mainly unexplored.

The aim of this paper is to fill this gap and to understand how Western firms can exploit digital and social media marketing in order to enter and sell in distant and complex markets. We focus our research on China, a contradictory market: more innovative than the Western one but also with specific regulations and restrictions, with different social media platforms, search engine and e-commerce players and with different consumer behavior patterns. This paper want to contribute on the debate about standardization-adaptation, focusing on the digital strategies. The main question is*: how do companies adapt their digital marketing strategies to the Chinese market*? Our research want to answer this main question defining the drivers of digital adaptation. As previous research on various marketing issues (for example, Bilby, Reid, & Brennan 2016), we want to provide insights to help understand the Chinese market and how successfully operate in it.

2. Literature review

2.1 The role of the Internet in the global business environment

The Web can help companies to enter geographically distant markets by supporting their communication – and in some cases sales – process (Frazier 1999; Sinkovics, Sinkovics, & Jean 2013). Firms may use online channels only to support their existing international activities such as promotion and advertising. By the contrast, others can see internet as an alternative to a physical presence. In the last case, functions previously conducted by foreign distributors or agents are replaced by online research and e-commerce.

Even with differences depending on the level of Internet use by firms, it is ascertained that it has changed the traditional business model for internationalize. Through the Internet, firms are able to acquire information on specific international markets (Oyson 2018), so the web enables a firm to overcome the lack of knowledge about foreign markets (Mathews et al. 2016).

Moreover, over the past few years, the role of Internet has evolved from being an important channel of information acquisition (Verhoef et al. 2007; Ratchford et al. 2003) to becoming an increasing channel for search and purchase (Bucklin & Sismeiro 2009). Indeed, Internet has accelerated global trade thanks to the relatively low cost of entry (Deng & Wang 2016; Gabrielsson & Gabrielsson 2011; Petersen, Welch, & Liesch 2002).

From the 1990's, at the beginning of the use of the Internet, most scholars have suggested that would eliminate channel intermediaries, creating a new business paradigm (Benjamin & Wigland 1995; Quelch & Klein 1996). However, some others, such as Samiee (1998) argue that the Internet has added channel intermediaries rather than displaced them.

In a more recent study, Gabrielsson and Gabrielsson (2010) find out that born global firms are likely to adopt the Internet as sales-channel as part of his multiple channel structure, which does not replace intermediaries. In managing multiple channels, Webb (2002) stresses the importance to proactively managing possible conflicts, externally with channel partners and internally among the subunits responsible for managing these channels.

Frazier (1999) points out that in some cases, Internet should be used only as a communications tool and not to sell products, for example when firms adopt a highly selective distribution intensity approach. In fact, previous research has demonstrated that websites and social media networks work also as a communication tool: they can be used by firms to reach consumers, to enhance user interactions, to stimulate consumers in creating and sharing information and to improve the customer knowledge (e.g. De Vries, Gensler, & Leeflang 2012; Kim & Ko 2012).

Despite the broad research about the use of internet and social media, we do not have any confirmation that those findings could be generalized to Eastern or distant market. In fact, results are mainly based on Western sample and social networks. Only a recent study about social media in China (Chen & Wang 2017) suggests that Western brands are facing challenges in building social presence and interacting with Chinese consumers in these media.

Nevertheless, the role of Internet in the marketing strategy changes among countries because entering countries that are advanced in terms of Internet adoption both by consumers and by local firms is different from entering in countries where Internet is not so pervasive. Moreover, cultural and physical distance impact on market orientation and marketing strategies, thus on digital marketing too. Also the different features of local social media could have an impact on the digital marketing strategy. As Berthon et al. (2012) stated "social media is a function of technology, government and culture". Concerning the website, Chang (2011) highlighted that local culture traits have an inevitable impact on their design, so despite of the global reach, in some countries companies have to cope with the website localization, that is the process of customizing a website for a specific cultural group (Shneor, 2012; Singh & Matsuo 2004). Concerning internet advertising of MNEs in China, Li, Li, and

Zhao (2009) found out that creative strategy has been adapted, instead media placement strategy and budget strategy have been standardized.

Also the e-commerce should be different, because of the differences in customer journey across different contexts and cultures (Lemon & Verhoef, 2016). Research on retailers' international strategies confirms that they cope with global–local dilemma, especially in China (Liu et al. 2016). Bianchi and Ostale (2004) point out that foreign retailers are more likely to succeed when they adapt their retail formats to the norms of the local market and gain legitimacy from relevant social actors of the host country.

This might be the case also for e-commerce since it is confirmed that in China companies deal with a different market (Joseph & Dong, 2006), so they need to apply different digital retailing strategies.

Despite of the differences in social media platform, Internet has been seen as global, or a driver of globalization, thus research about adaptation and standardization with a focus on digital marketing strategies are quite few.

Previous research adopt the institutional theory to explain determinants of scope of use among e-commerce adopters (Gibbs & Kraemer 2004). We want to understand which external market characteristics impact on the overall international digital marketing strategy in terms of adoption and standardization. Institutional environment consists of distributors, competitors, customers, government and other players. Thus for this reason, we focused our research on the Chinese market: from the environment point of view it is different from the western one, and at the same time it is one of the most advanced internet market in the world.

2.2. Chinese environmental factors

2.2.1 The communication landscape: the role of culture, language and legal issues

The China media landscape is quite complex and constantly evolving, as attitudes and policies continue to change (Checchinato, Colapinto, & Giusto 2014). Traditional and digital media are subject to different sets of rules: traditional media are state-owned, there are limitations and censorship in the online environment, and some Western social media sites do not work. In 2015, Internet ad spending in China has surpassed television spending[3]. Therefore, even if the Chinese advertising market is still young (Bilby et al. 2016), in this market classic advertising has already started decreasing, without reaching the knowledge and development occurs in the West. Chinese advertising is still strongly influenced by Western culture, so that Chinese advertising represents a 'melting pot' (Chu & Sung 2011). By contrast, the Internet market is growing fast and the Chinese companies such as Tencent are continuously providing new services, so local firms use this channel continuously. Due to the recent entry in the WTO, they start to approach marketing and branding when Internet already existed and this could have accelerated the use, because of the leapfrog to the technologically mature phase of the web, by also surpassing foreign rivals from more traditional markets (Checchinato, Hu, Perri, &Vescovi 2017).

Censorship of the most famous Internet players is not the only reason of the differences encounter in the Chinese digital environment. In fact, China has an old and pervasive culture, based on Confucianism and it is known that national cultural differences influence promotional practices and communication (Men & Tsai 2012), both offline and online. In particular, it is generally agreed that marketing campaigns developed for Western markets may be not appropriate for consumers living in Eastern cultures (Wu, Chen, & Nguyen 2015) and this affects websites as well as social media contents creation. Men and Tsai (2012) have found that due to fact that China is a high-context culture, companies

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[3] GroupM (2016). *Ten Things You Need to Know About China's Media Market*. Retrieved December 12, 2017 from https://www.groupm.com/news/ten-things-you-need-to-know-about-chinas-media-market.

mainly adopt an implicit and indirect communication style on the web, for example providing photos of their celebrity endorsements. Previous scholars have stated that celebrities are popular in the Chinese advertising because it fits well with Chinese collectivist and hierarchical culture (McCartney & Pinto 2014; Hung, Tse, &Cheng 2012). Moreover, Men and Tsai (2012) have found a greater dependence on social networks for information in the collectivistic Chinese culture and less complaints and criticisms in comparison to US. This reflects a cultural emphasis on group harmony.

The linguistic system is different from the western one and this also affects in some way the branding management. Alon, Littrell, and Chan (2009) pointed out that one area that needs localization is the brand name strategies. Moreover such a different language, based on ideograms with specific meanings, caused many errors in the message development, thus firms have to learn how to communicate in this country.

Another element that affects the communication landscape is the political environment. Government, with institutional rules and regulations, plays a role in social media profile of a Country (Berthon, Pitt, Plangger, & Shapiro, 2012) and in China the role of the government is quite pervasive and can affect firms' decisions.

2.2.2 Firms' market relationships in China

Previous scholars have analyzed the main issues of foreign firms' strategies in building market relationships in China. These are affected by several factors, including market heterogeneity and *guanxi*. China cannot be considered a single market due to its internal heterogeneity (Cui & Liu, 2000; Ma, Tong, & Fitza 2013; Walters & Samiee 2003) as consequence of cultural and environmental differences, and an unequal economic development within the territory.

In China, it has been demonstrated that the institutional voids affect the marketing channel relationships (Jia & Wang 2013) and the distribution system. Internet makes easier to reach consumers, especially in less developed areas and in some way alters the nature of social networks. In fact, while traditional social networks have involved personal interactions (Kimball & Rheingold 2000), interactions are now mediated by computers, so they are more impersonal (Michaelidou, Siamagka, & Christodoulides 2011). This could affect relationships, reducing the importance of *guanxi* (networks) or changing its role. *Guanxi* is a Chinese word that stands for interpersonal relationships based on high-quality social interactions and the reciprocal exchange of mutual benefits (Fu et al. 2013; Ou, Pavlou, and Davison 2014)". Since *guanxi* is used to overcome inadequacies in the system, based with the lens of the industrial organization theory, it could be a specific environment factors, that affect digital strategies. In fact, in this process personal relationships through *guanxi* facilitate e-commerce availability of products (Towers and Xu 2016), especially in more rural areas that are indirectly under the control of distributors, instead of their connections of sub-distributors, agents, and third-parties (Hu 2018).

3. Methodology

To answer our main question, we adopted a qualitative inductive approach based on semi-structured interviews with key informants such as managers of Chinese digital platforms and foreign firms operating in China. As in Bilby et al. (2016) and Liu et al. (2016), informants were selected for their expertise in China. As this methodology requires, we selected people with roles that make them knowledgeable about the issues being researched.

Interviewees were identified in order to have a wide view on the Chinese digital landscape in the global business environment from different angles: good companies, media

agencies, local platforms and retailers. The quest for additional interviews stopped when each category of analysis was well developed (Strauss and Corbin 1998).

In details we interviewed (see Table 1): 1) the Italian branch or partner of the two Chinese Internet platform' leaders, in order to have insights from the main experts of the market; 2) two Italian web agency specialized in the Chinese market (to have the Western view and perception of the Chinese web) to understand how communications are implemented by foreign firms; 3) two Italian firms: one operating in the luxury fashion and the other one operating in the baby product sector in China, in order to understand how they leverage on digital channels to reach consumers and use the web to reach and engage consumers; 4) two key informants (Retail Director and Marketing manager) of an Italian retailer of a designer outlet mall operating in China in order to verify if and whether the management of physical stores and their ordinary activities they are really affected by the web; 5) one Chinese e-commerce platform, specialized in imported products in order to understand the role of digital tools in internationalization activities.

Interviews are loosely structured and used a conversational style, following an outline of areas to be covered (Bilby et al. 2016; Cowles, Kiecker, and Little 2002), which are: 1) characteristics of Chinese digital platforms; 2) activities of foreign firms on Chinese digital platforms; 3) Communications tools activated on Chinese digital platforms; 4) Relationship between digital platforms and physical stores; 5) Influence of Chinese digital platforms on the firms' overall marketing strategy.

Eight interviews were conducted face to face in Italy or in China, in Italian or in English from 2014 to 2018. One interview was conducted by Skype from Italy with a Regional Director Greater China who was based in Shanghai. Upon informants' consent, the interviews were recorded and fully transcribed. Each interview lasted between 35 and 70

minutes. To ensure triangulation and cross-verify the findings from the primary data (Yin, 1994), secondary data consisting of sector reports and newspaper articles were analyzed.

Table 1. List of key informants

Company/product	Country of origin	Respondent
1. E-commerce platform	China	Marketing manager of the Italian branch
2. Trusted partner of Chinese main digital platform	Italy	Key account
3. Communication agency	Italy	Co-founder
4. Baby products Company	Italy	CEO
5. Retailer	Italy	Resp 1:.Retail Director of China branch Resp 2. Marketing Manager of the retail complex
6. Specialized e-commerce platform	China	Chief Operating Officer
7. Fashion Company	Italy	Regional Director Greater China Co-founder
8. Communication Agency	Italy	

The authors analyzed the data inductively, discussed together, and identified some main themes emerging from the data itself (Braun and Clarke 2006). The authors then revisited the marketing standardization and adaptation literature to re-coding and refinement of themes accordingly and finally they developed a framework with theme connections. Table 2 presents the list of the main themes discussed in the interviews.

Table 2. List of the main themes

Main themes	Strategies highlighted from informants
How to be present online	- Use of existing international platforms - Development of Chinese platforms
Chinese digital platforms' development	- Direct management (with barriers) - Use of official platforms - Delegation to distributors
Culture impact - on the communication contents - on the website map - on brand management	- Higher level of control in the communication and branding - Use of celebrities - Use of contests

Leverage on existing channels	- Role of distributors and *guanxi*
	- Role of physical stores
	- Use of digital tools to provide new experiences in store
Monitoring omni-channel retailing	- Integration between online and offline
	- Huge amount of data about phases of customer journey
	- Use of mobile payment systems to pay in store

4. Findings and discussion

4.1 Internet as necessary channel "to exist" in the Chinese market

Internet represents a channel to enter the Chinese market but also a channel to support and exploit the physical presence. The key informants highlighted that having a digital presence is necessary because of the use of the web by Chinese consumers, "everywhere and always", as stated the CEO of Company 4. "Consumers have a more positive attitude towards the new products, and they buy online […] as a lifestyle. Think about 11/11" (Company 8).

Nowadays firms that already sell in China - directly or towards a distributor - must create their own official account in the most popular local platforms for two reasons: 1) to spread information about their products and create awareness for their brands; 2) to control their communication because if products are in some way present in China, it is likely to find existing unofficial accounts. As the interviewee of Company 2 stated «Many companies created an official account in our platform because of the request of its distributors. For Chinese distributors having an account is normal». Western companies have started to understand that they need to be online to exist, but they do not completely understand the opportunities. Other firms are forced to open official account in the most famous platforms when they plan to enter the Chinese market because during the market analysis phase they discover that not only their product are already there – due to the parallel import -, but many accounts with their brand names exist. The co-founder of company 3 reported that most of the

time doing a market analysis for their clients he found a number of blogs, pages and accounts already present, but they often didn't know anything about them. Those accounts are created by distributors and the company has no control on them. Thus foreign firms need to create a digital presence in China to cope with the Chinese consumer behavior, to distributors request and to prevent unofficial account creations by other actors.

This is consistent with the concept of perceived environmental pressure described by Kurnia et al. (2015). Their findings were related to the e-commerce adoption, but in our research this is the case also for the social media accounts.

Also competitors are a driving force in order to create a digital presence in China, as reported by Company 2's manager "there are brands that after seeing the success encountered by others, they want to approach the (Chinese) market and see this channel [WeChat] as an entry mode, instead of directly entering with physical stores. So also in this case, (you needed to) open the legal entity and approach the market in the traditional way".

Key informants stressed that digital platforms make internationalization activities of foreign firms in China easier as the costs involved are lower that operating directly, and this confirm Bai, McColl, and Moore (2017) findings. Moreover Company 8 founders referred to the physical distance from West to East and inside the Chinese territory itself as a factors that justify the success of online sales "China is so huge that e-commerce is really helpful, it is not just a trend". Company 7 managers also highlighted the high speed of changes that make environmental pressure more stressful: Chinese leader platforms change very fast because they always look for new development and opportunities. "One year ago we were sure that we would not be on Tmall, now we are present with two brands".

Therefore, the foregoing findings suggest that:

Proposition 1: *Given the physical distance and the high environmental pressure in China (namely consumers, distributors/partner and competitors), foreign companies must have a digital presence.*

4.2 Drivers of digital adaptation

From the findings of this study, three main key drivers for digital adaptation emerge:

1. cultural distance;

2. local platforms;

3. local regulations.

1. Cultural distance. Most informants highlighted the importance of understanding Chinese consumers in order to face effectively the market because of the different culture and language. These differences affect product perceptions, values and beliefs so communication strategies have to be adapted. Companies working in China require more than a simple translation of their contents: in fact, as a service provider, the informant of Company 3 stated as important the review of the websites translation, explaining to the companies how to create contents that fit the Chinese culture. This is a well-known issue in the literature, but it is mainly analyzed concerning the brand name (Chow, Tang, and Fu 2007; Dong and Helms 2001). Here we find that also in the digital landscape, content translation is not a mere operation, but it represents a strategic activity that is connected to the local culture.

To cope with this challenge, an in-depth understanding of Chinese culture is necessary, so most of the interviewed managers highlighted the importance of working together with Chinese people, crating intercultural teams. Company 7 manager explained, "We have to adapt the contents. We received the guidelines from the headquarter and our team (based in China), together with local agencies develop the contents looking at the Chinese cultural context."

Also in the website creation, adaptation is required, since structure of information depends on the way people process information. This is confirmed by the company 4 manager that stated the need to delegate to Chinese operators « […] Chinese contents, but defines also our Chinese website map».

2. Local platforms. The interviewed key informants highlighted that the way Chinese consumers search for product information are completely different from what happens in Western countries. This is due to the existing firewalls that make Western platforms not accessible, but it also depends on different features of Chinese main websites and the way consumers engage on them. "We have tried to adopt our international strategy, as we are used to do entering new markets, but we failed because Chinese do not use Western platforms" state the Regional Manager of Company 7.

Chinese local digital companies started their operations already since the end of 1990's (Tencent was founded in 1998, while Alibaba was founded in 1999). Regarding search engines, Google is blocked, so it is replaced by Baidu, the most used search engine in China. However, features differ as Baidu allows firms to create personalized brand pages called "brand zones." The co-founder of Company 3 pointed out:

«It is one of the main differences between Google and Baidu; it makes you understand that the type of search is very different […]. If I press (the website name), I get the result on Baidu, everything is personalized, even the graphics, then there is the Baike page, the Chinese Wikipedia, then… images, I get all types of content, but I am on Baidu, not on the page of the firm.»

Moreover, the search phase does not start only on search engine as it directly involves e-commerce platforms, often on mobile devices (Faulds et al., 2017). "In China they are always online with their smartphone, desktop is over, everything is related to the mobile marketing" state Company 7 manager. The manager of Company 1 explained:

«If he needs to buy something, the user is used to directly search it on our platforms. When he looks (for a shirt), (for example) he does not expect to find "GiorgioArmani.china", but he expects to find it on our platform" .

Following the main voice is important, and this confirms the influence of collectivism and hierarchical culture in the digital landscape as McCartney and Pinto (2014) and Hung, Tse and Cheng (2012) have found in advertising .

3. Local regulations. Another factor emerged from the interviews is represented by local regulations. The Chinese government does not allow accessing Western platforms such as Google, Facebook, Twitter and YouTube. Moreover, for foreign firms it is not possible to create a digital presence in China without opening a legal entity there, so the official platforms and their trusted partners facilitate this process. By controlling firms' digital presence in China, local platforms' role results of fundamental importance. Company 2 manager argued:

«In China, there is the need to have a legal entity even only to open an official account (on WeChat), therefore brands that did not have this channel had to rely on one or more entities that are not too trustworthy»

After opening the official account, this must be verified (as it happens on Western social media), however Company 3 pointed out that the verification is more complicated for Chinese digital platforms if the firm is not Chinese.

A similar situation happens for e-commerce development. Company 1 manager stressed the importance to find a trusted partner: «It is necessary to find the right partner, since opening a store on our platforms is a specific operation that in most cases requires a partner (operating on the platform).» Company 5 Retail director added: «Firms (that want to enter the Chinese market) should obviously find an agreement with a local partner.» thus it means that companies could partially lost the control of their contents.

Given the findings of this study, we argue that:

Proposition 2: *The degree of external drivers (namely local regulations, local platforms' development and cultural distance) directly affects the need for digital adaptation in the foreign market.*

Figure 1 presents our conceptual framework.

Figure 1. The conceptual framework
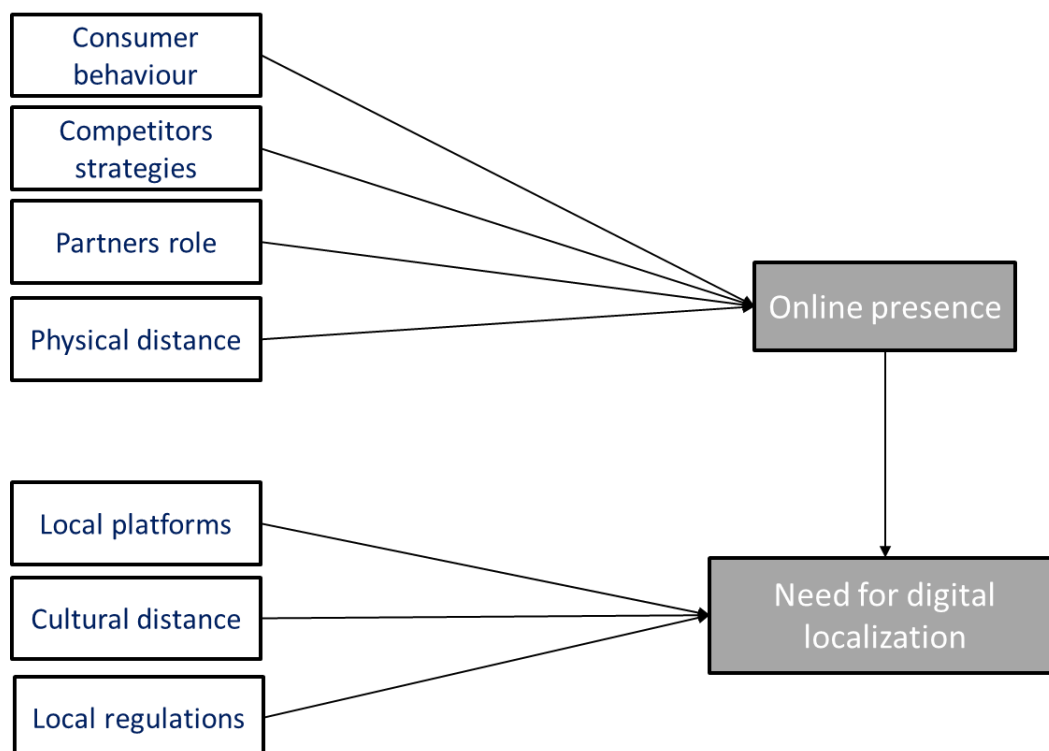
4.3 Adaptation

According to our findings, culture, local platforms and local regulation affect the implementation of digital strategies in China.

The impact on the digital adaptation and thus the solutions companies adopt in order to succeed in the Chinese market should be connected to the overall distribution strategies in China and to the international communication strategies, both from the contents and

organizational point of view. Regarding the distribution, foreign firms need to adopt omni-channel strategies (Grewal, Roggeveen, & Nordfält 2017; Verhoef, Kannan, & Inman 2015) that combine offline and online channels in a sort of "hybridization," as pointed out by Company 3 informant. Even if omni-channel is a global trend,[4] in China firms have to follow this model. However, «it is not easy to develop a real omni-channel strategy, neither in China or in the West», stated the Regional Manager of Company 7. Company 1 manager argued that in China: «We talk about "new retail," in the sense that according to us, there is not an online retail and an offline retail. For us, there is an old way of doing retail and a new way of doing retail. The new way of doing retail consists of mixing online and offline […] There are example of the way we see retail. We see a consumer inside his customer journey that moves around without discontinuity between online and offline. The trick, the secret for us as a firm is to follow the user regardless of the fact he gets in contact with your brand online or offline.»

Informant from Company 6 added:

«If physical stores are just to have people to buy, it doesn't work, because if it's just to get product, I can go online, I don't need to go somewhere, people will deliver, it's easy. The reason why people visit the store is really for some newness, experience or just the environment.»

From the point of view of physical retailers, the need for omni-channel strategies is common. The Retail Director of Company 5 argued:

«We organize events that synergistically combine offline and online, it is a trend now […]. E-commerce as stand-alone is not functional. People want "retail experience," so the

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[4] Euromonitor International (2014). Internet vs. store–based shopping: the global move towards omnichannel retailing, *report*.

idea is not just about pricing or best possible bidding, trying to find the best deal […]. Nowadays, the idea is to sell in a proper way to "create," to give an experience.»

At the same time despite the growing role of the Internet as retailing channel in the Chinese market, the key informants stressed that digital platforms do not substitute local distributors, because of their primary in *guanxi* established (Hu 2018).

Informants stress that one of the major advantages of local digital platforms is the huge amount of data they collect about customer preferences and purchase decisions thanks to the use of electronic payments owned by the platforms (e.g. Alipay for Alibaba) that allows to follow customers from online to offline. Digital tools provide detailed information about stock. Company 2 key account explained:

«(Regarding) more innovative digitalization inside the store, […] It can track out of stock […], in this way you can immediately find a solution for consumer's need.»

Also the way in which customers are helped online is different. Company 1 manager highlighted "[consumers] will find a real and active customer care service in 99% of the cases, with someone that answers in real time during office hours from 9 am to 9 pm, who takes care of the customer. So the customer, before buying the shirt, will get in touch with the brand and he will find information and discounts before the purchase.»

As highlighted by Wong and Yu (2003), service represents one of the main factors that influence Chinese consumer's store evaluation. This applies also for the online environment and in most of the case requires an adaptation.

Concerning communication due to the local culture, adaptation is needed in contents and media (platform). The way in which firms act online is different. In fact, among the communication activities, six of our informants highlighted the effectiveness in engaging one or more Key Opinion Leaders (KOLs) or celebrities in their online or offline activities in order to reach more consumers and enhancing contents views. In fact, the second informants

of company 5 stated: « [on our official WeChat and Weibo account], we work with these local KOLs, and they have to post our events».

Manager of Company 2 confirmed "KOLs work for the online activities as well as for offline events, the expectation for the brand or the event start growing thanks to them». And manager of Company 7 highlighted that "KOL has to be local celebrities and not global one, because most of the time the latter have no meaning for Chinese consumers"

Moreover due to local regulations and platforms, foreign companies have to cooperate with local partner. One of the main problems companies have to face is their low level of sophistication in communication and branding. In fact, Chinese firms really started to learn about brand management only after the WTO entrance, so they have less experience compared to their Western counterparts. «Considering brand communication, differences in approaching are huge. In this sense: in Europe and in the West there is the cult of the brand, in China is not like this, there are less attention and care" (Company 2) ». therefore, approaching the Chinese market requires more efforts in comparison to other markets, where intermediaries or advertising agencies manage communication and marketing. This has an impact on the communication organization, that is an issue related to the international communication approach (Tsai 1998). «Firms cannot manage contents from here or delegate everything to distributors because you miss opportunities.» (Company 2) So for Western companies, the challenge is combining their brand expertise with distributors knowledge, otherwise there are some risks of losing the control over brand image. The Chinese distributors we interviewed (Company 6) stated:

«We do it by ourselves, take pictures, present products, (in the product presentation) we do in the Chinese way».

Discussing about internationalization of the brand, the informant of Company 4 stated that, contrarily to their firm traditional strategy, «marketing is managed by ourselves in China and in Russia».

Moreover foreign firms have to learn to be flexible and adapt their content on the local characteristics quickly. Chinese firms are less conservative and they represent a benchmark about digital marketing activities. "Compared to the West, China represents a Lab for the Web […]. Chinese firms ", "Italian companies are slow" and "in China the approach is different [a firm] has an object, it works for achieving it, as quick as possible. Decision time is short" stated Company 8's co-founder. Company 7's justifies Chinese companies' digital marketing success with their ability to change, following the environmental changes "It's an incredibly fast market, while in the West we are slower. [Chinese people] look towards the future, while we still look backwards."

Therefore, we can argue:

Proposition 3*:The external divers affect the digital marketing strategies requiring adaptation on: international distribution, communication approach and internal organization.*

5. Conclusion

Standardization versus adaptation of international marketing strategies has long been debated by scholars and practitioner, mainly focusing on communication and product developments. Very few studies refers to the adaptation in digital marketing strategies, focusing mainly on specific elements such as the website or the social media. This research attempts to increase the knowledge on the international digital marketing highlighting the

challenges in dealing with new emerging markets, the antecedents of digital marketing adaptation and the main area they impact on. To investigate this issue, a qualitative study was conducted, interviewing eight key informants in order to understand the main issues the Western companies face when entering and operating in the Chinese digital landscape.

Despite of the global use of Internet, digital platforms, activities, and rules are highly dependent on the country. Our finding suggests that in market where actors (e.g. consumers, distributors and competitors) are digitally advanced and the distance from intra- and inter-country is huge, companies cannot avoid to be online. The pressure is so high that it is a requirement to exist in the consumers mind. Moreover they cannot use the same digital marketing strategies they adopt in other countries because culture and local regulations affect how relationships among companies and the distribution system are developed and works. This is the case of China: censorship has banned the most famous Western players; moreover, culture and language are so unique to be challenging for foreign companies.

To sum up the main findings, we developed a conceptual framework, which identifies the characteristics of the Chinese market that push for a digital presence and the drivers for digital adaptation (cultural distance, local platforms' development and local regulations).

The findings indicate that Chinese digital environment is completely different from the Western one and more advanced. Internet has been adopted by local firms since the beginning, so they leapfrog the first phase and exploit the potentiality of the web. Therefore, in future research directions, scholars could investigate the dilemma between adaptation and standardization testing the framework in cross cultural studies.

Creating a digital presence in China is necessary both for firms already present in this market and for firms approaching it for the first time. In this last case, Internet could be used as a mean to test the market, to understand consumers and purchasing patterns and learn how to introduce products. To reach Chinese consumers, it is mandatory to be in their local

platforms and control the official accounts because they represent an asset for the brand management.

Despite the importance of creating and owning official accounts and, eventually, localized website(s), managing them require an in-depth knowledge of the Chinese different customer journey and of the culture. Partnerships with local actors/platforms appear to be necessary, to avoid mistakes in adapting contents and, more generally, the digital presence itself, even if it adds more complexity to the communication organization

Our study remarks the complexity of the Chinese market, that require deep analysis and more research because of its unique characteristics (Gu et al., 2008; Sheng et al., 2011). In fact, on one hand Chinese companies are not sophisticated in their marketing and communication activities, thus foreign companies could find in this weakness an advantages to succeed in this market and face the local competition.

On the other hand, the Chinese firms are less conservative, more proactive and able to adapt their strategies to the new technologies advancements, thus they represent a benchmark about digital marketing activities for foreign firms.

Thus, even if traditional marketing capabilities about branding (Morgan, Vorhies, & Mason, 2009) are less developed in China, to have an effectively digital presence in the Chinese market, foreign companies need to learn a new way of operating online to compete. Previous experience with e-commerce and social media in other countries are not antecedents of success because of the high level of the degree of the adaptation external factors.

This study suffers from the limitations of considering only a limited number of interviews concerning once single market (China), therefore results may not be generalizable. Therefore, the sample could be enlarged by exploring the issues faced by firms in other foreign markets.

Our findings open new questions for scholars. First, how to cope with intermediaries in markets where Internet is so developed, in particular the role of the distributors and how to reposition the store in an omni-channel strategy. Then, our research highlights the innovation capacity of the leading Chinese platform, that is connected to the reverse innovation literature (Govindarajan & Ramamurti 2011), which considers emerging markets as source of innovation for developed countries. This represents a relevant issue to analyze. Third, more cross-cultural analyses should be conducted to understand the main drivers of digital marketing strategies adaptation in different countries.

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