Analysis of the Marketing Way of Xiang Embroidery

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Abstract. Xiang Embroidery is Hunan's traditional handicrafts. In recent years, the demand for the embroidery market has been increasing. However, Xiang Embroidery’s position in the entire embroidery market is not high, and its overall demand is low. The purpose of this paper is to promote the status of Xiang Embroidery's industry and find a feasible development path for Xiang Embroidery. This article analyzed the basic situation of Xiang Embroidery's domestic and foreign markets, used 4Ps combinatorial marketing theory, took marketing as the starting point, and gave strategies and recommendations for how Xiang Embroidery implements effective marketing. Mastering the marketing method is the key to the rise of Xiang Embroidery.

Introduction

Xiang Embroidery is one of China's outstanding national traditional crafts. It is a general name for Hunan embroidery products with distinctive features of Xiang-chu culture. Xiang Embroidery is one of China's Four Famous Embroidery. In 2006, Xiang embroidery was selected into the first national intangible cultural heritage list[1].

Market Overview

Xiang Embroidery belongs to embroidery, and the demand of international and domestic embroidery market can reflect the market potential of Xiang Embroidery to a certain extent.

First of all, let's take a look at the overall situation of the international market for embroidery. The figure below shows the demand for the international embroidery market from 2008 to 2016.

Figure 1. Demand and Growth Rate of International Embroidery Market in 2008-2016[2]

From the figure above, we can see that in recent years, the international market for embroidery has developed more steadily. Although the growth rate of market capacity has fluctuated, the fluctuation range is within a relatively small range, and the year-on-year increase has been maintained at more than 5%. This shows that with the continuous development of the economy, the level of people’s cultural life is constantly enriched, the demand for embroidery is also increasing, and the volume of embroidery products in the international market is continuously increasing. In recent years, the demand for embroidery products has increased in some European countries, and there are emerging markets for embroidery products. Therefore, the embroidery capacity of the international market continues to expand.
Compared with the international market, the domestic market for embroidery has slowed down in recent years. See the specific figure below:

Figure 2. 2008-2016 Domestic Embroidery Market Capacity and Growth Rate

From the above figure, we can see that domestic embroidery market capacity has the largest increase in 2009 and 2010, and the growth rate has slowed since 2011. This is the result of the development bottleneck and the external economic environment. Even if the embroidery industry did not continue its rapid growth, the overall demand for the domestic embroidery market rose.

From the demand data for the international and domestic embroidery market, we can see that the embroidery market has a large share. However, in that big market share, how much percent does Xiang Embroidery share? It is understood that Xiang Embroidery’s share of the entire national embroidery market is relatively small, accounting for only about 15%. This shows that Xiang Embroidery still has great market potential and needs to increase its market share.

Xiang Embroidery’s Main Problems and 4Ps Marketing Strategy

The Main Problems in Xiang Embroidery’s 4Ps Marketing

Xiang Embroidery now lacks market development. From the perspective of 4Ps, there are mainly the following problems:

1) Old-fashioned product themes, lack of innovation, raw materials can’t be fully self-sufficient.
2) The pricing method is monotonous and the price is confusing, which cannot effectively meet the needs of different markets.
3) The marketing channels are narrow and there is no mature industrial sales chain.
4) Most companies do not pay attention to promotion, do not even understand marketing, and lack effective communication with the market.

Xiang Embroidery's 4Ps Marketing Strategy

Product Strategy

Xiang Embroidery should adhere to market-oriented research and carry out investigation and research on the consumer market for tourism, and subdivide the market. Xiang Embroidery enterprises need to select the market that suits their needs after the research and subdivision of the market, develop corresponding products, avoid blindly developing and mimicking each other, exploit the connotation of Xiang-chu culture fully, and keep up with the times.

Price Strategy

1) Pricing Strategy

Because there are various price levels in the market, there should be an organic combination of cost-oriented pricing, demand-oriented pricing, and competition-oriented pricing in the pricing strategy.

From the perspective of cost orientation, Xiang Embroidery has inherited traditional techniques and has not adopted machine production so far. The raw materials for medium-high grade Xiang Embroidery are limited. Moreover, fine craftsmanship and fashion innovations can only be performed by young embroiderers, so both raw material costs and human costs are relatively high. The middle
low grade Xiang Embroidery’s production are relatively low and have not formed a certain scale of production, and most of the raw materials for production are from Jiangsu and Zhejiang and cannot be self-sufficient, so production costs are also high. Therefore, in the formulation of prices, in addition to the proper implementation of loss leader pricing, enterprises must also have appropriate profit margins.

Merchants should implement accurate market segmentation and formulate competitive product prices based on market spending power. For Xiang Embroidery products that can be used in everyday life, low price strategies can be adopted; for rich cultural connotations, with unique ideas or important artistic values, products that are mainly oriented to high-end markets, adopt high-price strategies, be market-oriented, and have different nature Products are differentiated. Xiang Embroidery should strive to complete a wide range of categories, so as to make the price of all gears more complete.

2) Price Adjustment Strategy

On the one hand, Xiang Embroidery belongs to the category of works of art and has a high added value. Although the saying goes that the art can’t be discounted, sometimes for the promotion of the product, increase market share, solve financial difficulties, or in the recession of the product life cycle, can still take the appropriate price cuts, and appropriate price cuts are sometimes a kind of profit. However, the price cut strategy has to be moderate. It is necessary to grasp the timing and magnitude of price cuts and avoid frequent price cuts, otherwise it will affect the brand image.

On the other hand, since people's value judgments on crafts are often based on price levels, it is necessary to adopt appropriate price raising techniques. For example, the off-peak season and the peak season may be priced differently, and prices may be raised appropriately during the peak season. For some ingenious and inspiring ideas, prices can also be raised in a timely manner to create a sense of preciousness and enhance added value.

Marketing Channel Strategy

Xiang Embroidery enterprises should use various marketing methods to increase distributors' enthusiasm and create more convenient, fast and honest sales channels.

1) Improve the Sales Chain of Xiang Embroidery and Try the "Stock-style" Vertical Distribution System

The marketing channels of Xiang Embroidery have always been very weak. To address this issue, Xiang Embroidery must establish a systematic distribution channel system, open up all aspects of distribution channels, and reduce the level of middlemen. Set up offices in the core customer source market to directly carry out promotion of Xiang Embroidery tourism products; actively establish direct sales, step out of vicious competition in the region, expand sales areas; mobilize the enthusiasm of middlemen, and require quality requirements for middlemen in the process of marketing channel construction. The company commissioned mature middlemen to provide merchandise, expand the visibility and sales.

No matter what kind of distribution, it is to mobilize the enthusiasm and initiative of sales participants. What it really wants is to make the distribution system bigger and stronger still have to rely on more external forces. Efforts should be made to mobilize external forces such as middlemen, retailers, and tourism agencies.

In the long run, Xiang Embroidery should stick to the road of industrialization and intensive development and strengthen the integration of the entire Xiang Embroidery industrial chain.

2) Multi-channel Marketing Using Media Such As the Internet and Mobile Phone

Xiang Embroidery enterprises should make full use of the advantages of the network, effectively create user experience, interaction and information proliferation, and use the advantages of various marketing methods such as oral spreading and experience marketing to establish and publicize the brand image of Xiang Embroidery. Xiang Embroidery enterprises can adopt forum marketing methods to promote Xiang embroidery at domestic and international forums.

Also, with the popularity of mobile phone, many marketing tools that use communication tools have emerged one after another. We-chat marketing is a mainstream form. Xiang Embroidery enterprise shall promptly use the We-chat Official Account, obtain the We-chat official certification
as soon as possible, display the micro-official website, develop micro-members, and carry out micro-push. At the same time, enterprise should open its own micro-mart and attracted attention through various ways to strengthen interaction with consumers, forming a cohesive and popular fan circle and winning a stable group of long-term customers.

Promotion Strategies
1) Advertising Target Formulation and Media Delivery Strategy
Formulating scientific and correct marketing advertising strategies has an extremely important role in promoting the marketing of Xiang Embroidery. First of all, Xiang Embroidery enterprises must set clear advertising targets. Second, in terms of advertising, professional advertising companies should be hired to present a professional image. To maximize efficiency, they could choose media combinations. Xiang Embroidery enterprises are concentrated in Changsha. Changsha has many well-known programs at home and abroad such as “Happy Camp” and “Day Day Up”. Xiang Embroidery enterprises can properly advertise on these platforms and increase their visibility.

2) Marketing Promotion and Other Promotions
Large-scale festivals can be held to stimulate the demand for tourism goods and increase the economic and social benefits of Xiang Embroidery. Sponsored by local government departments, Xiang Embroidery enterprise undertakes a series of festival activities to focus on popularity, detonate the market, and fully start the company's Xiang Embroidery brand.

Suggestions on Implementation of Marketing Strategy for Xiang Embroidery

Comprehensive Use of Various Social Platforms
To open up market, Xiang Embroidery must use developed social media. Not only to see the power of advertising, but also to emphasize the role of public relations activities; not only to be good at using traditional media portfolio to promote and promote goods, but also to clearly realize that new media such as the Internet and mobile phones are the greatest brand marketing Weapons in the 21st century, using them well, enterprise could gain the right to compete for a central position on the international stage, and the recognition and favor of young consumers after 90s.

Participation in the Ranks of Electronic Payments
The popularization of electronic payment methods also enables Xiang Embroidery to carry out international and domestic marketing through the Internet. With the continuous advancement of network information technology and electronic commerce has developed rapidly, E-commerce provides a new platform for the distribution and dissemination of business opportunities, providing opportunities for Xiang Embroidery to break regional restrictions and enhance sales methods.

Attach Importance to the International Embroidery Market
The government should propose corresponding policies to help Xiang Embroidery go to the international market, such as providing subsidies. National and local governments could help Xiang Embroidery industry to create a good market environment, and then stabilize the foundation for Xiang Embroidery enter the international market. Correspondingly, efforts should be made to intensify the development of the tourism industry so that Xiang Embroidery and tourism industry will have an optimal synergistic effect. It also could provide a communication platform for Xiang Embroidery entrepreneurs to break the barriers to exchange.

Establish a Strong Brand Awareness
Although there are several large-scale embroidery enterprises in Changsha at present, these companies have not established brand awareness and have not established a distinct brand image, thus lacking brand influence. With the exception of a few of the Xiang Embroidery enterprises, Xiang Embroidery manufacturers still focus on small and medium-sized enterprises. These companies have
not established their own brands, and their brand awareness and brand loyalty are low among consumers. Xiang Embroidery enterprises should study further the brand experience and communication of Xiang Embroidery, study how to establish efficient distribution channels in domestic and foreign markets, and thoroughly discuss specific and effective measures for handicraft marketing. Xiang Embroidery enterprises should accurately position the brand, make products stand out from the homogenized products, and establish a unique brand image, thus forming its own competitive advantage 📌.

**Holding Tourism Commonweal Activities**

The hot tourism has brought new opportunities for the development of Xiang Embroidery. By regularly holding tourism commonweal activities to attract more domestic and foreign tourists, the charm of Xiang Embroidery has been expanded. The tourism industry has a non-negligible industry—the gift industry, which can stimulate the consumption of Xiang Embroidery’s gifts by holding public tourism activities 📌. Hunan Provincial Tourism Service Centers and other institutions should provide more convenience for Xiang Embroidery’s product promotion and marketing, and let Xiang Embroidery become a ‘visiting card’ for China to become an international player.

**Summary**

This article first briefly analyzes the potential market demand of Xiang Embroidery, and then combines the Marketing Theory of 4Ps, put forward the marketing plan and promotion ideas for Xiang Embroidery. These studies not only have reference value for Xiang Embroidery enterprises to find a way out, but also have certain reference value for other crafts to carry out domestic and international brand marketing. Facing a vast market, it is hoped that Xiang Embroidery will “embroider” the beauty of its own essence and bring the development of the China's embroidery industry, and it will truly become the “business card” of China.

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**References**


