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Analysis on Development Pattern and Marketing Strategy of Flower E-Commerce of Personalized Customization—A Case Study of the Beast

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Abstract

In recent years, flower e-commerce develops rapidly and attracts extensive attention from relevant fields; flower e-commerce of personalized customization is the unique development pattern. On the basis of illustrating the representative flower e-commerce enterprise of personalized customization in China—The Beast, this paper tries to analyze the unique marketing strategy of The Beast via 4C theoretical model and social media marketing theory, so as to provide references for the future flower e-commerce enterprises. According to the researches, The Beast adopts the e-commerce mode operated by new media and development strategy of lateral extension. It chooses the consumer-oriented pulling-type marketing strategy; taste and fashion are its core competitiveness. The important means of maintaining customer group is to keep a smooth and effective "dialogue" and "communication" with consumers through weibo. The key measure of maintaining fans activity is to propagandize the company products and image by relying on powerful star opinion leaders.

Keywords

Flower E-Commerce, Personalized Customization, Development Pattern, Marketing Strategy

1. Introduction

Flower E-Commerce is the emerging commercial mode based on commercial thought and model, upon which fresh and perishable follows can be sold on internet. This kind of commercial mode not only breaks the tradi-

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tional sales way of flowers but also slowly changes the consumption habit of customers towards flowers.

Flower e-commerce originated from 1-800-flowers Company of America. In 1992, 1-800-flowers Company began to cooperate with AOL and opened flower point of sale on the website of AOL. Later, it established an official website to sell flowers. In order to realize a better self-transmission effect, 1-800-flowers Company aimed at social platforms of high popularity like Facebook and Twitter, and conducted socialized marketing through these social platforms. At that time, express industry was not well-developed, and 1-800-flowers Company realized fast home delivery service by depending on flower chain corporations. This solved the big problem of flower delivery at that time [1].

In about 2000, some flower shops attempted e-commerce, and later various local and national flower websites emerged on the internet like mushrooms after rain. At present, flower express market is still young in China. According to incomplete statistics, there are several tens of thousands of websites and online stores related to flower reservation and flower express in China at present. Full of artistic atmosphere and obvious personalized customization characteristics, The Beast Shop has obtained outstanding performance. It has connected upstream and downstream enterprises in the industry, and established LOVE SOON which is the national delivery network and Roseonly praised as "the First Brand of China's High-End Flowers". The development pattern and marketing method of The Beast Shop are unique and interesting. By taking The Beast as an example, this paper analyzes the reasons for successful marketing via 4C and socialized media marketing theories.

As a member in the flower E-Commerce industry, the author carefully followed the developing trace of various flower E-Commerce enterprises in the paper, and reality and theory are combined to write the paper. Given the interesting and special development pattern and marketing strategy of the Beast, it was taken as the case study in the paper. In the first part of the paper, research background and existing problems in the studies were mainly introduced, and the second part was mainly the literature review of E-Commerce marketing theory. Development pattern of the Beast was studied with time as clue and was summarized in the third part, and in the fourth part, 4C theory model and social media marketing theory were applied to analyze the marketing strategy of the Beast. In the fifth part, the research result of the paper was concluded. All above was the total idea of the paper.

2. Overview about Marketing Theory of E-Commerce

2.1. 4C Marketing Theory

In the 1980s, Robert Lauterbom proposed customer-oriented 4C theory: consumer, cost, convenience and communication [2]. Firstly, enterprises should know and study customers, and supply products according to their demands. Enterprises should put consumers at the first place. Secondly, in the aspect of cost, they need to pay attention to customers' purchase cost (including monetary expenditure, the consumed time, physical strength and energy, and purchase risk). Thirdly, they should provide shopping and using convenience for customers to the largest extent. Finally, they must communicate with customers to know their requirements and feelings of service quality, and give timely feedbacks. 4C is a customer-oriented marketing mix absolutely facing the customers. As for the obvious difference from 4P theory, the function of customers is in a central position in links like enterprise pricing, channel selection and production.

2.2. Socialized Media Marketing

Lin Shengliang put forward the definition of "socialized media" by integrating domestic and overseas literatures of studying socialized media in recent years: The so-called "socialized media" refer to a certain community of forming a space in common sense when the interactive and two-way network platform attracts users to actively participate in it [3].

Lin Shengliang summarized the differences between socialized media and traditional mass media, mainly reflected in the following aspects. 1) Traditional mass media refer to a few media institutions, and represent official opinions of the government and enterprises. In new-type socialized media, the mass is producer, promulgator and spreader of information. 2) In traditional mass media, information is disseminated in a single direction, and the existence and weight of information depend on the promulgator. In socialized media, information flows in two directions. The mass can be the owner of information and influence the existence and weight of information; it has a certain influence of public opinion. 3) Traditional mass media face large-scale audiences. However,

no relation exists between audiences, while users have a close social relation in socialized media. 4) Traditional mass media involve high investment and high risk, while socialized media are personalized, low-cost and low-risk.

In terms of socialized media marketing, Chen Xinling gave the definition: Socialized media marketing refers to a method of marketing, selling and maintaining and expanding public relations and customer services by utilizing social network, online community, blogs, cyclopedia or other internet writing platform media. However, Chen Xinling considered that it would be better to replace "socialized marketing" or "socialized media marketing" with "socialized marketing propagation". Schurz expounded at an early time, "Marketing is equal to propagation and propagation is also equal to marketing." [4]. This shows that all marketing means and methods can be treated as propagation and communication of different forms; in the future, only propagation and communication can bring about differentiation values to enterprises, for it is value that exists in consumers' mental network.

Lin Xuyao [5] summarized characteristics of socialized media marketing, mainly reflected in the following aspects. 1) There are numerous information sources and the distribution is scattered. 2) The propagation paths distribute in an irregular net and there are many information nodes. 3) The information contents are fragmentized, and it is hard to control information contents and propagation direction. 4) Users will guide information contents and propagation direction. Meanwhile, he proposed three key points that socialized media marketing strategy should pay attention to. Firstly, the idea should be changed and attention must be paid to communication. Secondly, attention should be paid to originality and delights of propagation contents. Finally, attention should be paid to the functions of "opinion leaders" and "brand platforms".

In order to carry out marketing activities by utilizing socialized media, enterprises should realize information management and control according to socialized media characteristics and information dissemination characteristics. The most fundamental way is to participate in communication with consumers through socialized media and to establish a more personalized relation with richer emotional color between enterprises and consumers, so as to acquire competitive advantages brought about by brand relation.

In the aspect of effect analysis of socialized media marketing, Liu Xiaoyan, Zheng Weiwei [6] *et al.* discovered the following points after study. 1) Fans density is an important index of investigating the effect of socialized media marketing strategy. 2) If fans density is low, the propagation effect will be poor. 3) The level of propagation path directly decides the propagation effect. 4) Drainage quantity of KOL has no influence on participation rate. 5) The practice of simply increasing number of fans is one-sided.

3. Analysis on Development Pattern of the Beast

The Beast Shop is a new-generation online flower shop, and its founder is Amber. Without physical store and even Taobao shop at the initial stage, it just depended on several photos about flowers and gift boxes on weibo and character instruction of 140 words. Since the weibo account was opened at the end of Dec. 2011, The Beast Shop has already attracted hundreds of thousands of fans. Moreover, many actors also become its frequent visitors.

Different from other flower shops, The Beast Shop will listen to clients' stories and then transform the stories into bouquets. Each bouquet of flowers is endowed with stories, so it is quite interesting. Among these, blessed people will wish themselves a happy anniversary, some people might make a proposal, some of them will wish their parents health, and others struggle with male colleagues who have a crush on them. In the repeated daily life, it becomes a conditioning agent for fans to read the fantastic plot of 140 words.

Bouquets selected by The Beast Shop are not common on the market. After elaborate embellishment, these imported flowers will be endowed with artistic names according to different crowds and the mental states of flower givers and receivers. The packaged bouquets are only sold on weibo, and all customers are fans of the flower shop. They will place an order through private letters on weibo, and customer service personnel will answer customers' questions through private letters, so as to reach a deal.

Compared with traditional flower shops, The Beast Shop can be called luxury brand among flower shops. Flowers and gift boxes of The Beast often take 300 - 400 Yuan at least and almost 1000 Yuan at most. However, its products are still pursued by many customers regardless of the high price. With the development of the flower shop, The Beast Shop established its own official website by departing from convention. Since the first physical store was opened in Shanghai, there have been 13 physical stores till now. These physical stores are not

simple flower shops. Instead, they combine floriculture with coffee shop and life house. Therefore, they have become unique and marvelous sceneries in local places. Nowadays, The Beast also established an official mall on tmall.com at the invitation of Tmall.

Now The Beast Shop not only sells flowers but also cooperates with various luxury brands in the world to introduce luxuries like mug, scarves, chocolate, shoes, raincoat and perfume. Besides, it undertook flower design and arrangement at the sites of many stars' weddings in China. Due to the extension of lateral scale, it is expected to be a world-famous luxury brand of China.

All in all, the development pattern of The Beast is a relatively unique e-commerce mode operated by new media. Involving high-end positioning, it takes the road of literary luxury with stories. Famous for providing customized services, it adopts the development strategy of lateral extension.

4. Analysis on Marketing Strategy of the Beast

By relying on socialized media marketing method, The Beast Shop has cultivated its first batch of loyal fans rapidly and laid a foundation in the field of floriculture. Later, extension of lateral edge is conducted with bold trans-boundary marketing strategy. In the following, the overall marketing strategy of The Beast Shop will be analyzed, and then in-depth analysis will be made for socialized media marketing.

4.1. Analysis on Overall Marketing Strategy

The Beast was started from weibo marketing of personalized customization, so it is unreasonable to analyze the marketing strategy via the classical 4P theory. 4P theory mainly faces consumers without significant differences and sells a large batch of products manufactured in a large scale. This is inconsistent with the pattern of The Beast. According to the development history of The Beast, it is the most appropriate to analyze the overall marketing strategy of The Beast by using Robert Lauterbom's 4 C theoretical model. Next, detailed analysis will be made.

4C refers to consumer, cost, convenience and communication. The Beast adopts the consumer-oriented pulling-type marketing pattern all the time, which is the key characteristic of 4C marketing theory. Firstly, in the aspects of consumers, different from the product design modes of traditional flower companies, The Beast does not work out a series of floral products at first, take effect pictures, make a price, and then ask consumers to purchase products they like according to the effect pictures. Instead, consumers will tell The Beast their demands, and then The Beast will design bouquets that meet the consumers' mental states and demands according to their requirements and floral products on the current flower market. Therefore, The Beast puts consumers' demands at the first place. The key to its marketing lies in "how to please consumers" rather than "how to realize the value of product and service" emphasized by 4P. Now The Beast also sells standardized floral products on the internet, but flowers of personalized customization are the key competitive products. 4C theory is consumer-oriented; it observes marketing from the angle of consumers, and emphasizes that customer creation is more important than product development. Secondly, cost in 4C refers to the cost of making consumers satisfied or the cost price that consumers are willing to pay to meet their demands and desires. The Beast carries out marketing activities by setting weibo as the key development platform, which will effectively reduce product cost of the enterprise and provide consumers with a satisfying cost. Thirdly, convenience in 4C means that enterprises should pay attention to the purchase convenience of consumers. The Beast attracts attention from its fans on weibo, and consumers send their requirements, negotiated price and delivery time to online customer service personnel through private letters according to their demands. After consultation, payment will be made through transfer of accounts. Workers of The Beast will deliver bouquets at the appointed time, so consumers can purchase customized and special bouquets without going outside. In this way, the purchase convenience of consumers is increased greatly. Finally, communication in 4C refers to two-way communication with consumers. It is a communication process when customers book flowers in The Beast. Customers tell their stories to The Beast and The Beast provides flowers suitable for the stories to customers. Moreover, The Beast will share some special stories with its fans and interact with them, so as to maximize the communication value. In this way, consumers can naturally receive enterprise publicity and advertisement. The distance between the enterprise and consumers is shortened. Thus fans are effectively changed into potential customers and finally they will become actual consumers.

4.2. Analysis on Socialized Media Marketing Strategy

By referring to the research achievements of Liu Xiaoyan and Zheng Weiwei that analyzed the enterprise propagation effect of socialized media marketing, this paper analyzes the reasons for the success of socialized marketing strategy in The Beast Shop from three aspects which are methods of cultivating fans, number of fans and participation rate of The Beast Shop, and drainage of KOL (Key Opinion Leader).

4.2.1. Methods of Cultivating Fans

The "trump card" of cultivating fans of The Beast Shop is Sina Weibo. According to weak tie relation theory of Mark Granovetter and B. Wellman [7], Sina Weibo is an important platform of "weak tie". The platform of Sina Weibo can not only help to consolidate and maintain the original strong tie but also expand the weak tie of individuals, increase the quantity of people's weak ties, and expand the channels of acquiring social resources. Weibo marketing behavior of enterprises belongs to economic behavior, and such economic behavior is embedded in social network [8]. "Specific relation and relation structure can generate trust and prevent fraud." Moreover, "it is social relation, rather than institutional arrangement or common morality that can generate trust in economic life" [9]. Sina Weibo plays an important role in the process where The Beast Shop spreads information to the audiences via its "weak tie advantage". Besides, it also plays a positive role in establishing consumer trust in the enterprise.

Information spread by The Beast on Sina Weibo is original information which is very interesting. At the beginning, the official weibo issued various stories about flower buyers in a mental state of sharing with strange persons, and such original intention of sharing turns the original information of single-direction dissemination into a "conversation" among different audiences. The authors of *Social Media*, Trevor Cook and Lee Hopkins pointed out, "Market is a 'conversation' now. If enterprises are not willing to join the 'conversation', they will fall behind." [10]. Therefore, the success of The Beast is the "unintentional positive outcome" of its founder, but it is still consistent with theory.

In addition, physical stores of The Beast have also made a great contribution to cultivation of fans. Physical store of The Beast is less a flower shop or coffee shop than a senior club of upper class. Parties of various themes and tea parties will be held from time to time in the shop, and world-famous figures and customers will be invited to share their stories. The Beast Shop just operates the high-end circle of upper class. In such a circle, consumers pay more attention to artistic taste and enjoyment. Due to the same artistic taste and pursuit for life quality, a subtle social relation is generated among fans of The Beast. Such social relation has promoted the trust of fans in The Beast and enhanced fans' sense of worship and followership toward The Beast. Finally, it can bring about economic benefit to The Beast. Moreover, for some people, to be customers of The Beast means to enter the social circle of upper class. Benefits brought about by these social relations are far higher than their consumption. This is also the charm of the circle in The Beast.

4.2.2. Number of Fans and Participation Rate

Till now, the official weibo of The Beast has gained more than 670 thousand fans. According to the research data of Liu Xiaoyan and Zheng Weiwei, by observing the total number of weibo fans, the mean value of number of fans is 652,534 and the standard deviation is 741,825. Therefore, there is a great difference. For most enterprises, the number of fans is lower than 800,000. Enterprises of different industries have a great difference in the situation of weibo fans, and e-commerce website has the most weibo fans. In the first year, The Beast attracted over 100 thousand fans and now it possesses more than 670 thousand fans. Such a high number of fans can prove the success of its weibo marketing.

Participation rate refers to the proportion of people actually participating in the activity in total fans, and it is the key index of measuring weibo marketing relation. According to the research data of Liu Xiaoyan and Zheng Weiwei, the mean value of participation rate in enterprise weibo is 0.42, the maximum value is 0.93, the minimum value is 0.08, and the standard deviation is 0.29. This shows that various enterprises have a great difference in participation rate of marketing activities, and the participation rate of e-commerce website industries is obviously low. The author of this paper recorded information contents, amount of forwarding, number of reviews, and number of praises on weibo of The Beast from 15 Sep. 2015 to 13 Oct. 2015, and summarized the following rules:

1) Weibo information involving lucky draw often has high participation degree, as shown in the Table 1.

- 2) Weibo information involving the topics of stars has high participation degree among fans, as shown in the **Table 2**.
- 3) As for weibo information involving new product introduction of The Beast, fans often pay attention by giving praises, but the activity is low.

4.2.3. Drainage of KOL (Key Opinion Leader)

Drainage of KOL means drainage of key opinion leader. The concept of opinion leader was proposed by Lazarsfeld [11] and it refers to a few influential persons with motility in the process of information transfer and interpersonal interaction. For instance, star spokesman in television advertisement is a kind of opinion leader. Since the fifth weibo message issued by the official weibo of The Beast, the popular star Jing Boran has endorsed it. Later its flower works have gained praise from the popular network writer Liuliu. Besides, numerous stars like Gao Yuanyuan, Liu Jialing, Zhou Xun, Huang Xiaoming and Yang Ying are also fans of The Beast. The role of key opinion leaders should not be ignored. According to the forwarding situations of The Beast during four years, it can be clearly known that the amount of forwarding and number of reviews of weibo information forwarded by stars will increase sharply.

In traditional advertisement, as for star endorsement, the enterprise often gives endorsement fees to the star and the star will shoot advertisement or pose according to the designed scene and lines as well as the enterprise requirements. Benefit in economic aspect is brought about to the enterprise by utilizing star effect. Opinion leaders of such traditional pattern are relatively powerless. In most cases, the stars do not attempt the products and just perform according to the script. Therefore, it is difficult to arouse consumer resonance. By making a general survey of stars speaking for The Beast such as Gao Yuanyuan, Zhou Xun, Huang Xiaoming and Yang Ying, they chose the customized flower and flower decoration of The Beast at the most important moment in life-wedding. Thereby, the artistic taste and design level of The Beast in floriculture have gained sincere approval from stars. It is said that The Beast sponsors and even pays a huge cost to provide flower design for stars' weddings or activities. However, this does not affect the good impression left on the extensive audiences by a series of behaviors of The Beast. These stars are fastidious and don't lack money. Therefore, the audiences often think that they won't use products they don't like at their weddings and advertise such products to earn a sum of money.

Table 1. Participation degree of weibo fans in sales promotion of the beast shop.

Date	Forwarding	Review	Praise	Information content
09.21	17	91	55	Lucky draw during the Mid-autumn Festival
10.10	316	1399	517	The prize is flower the same with that at the wedding of Huang Xiaoming and Yang Ying
10.13	858	659	103	Little Prince is on show, and the prize is the cinema ticket of Little Prince
10.22	72	1978	141	The prize is the shopping card of The Beast of 2000 Yuan

Data source: Collected and sorted by the author.

Table 2. Participation degree of weibo fans of The Beast Shop in star topics.

Date	Forwarding	Review	Praise	Information content
09.28	30	28	471	Relevant contents at the 20 th love anniversary of Huang Lei and Sun Li
09.29	41	25	388	Relevant contents at the 20 th love anniversary of Huang Lei and Sun Li
10.08	273	172	744	AH century wedding of Huang Xiaoming and Yang Ying
10.08	58	127	641	AH century wedding of Huang Xiaoming and Yang Ying
10.08	67	70	333	Hold flower of The Beast snagged by Lin Zhiling at AH wedding
10.23	72	16	225	Global Floriculture Director of The Beast, Eric Chauvin

Data source: Collected and sorted by the author.

5. Conclusions

5.1. Development Pattern

The development pattern of The Beast is a relatively unique e-commerce mode operated by new media. Involving high-end positioning, it takes the road of literary luxury with stories. Famous for providing customized services, it adopts the development strategy of lateral extension. Centering on high-end floriculture, it radiates to industries and fields of dessert, living goods, costume and training. It is a multi-aspect and trans-boundary luxury company.

5.2. Marketing Strategy

The overall marketing strategy of The Beast always centers on consumers, and consumer-oriented pulling-type marketing strategy is adopted. Taste and fashion are its core competitiveness. The important means of maintaining customer group is to keep a smooth and effective "dialogue" and "communication" with consumers through weibo. The key measure of maintaining fans activity is to propagandize the company products and image by relying on powerful star opinion leaders.

5.3. Enlightenment

The development pattern of the Beast is relatively unique and hard to copy. Afterwards, many flower shops try to sell flowers by telling stories, but they are often considered as "affectedly unconventional". Therefore, once the art style of The Beast is excessively copied, the result might be the opposite of our wish. The key to success of The Beast is the founder's high sensitivity and taste about art and fashion. In order to find a perfect flower satisfying customers, it will seek and persist all the time regardless of difficulties, obstacles and image. Therefore, later flower e-commerce enterprises should not blindly copy the apparent pattern of The Beast. Instead, they should pay attention to "dialogue" and "communication" with consumers, and provide the most needed products according to consumer demands. Only in this way, can characteristics of flower e-commerce enterprises of personalized customization be formed. This is good for long-term development of flower e-commerce enterprises of personalized customization.

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