

LI NING's promotion strategy with Chinese elements in China market

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Abstract. Li Ning is a rising star in China these years, this brand gradually attracts many fans and causes discussion among customers. One of the obvious characteristics is the using of Chinese elements. In order to find out why its promotion strategy of using Chinese elements is attractive to customers, both discussion and its impacts will be shown, as well as providing advice for Li Ning to maintain its benefits and improve insufficient. In this passage, it can be found that Li Ning promotes its products with Chinese elements is popular among young generation in China, it may because the current fashion trend in China is combine fashion with traditional style, and the application of word-of-mouth effect. Now young generation in China are pursue this kind of fashion and some prefer to decorate themselves with Chinese traditional items, so Li Ning's promotion strategy works. Another result is the bold 'Chinese Li Ning' logo used on Li Ning's clothes, it also become one reason for consumer to purchase. Li Ning takes advantage of its brand position of Chinese brand to win Chinese consumer's respect. The third result is about Li Ning's co-branding with international brands or celebrities, the fan effect is used to expand market globally. Overall, Li Ning makes use of the benefits of the brand and customer's preference to promote its own products with Chinese elements to a larger market.

Keywords: LI NING, Promotion strategy, Chinese elements.

1. Introduction

Li Ning is a professional sportswear brand and was established in 1990 by Chinese athlete Li Ning. It mainly sells professional and leisure sports shoes, clothing, equipment and accessories, and the most famous product is sport shoes. With its slogan 'Make the change', Li Ning has a perfect brand marketing, research and development, design, manufacture, distribution, and sales. Now it has been building retail distribution network in China and supply chain management system, continue to promote electric business positions, building electric business ecosystem as well. In 2004, Li Ning was floated on the stock market. In October 2020, Li Ning's market value broke through HK\$100 billion. Its revenue in 2021 was 22.572 billion yuan and ranked 479 in 'Top 500 Chinese brands 2020'. Li Ning brand was selected as the designated clothing of the 11th Asian Games Torch relay, the award clothing, as well as both Chinese and foreign journalists designated clothing. Therefore, Li Ning spread throughout China with the Asian Games. Since 2012, Li Ning became the official strategic partner of CBA. In 2015, Li Ning started its first year of new development which transform itself into the provider of 'Internet + sports life experience'. In 2018, Li Ning became the first Chinese sportswear brand to be shown in New York fashion week and be famous for the combination of Chinese traditional culture and retro style in 90s on its sportswear. Insist the Chinese 'self-reflection, self-understanding, self-creation' of the spiritual tenet, Wudao series of shoes were launched. Through the combination pf hardness and softness to interpret the image of atmosphere and Chinese culture's meaning, another series called 'Wukong' refer to Chinese mythology character Sun Wukong, which presents the Chinese elements again in Li Ning's Shoes.

Li Ning has its own culture which using 'ignite passion with sports' as the mission, aim to inspire people to break through the desire and strength, committed to the creation of professional sportswear. Always strive to let sports change our life, and the pursuit of a higher level of breakthrough. In order to build Li Ning a brand to be recognized by the world and the international top-ranking professional sports brand, its core concepts is win the dream, consumer oriented, breakthrough. As for business strategy, Li Ning concentrated on establishing 'muscle' type of organization. The goal improves

enterprise efficiency, establish the business model of sustainable development and profitable environment by pursuing organization structure, operation efficiency, channel efficiency and cost efficiency. Li Ning mainly using the outsourcing and franchisees. The number of sales points in China was 6,745 in total, while it continues developing its business in North America, Europe, Middle East, Central Asia, Southeast Asia and other regions.

The development strategy of single brand, multi-category, multi-channel was settled in Li Ning, and its main products can be classified into five categories: basketball, running, training, badminton and sports fashion. Except the core brand Li Ning, Li Ning also promotes other brands such as DHS tennis products, AIGLE outdoor sports products, Danskin dance and yoga fashion fitness products, Kason badminton products. SHELL technology platform is independently developed by Li Ning, its core strategic strategy is leading by Li Ning cloud and Li Ning bow. Follow-up protection, honeycomb warmth and ultra-light fabric have been constantly innovated, as well as Li Ning light, which are in order to improve users' sports performance. With the rising trend of Chinese style fashion, more young generation pursue Li Ning's products these years.

2. Literature review

Chinese cultural element is gradually be accepted globally, many enterprises are considering to use Chinese traditional culture into their promotion strategy. Therefore, more scholar launched their studies on promotion strategy with Chinese culture. In Wang, Hu, Jin's research, they claimed that the essence of promotion with Chinese culture is the combination of the product and culture, resonate with consumers consciously by discovering, cultivating, or creating certain core value. Infiltrate the cultural elements into the whole process of promotion thus reach the managing goal of the organization. They also suggested that advertising strategy need to focus on give commodity culture value to arouse consumer's psychological demands [1]. However, there exist weakness of their thoughts. Although Chinese culture can arouse Chinese consumer's desire of purchase, the foreigners are difficult to be empathy since they do not fully understand and experience Chinese culture. Besides, there is another significant point that they do not mention is the innovation of Chinese cultural promotion. In Yang Min's marketing strategy of traditional cultural creative products in the new era, she studied that only innovation could bring new energy to cultural products which can convert potential value to dominant value [2]. Therefore, when considering combine Chinese culture with promotion strategy, it should not only involve emotional resonance but also innovation need to be involved.

With the continuous development of network economy, many scholars begin to focus on network cultural promotion strategy. Zheng Baihui pointed out network client, network application and network creative games that the Imperial Palace used is attractive to young generation, especially a game called 'One day in the emperor's life'. New media promotion such as VR promotion, its equipment allows customers to experience the rise and fall of the Palace Museum in 360 degrees, as well as the 4D seat with the swing of the picture. Contemporary cultural and creative promotion should pursue innovation consciousness and extend product chain, integrate traditional culture with new technology so that obtain a broader market [3]. Although Zheng gave ideas on the development of cultural products in new era, the limitation is the applied environment is strict. When discussing the cultural product, we should not only consider the specific environment such as museum, but also in people's daily life. There is another analysis from Yuan Lin about the CHN fashion commodity. He indicated that four methods for the CHN fashion brand are adapt to the network business: rebuild the brand image of CHN fashion, strengthen the amount of information when promotion, strengthen the interactivity of brand promotion, strengthen the precision of brand promotion. Since the questionnaire that he sent shows that consumers under the age of 20 and between 20 and 35 accounted for 82.2% of the total consumers in CHN fashion brand, those brands should catch up with the fashion trend timely and concentrate on telling brand stories [4]. These two studies help us better understand the promotion strategy under the network environment in specific place and daily life.

Another opinion is brands using cultural elements should base on humanism. Wu Shuang established that industries need pay attention to the core values of people-oriented. Cultural marketing itself needs to start from the internal demands of customers to achieve coordinated innovation of product management and customer management of the community [5]. With Wu's ankle, it is obvious to see the original vision of customer-oriented brand. The similar idea also maintained by Zhao Jianhua, he said that modern enterprise marketing is not only the application and combination of marketing strategies, but also the result of humanistic marketing.[6] To be deeper understanding, the 4C theory is significant. The 4C theory includes consumer, cost, convenience, and communication [7]. Wang Yue stated that many big brands such as Dyson and Apple began to use vlog to enhance their popularity, due to both vlog and 4C theory carry out differentiated target groups, low cost, fragmented information reception and communication strategies with high frequency and strong interaction [8].

From promotion strategies be used nowadays, part of scholars using the 5W theory by Lasswell to help them better understand the channels of a brand during the spread of cultural interaction. Five sections are involved: Who, Says what, In which channel, To whom, With what effect [9]. cross-cultural communication as branch of spread channel, is important to be applied on global promotion of the brand. Yao Zhifen pointed out cross-cultural communication focuses on the scientific transformation and packaging of culture itself so as to break down communication barriers, for example, Chinese vlogger Li Ziqi who attract fans globally and sell goods by recording the daily life of rural China [10].

These theories and considerations are helpful for us to understand how promotion be applied among brands and what factors should be focused in the new era, whereas the research gap is rare studies analysis the detailed cultural promotion strategies that used on one brand. In addition, few of the research based on one region and focus the operation on promotion be accepted by local people. From this research, both promotion strategy and specific characteristics will be given, a Chinese sportswear brand called Li Ning is going to be used as an example to discuss how its promotion with Chinese cultural elements be applied in China. Since there are more and more sportswear brand rising in China, this passage may help them clearly understand the growing trend of using Chinese culture into the product in China market and can adjust their design management. To gain more preference from Chinese customers, this article also contribute to overseas brands which eager to expand China market, since many operations on promotion from Li Ning will be analyzed. Aim to give good performance in analysis, a relatively comprehensive discussion on Li Ning's promotion strategy which combined Chinese culture in China market will be studied, relevant recommendations as well. Information from both website and journals will be used as evidence to enrich this article.

3. Discussion

Li Ning has ingenious innovated its products by using Chinese elements. Li Ning's advertisements about products with Chinese elements are catch up with fashion trend which is popular among Chinese young generation. Some teenagers even take this as their symbol of individuality. For example, Lin Ning cooperated with Japanese brand called Atmos and launched Atmos x LI-NING TITAN series of products, especially a pair of shoes which uses the elements of Chinese silk, embroidery, lantern, mahjong, and traditional knocker. The reason of this phenomenon is Li Ning is eager to expand young generation's market. As Li Ning used to be a sports brand that focus on professional sportswear, it gained a plenty of customers who are middle-aged group and love sports, while young generation preferred Nike and Adidas at that time. Consequently, Li Ning starts to win young generation's market by investigate current fashion trend and innovates its products. It is obvious to see Li Ning attract young fans around the world by its special design. Another reason is that with the popularity of the network, young generation gradually become a significant customer group from the main shopping group to main body of advertising. Li Ning takes the advantage of young people's proficiency in the use of the Internet and recommendation ability to achieve the

purpose of using word-of-mouth effect to expand the youth market. By using innovate idea timely, Li Ning can not only gain youth market, but also use the characteristic of Chinese element to attract more customer group, even customers abroad. However, this could let Li Ning lost brand distinctiveness by blindly pursue catering fashion trend. As a result of impacts above, Li Ning should continue updates its information collection with fashion trend but maintain its vision and original style of products. Secondly, always whether the wrong use of Chinese elements, so as not cause misunderstanding and disputes, that will damage corporate image.

In addition, the distinctly 'Chinese Li Ning' logo is printed on almost every Li Ning's clothes is the main characteristics that Lin Ning promotes, and it is an important reason that part of consumers purchase. Consumers can notice the bold Li Ning logo, the logo of the countries where the brand comes from as well, so everyone can know that Li Ning is a Chinese brand. Since patriotism is a vital belief for many Chinese people, and this theme often causes public discussion, so clearly marking out Chinese is conducive to the spread of Li Ning on the Internet. Besides, wearing clothes with Chinese characters can inspire national pride, so Chinese customers are willing to purchase those products with this symbol. Furthermore, Li Ning focuses on the image of a national brand, such a logo can deepen people's impression, and better understand its corporation culture. This promotion strategy can raise Li Ning's brand image of Chinese brand and enrich its relationship with Chinese customer, and it is convenient to promote its characteristic because this bold symbol. But this may be defamed by some people from countries that are not friendly with China, lose their market as well. For Li Ning, it is necessary to allocate specialized staff to concentrate on international situation, keep smooth information transmission and adjustment of strategy on time. But the attitude of Chinese brand should still be stood, so that it can win more customer's respect.

Another point is Li Ning has cooperated with many international brands to create products and pop-up stores, exhibitions, such as Disney and Marvel. International celebrities are also invited to promote its brand, such as O'nel and Dwyane Wade. There are several reasons. First of all, compared with Nike and Adidas, Li Ning is still less known and lack of experience, so co-branding with international brands and celebrities can expand its influence among international markets. Moreover, fans or followers of these well-known brands and celebrities will also bring attention to Li Ning. People may purchase Li Ning products because of a celebrity, which can also boost sales and profits. Such promotion strategy can gain consumer's preference due to the co-branding, which is conducive to Li Ning's expansion. At the same time, the fan effect also plays a role in the launching of activities and new product. Consumers may even consume irrationally on account of the co-signed celebrities. The negative effect happens when a co-branded celebrity or brand has an incident or suffers from bad comments, Li Ning will also be resisted. This is harmful to its development and further reputation. Measures that Li Ning can used is to set up a PR team to overcome negative comments, as well as risks analyze in advance. When deciding to cooperate with a brand or celebrity, figure out all information clearly so that can prevent bad influence from public.

4. Conclusion

In this article, Li Ning's special promotion strategy of using Chinese elements is discussed. Three discoveries are shown, they involve the advertisements of promoting Li Ning's products with Chinese elements are popular among young generation, which on account of the fashion trend in China is using the combination of popularity and tradition, and young people in China take this as their symbol of individuality. However, Li Ning should insist its original product style and do not loss its previous characteristics. Second discovery is the bold 'Chinese Li Ning' logo which shows its origin country. Li Ning has captured the patriotic psychology of Chinese customers and acquire a number of consumers by using Chinese elements to stimulate their desire to support domestic products, whereas the specialists should focus on the current international situation to prevent the defame from other countries which are unfriendly to China. The last discovery is the cooperation with several international brands and celebrities. By co-branding, Li Ning's existing fans may choose to continue

buying Li Ning products because of the brands and celebrities that they are cooperate with, and fans of those brands may start buying Li Ning products as a result. Fan effect has brought customers to Li Ning and increase its revenues. So Li Ning must be aware of the importance of setting up PR group so that may overcome the bad comments when negative influence happens on co-branding. Both positive influence and negative influence are presented, measures for Li Ning to overcome problems and maintain selling as well.

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