



**RESEARCH ON SOCIAL MEDIA MARKETING FORM THE
VIEWPOINT OF CRM — TAKING XIAOMI COMPANY AS AN
EXAMPLE**



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**Title: Research on Social Media Marketing from the Viewpoint of CRM
----Taking Xiaomi Company as an Example**

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Abstract

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---Taking Xiaomi Company as an Example

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As an innovative brand, Xiaomi is one of the representatives of China's Internet companies. From the very beginning, Xiaomi has grasped the concept of social marketing, through precise brand positioning, audience positioning, and creative publishing. They also create all kinds of novel online and offline activities that have strengthened the willingness of consumers to spread word of mouth, gathered the scattered fans through social media such as forums, Weibo, WeChat, etc., paid attention to the interaction between its own brand and users, and established a good relationship with their users. Xiaomi Company has achieved great success in a short period of time. Under the user-centric, user-wide participation and the emotional connection between users and its brand, it is possible to satisfy the target group of Xiaomi, and this is an important way of maintaining a good customer relationship.

This paper mainly adopted literature analysis, a questionnaire survey and case analysis method. Based on the related theory of social community marketing and the importance of customer relationship management, this paper believes that brand community construction is the basis for enterprises to implement strong community marketing; Xiaomi Company's community marketing strategy is based on three phases of the customer's life cycle, namely customer acquisition, customer retention and customer recovery. Based on the perspective of CRM, this paper analyzed the Xiaomi's community marketing, hoping to provide reference for future researchers. At the same time, it also has a certain theoretical and practical significance for other companies to better understand that social community marketing has great value for improving customer relationships and to help companies improve marketing strategies.

Key words: CRM, Xiaomi, Community Marketing, Social Media Marketing

Approved


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Chapter 1 Introduction

1.1 Significance of Study

Xiaomi is a company that pioneered the smartphone Internet development model in China. This article will be taken Xiaomi company's social media marketing activities for an example, from the perspective of customer relationship management (CRM) analysis. There are quite a few scholars in China and abroad who have explored the concept and practice of social media marketing. However, most of the research emphasizes on two aspects: one is to elaborate and expand the idea of social media marketing; the other is recommending the related industries or enterprises to put forward another marketing strategy. Based on the perspective of customer relationship management (CRM) and the theory of customer life cycle stage, in order to help Xiaomi company to better meet customer needs, improve customer satisfaction and loyalty and improve their competitiveness, this paper analyses Xiaomi's social media marketing strategy from the perspectives of customer acquisition, customer retention.

1.2 Objectives of the Study

The development of Internet technology makes network marketing methods more colorful. Xiaomi company has maintained its rapid growth since its establishment. From 2014 to 2016, for three years in a row, Xiaomi has taken the top 10 positions in the global smartphone market. Through research, lots of researchers found that Xiaomi surrendered more

energy on the Internet than spend a significant cost on advertising that traditional vendors such as Samsung did. According to statistics, Xiaomi has more than 30 million Xiaomi community users, more than 28 million QQ zones fans and more than 13 million microblogging followers. At present, the smartphones market tends to be saturated, whether in emerging markets such as China or mature markets such as the United States and Europe. In such a marketing environment, it's a big challenge to use social media marketing to adopt marketing strategies effectiveness to meet the needs of consumers, improve consumer satisfaction, and create a brand image to enhance the competitiveness.

This paper analyses the social media marketing strategies of Xiaomi on the viewpoint of CRM and summarize the importance of both social media marketing and CRM. The author hopes that this paper would bring some enlightenment and provide some suggestions to Xiaomi company and other enterprises in the smartphones market.

1.3 Scope of the Study

This paper taking Xiaomi company as a case study embarks from the social media marketing analyzed the social media marketing strategies of Xiaomi on the viewpoint of CRM, including Xiaomi corporation's current operating situation, marketing model, consumer satisfaction, and effects of its social media marketing strategies. Through a case study, comparative analysis, and the method of sample analysis summarize the shortcomings and advice some improvements of Xiaomi's social media marketing, help Xiaomi company selecting movements accurately for marketing strategies.

1.4 Expected Outputs

This article chooses Xiaomi company as the research case, analyzed Xiaomi company's social media marketing strategy from the perspective of customer relationship management. In light of the actual situation, try to put forward from the standpoint of improving the relationship between Xiaomi company and its customer.

Due to the limited time and energy, there are still some limitations and shortcomings in this paper. The limited knowledge level of author, making the discussion of Xiaomi's social media marketing strategy and the relevant theory is not tightly integrated enough. Also, due to the lack of internal data of Xiaomi Company, there are some conclusions and analysis needs to improve. Therefore, this paper should be further enhanced and deepened.

1.5 Conceptual Framework

This paper includes five chapters. Chapter one offers a brief introduction of the research background; states the significance and objectives of the study and presents an outline of the research. Section two is previous literature and related research on social media marketing and customer relationship management (CRM) in reading, the introduction of Xiaomi company will also be presented in this chapter. Chapter three is an elaboration of research methodology, which including research objective, subjects, instrument, data collection and an explanation of the research results. Chapter four is the facts and findings based on the research results. Chapter five is the conclusion part.

1.6 Operational Definition

CRM: Customer relationship management (CRM) is an approach to manage a company's interaction with current and potential customers. It uses data analysis about customers' history with a company to improve business relationships with customers, specifically focusing on customer retention and ultimately driving sales growth.

Social media marketing: Social media marketing is the use of social media platforms and websites to promote a product or service. Although the terms e-marketing and digital marketing are still dominant in academia, social media marketing is becoming more popular for both practitioners and researchers. Most social media platforms have built-in data analytics tools, which enable companies to track the progress, success, and engagement of ad campaigns. Companies address a range of stakeholders through social media marketing, including current and potential customers, current and prospective employees, journalists, bloggers, and the general public. On a strategic level, social media marketing includes the management of a marketing campaign, governance, setting the scope (e.g., more active or passive use) and the establishment of a firm's desired social media "culture" and "tone."

Xiaomi company: Xiaomi Inc. is a Chinese electronics and software company headquartered in Beijing. Xiaomi designs develop and sells smartphones, mobile apps, laptops, and related consumer electronics.

Chapter 2 Theories and Related Research

2.1 Social Media Marketing

Social media marketing is the use of social media platforms and websites to promote a product or service. Although the terms e-marketing and digital marketing are still dominant in academia, social media marketing is becoming more popular for both practitioners and researchers. Most social media platforms have built-in data analytics tools, which enable companies to track the progress, success, and engagement of ad campaigns. Companies address a range of stakeholders through social media marketing, including current and potential customers, current and prospective employees, journalists, bloggers, and the general public. On a strategic level, social media marketing includes the management of a marketing campaign, governance, setting the scope (e.g., more active or passive use) and the establishment of a firm's desired social media "culture" and "tone."

To use social media effectively, firms should learn to allow customers and Internet users to post user-generated content (e.g., online comments, product reviews, etc.), also known as "earned media," rather than use marketer-prepared advertising copy. While often associated with companies, as of 2016, a range of not-for-profit organizations and government organizations are engaging in social media marketing.

2.2 CRM

CRM (Customer Relationship Management) was born in the 1980s. Gartner Group, which first established the concept of CRM, regards customer relationship management as a kind of enterprise business. He said that CRM could help companies improve management and communication skills, thereby increasing customer profitability.

The dual pressures of mature markets in developed countries leading to stable demand and fierce competition brought about by economic globalization have led companies to turn to higher customer service to enhance customer value (Ding, 2005). CRM is driven by information technology and revolves around the needs of customers to refactor the concept of information technology-driven business and business processes. It aims at the company's revenue and customer satisfaction and combines the company's Internet and computer software utilization capabilities with the "customer-centric" management strategy (Burghard, Galimi, 2000). IBM explains CRM from the perspective of enterprise management. It regards CRM as the process of coordinating with similar information technology to better realize the communication and interaction of customers in marketing activities. Thereby achieving innovation in the management model and providing customers with personalized services. Based on the above points, customer relationship management includes three aspects: (1) business strategy guiding enterprise management; (2) integration of information technology and software and hardware systems; and (3) innovation of enterprise management model. Judging from the development trend of customer relationship management theory, these views are currently showing a pattern of mutual integration.

2.2.1 “Customer-centric” is the core idea of CRM

The customer-centered concept is the core methodology for implementing customer relationship management, but what is the meaning of this concept? So far, management scholars have not yet conducted in-depth research. From the current research status, many scholars tend to use dynamics as a process of corporate strategy transforming.

Zhou Bin, Yang Zhenshan took a step into the relationship management from the perspective of enterprise management strategy, explaining that advocating from the standpoint of enterprise management strategy to enter into customer relationship management, described as defending from product-centric turning to a customer-centric business philosophy and operational model, which highlighting the dynamic process of corporate thinking transformation (Zhou, Yang, 2005). Chen Ping puts forward a more lucid explanation of this transformation process as the active process and the business strategy of establishing a close relationship with the client, which is lasting, more stable, trusting, and mutually beneficial and win-win (Chen, 2010).

Customer-centric connotation can be interpreted from three perspectives, which are: nature, behavior, and business strategy. Each view will be divided into multiple levels, judging by the level of the company's business performance, and to what extent it is practiced, with customer-centric philosophy (Peng, 2005).

2.2.2 Objectives of Customer Relationship Management

The objective of customer relationship management; most scholars, current research from the perspective of customers and believe that the goal of implementing CRM is to make the customer's needs better satisfied. Of course, companies can also benefit from improved customer relationships.

CRM is an integration process for business people, business processes and technology to better understand the company's customers. Companies that have successfully implemented CRM can also benefit from increased customer loyalty and long-term profitability (Injazz J. Chen, Karen Popovich, 2004).

The essence of CRM is to cultivate loyal customers and improve their competitiveness by improving customer satisfaction. The purpose of customer relationship management is to acquire and maintain more customers by enhancing the relationship between the company and the customer and to reduce the cost of the enterprise by fully managing the business process while implementing personalized service. A simple summary is to reduce customer costs by catching up with customer relationships to maintain customers and optimize business processes (Chen, 2004). Slobodan Ivanovic, Kresimir Mackinac, and others studied from the micro perspective of how to cultivate the competitive advantage of tourism. They believe that the primary goal of CRM is to attract tourists, to satisfy the needs of tourists as much as possible, and to increase the number of tourists (Ivanovic, Mikinac, 2011).

2.2.3 The role of customer relationship management

For customer relationship management, the classic view is based on the perspective of corporate competitive strategy. CRM is a magic weapon to improve the competitiveness for the enterprises, which is reflected in four aspects: improving service, improving efficiency, reducing costs and expanding sales (Zhang, Jin, 2003).

Chen Ping (2010) researched the perspectives of corporate sales activities and social benefits. It provides an implementation specification for the sales staff to clarify the operation process in each stage of the business and also explains the evaluation criteria for the employees. On the other hand, through the implementation of CRM, companies can record the motivation of customers' choices according to the customer's purchase process and provide the characteristics of loyal customers and the reasons of losing a customer (Chen, 2010).

Customer relationship management is the basis for doing the following work in the enterprise. Through the mastery of customers information, the company can implement precise marketing, and at the same time, the company can grasp the life cycle of customer relationship and create lifetime value for customers (Teng, 2011).

2.2.4 Implementation Process of Customer Relationship Management

At present, most of the research on the implementation of customer relationship management focuses on the application level. In the process of CRM implementing, the company proposes methods or countermeasures that can be followed, including centralized planning and integration of business processes. In the process of implementing CRM,

many scholars believe that it can be divided into stages using customer life cycle theory.

The goal of CRM is to achieve potential customers and maintain existing customers through continuous communication with customers. So enterprises should not only pay attention to the mining of new customers but also pay attention to keep the relationship with the existing customer (Xu, 2014).

The management process of implementing customer relationship can be roughly divided into three stages according to the theory of customer relationship, namely, the acquisition phase, the reinforcement phase and the maintenance phase of the customer. This division is based on the full life cycle of the customer relationship (Wang, 2007).

The full life cycle of the customer relationship referred as the customer life cycle, to maintain the customer's capabilities at each stage of the customer's life cycle is the key of a comprehensive customer relationship management system. Dwyer, Schurr, and Oh first proposed a five-stage development of the trading relationship (Dwyer, Schurr, Oh, 1987). Based on this, Dr. Chen Mingliang further simplified the development of customer relationship into four stages: investigation period, formation period, stability period and degradation (Chen, 2002).

The life cycle process should start from the moment that the customer decides to buy the products from a company until he chooses not to buy. The cycle is simplified into three phases, which are customer acquisition, customer retention and customer win backstages (Zickmund, McCordio, 2010).

2.3 Relationship between community and customer relationship management

At present, most scholars believe that virtual communities can help companies achieve one-to-one communication with customers, improve customer participation so that they can know the real needs of customers, enhance their product and service quality, and enhance the relationship with the customer.

Scholar Xu Jianlin explored the reasons for companies using social media for customer relationship management through an investigation of the automotive industry. First, as one of the mainstream applications of the Internet, social media that gathers a large number of consumers which brings a place for companies to look at consumer opinions. Companies can highly value consumer opinions through social media. Secondly, social media higher user participation and interaction, and also make information more transparent; enterprises can contact their customers by using social media (Xu, 2014).

Zang Chao discussed the necessity of the community in CRM from the perspective of big data. He believes that small customers in the era of big data can produce a long tail effect; it means a more significant competitive advantage when enterprises have more user data. Based on social media, customer relationship management can enable enterprises to change social decision-making and analyze the real needs of consumers (Zang, 2013).

Yu Ning studied the virtual community on the view of how to establish a good relationship with customers. He believes that the virtual community group will have an impact on customer relations in these two

aspects: one is the word-of-mouth effect of productive constitutional enterprises; the other is to improve the interaction level of community members by constructing interactive space. This interaction includes not only the communication of community members with the enterprise but also the interaction between community members (Yu, 2007). Based on the above research, Li Lei further pointed out that virtual communities can not only improve the efficiency of word-of-mouth effect and enhance of customer interaction effects but also use the brand effect of virtual communities to build a trust relationship and accumulate a large number of loyal customers (Li, 2009).

Traditional CRM must adapt to social media and transform into Social CRM. As a complement to CRM, they proposed a new CRM framework called "CRM Architecture", in which social media will have an impact on the level of customer engagement, and the level of customer engagement has an interactive relationship with the three components of traditional customer relationship management—customer relationship acquisition, customer relationship maintenance, and customer relationship termination (Malthouse, Michael, 2013).

In the case of Alibaba's shareholding in Sina Weibo and believed that the purpose of social customer relationship management is to promote customer participation and achieve a win-win situation between enterprises and customers. Therefore, companies should improve the ability of community operations and expand the influence of the brand community (Zhao, Wang, 2015).

Chapter 3 Methodology

3.1 Research Design

This chapter is an elaboration of research methodology and guidance comprehensive explanations of research processes. It presents a discussion of the research methodology which focused on the social marketing questionnaire of Xiaomi company. In this research, there were two types of research methodologies which are questionnaire and case study.

The case study focused on the social media marketing of Xiaomi company and analyzed Xiaomi corporation's current operating situation, marketing model, consumer satisfaction.

The researcher reached to use a questionnaire as the research tool. The data of this study were collected through a primary source. The respondents were conducted from 100 Xiaomi product users on the Internet. The questions were asked about the necessary information and investigation on the behavior of members of the Xiaomi community. The questionnaire was conducted in Chinese language and approximately 5 minutes to finished. One hundred Xiaomi product users who visited the questionnaire link, from 10th November to 11th November in 2018.

3.2 Data Analysis

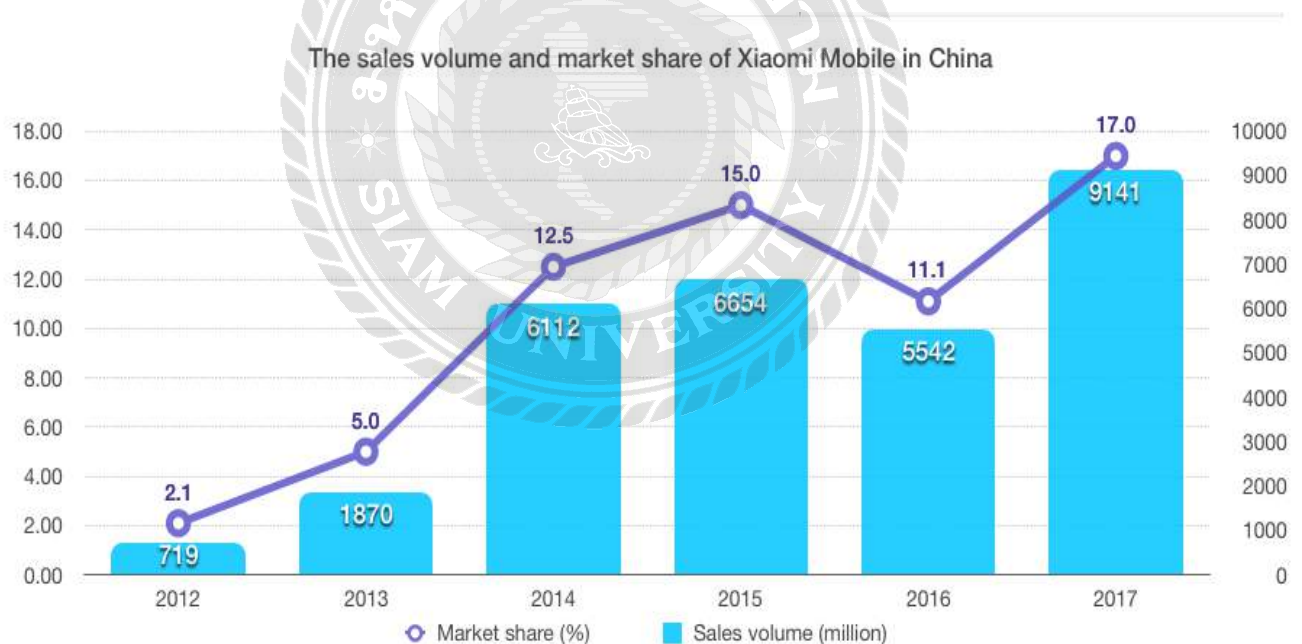
3.2.1 Market status of Xiaomi Company

Before further analyzing the of Xiaomi's community marketing strategy, to have a basic understanding of Xiaomi's current market position and brand

competitiveness. This section selects three factors, which are: product sales, market share and customer loyalty, to examine Xiaomi's market situation.

Under the influence of Lei Jun's Internet thinking "focus, extreme, word of mouth, fast" and "participation," Xiaomi has achieved a bit of explosive growth: in 2012, it made a good performance of 7.19 million mobile phones sold. In 2013, it sold 17.7 million mobile phones. In 2014, it recorded a sales record of 61.12 million units, which was an increase of 227%. In 2015, its shipments reached 64.9 million units. In only three years, the growth rate is impressive, and Xiaomi has become one of the fastest companies to achieve sales of 2 billion US dollars in history. The chart below shows the sales volume and market share of Xiaomi Mobile in China in 2013-2017:

Table 3.1 The sales volume and market share of Xiaomi Mobile in China



Sources: *Jiguang.cn*

In 2014, according to the latest report of HIS iSuppli, a Korean market research company, in the third quarter of 2014, Xiaomi successfully defeated

local brand Lenovo and Huawei and became the world's third largest smartphone manufacturer.

Table 3.2 China smartphone shipment market share



Sources: http://tech.ifeng.com/a/20180130/44863307_0.shtml

Xiaomi focused on product mix and a more competitive channel policy; it won a strong rebound in 2017. In 2016, the Q4 market share climbed to 14%, Q4 increased by 31%, Xiaomi becoming the fastest growing mobile phone brand in the quarter. This makes Xiaomi's market share surpass that of Apple in the whole year, reaching 12%.

According to the data for the fourth quarter of 2017, the market share of Xiaomi's smartphone accounted for 17% of the major mobile phone brands, ranking third. However, in the trend of the retention rate of mainstream mobile phone brands, Xiaomi's smartphone market share in the fourth quarter of 2016

was 11.1%, ranking fifth, it was a rapid decline in only one year. The data in the table below shows the changes in this market share:

Table 3.3 Market share of Xiaomi Mobile in China

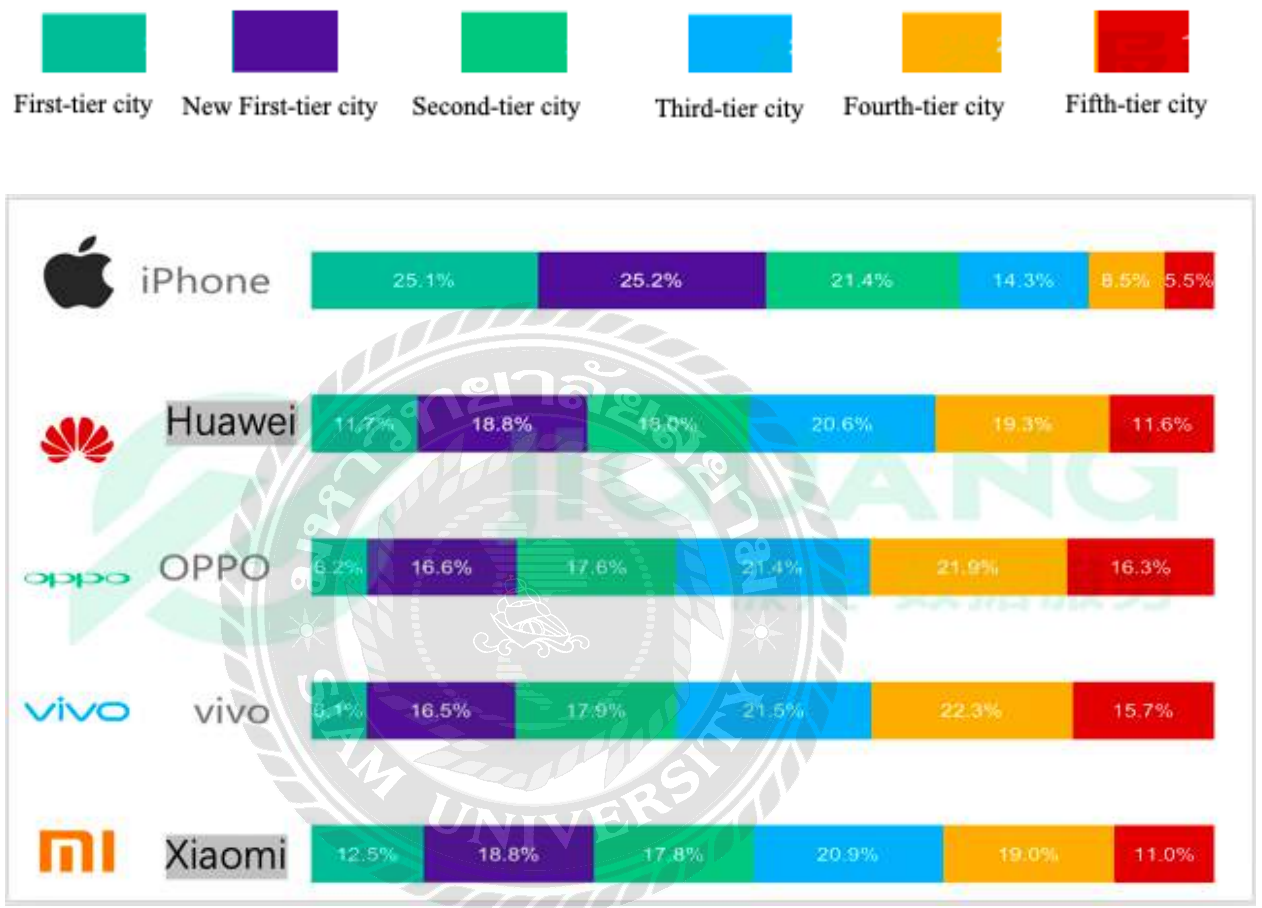


Sources: *Jiguang.cn*

The market share of Xiaomi smartphone has also shown different performance in different cities. In the first-tier cities, Xiaomi is slightly superior, ranking the top three in the rankings; However, in the second and third-tier cities where Oppo and Vivo are infiltrated, the disadvantages are very obvious. It is only slightly ahead of Huawei among the significant brand market share.

Figure 3.1 Mainstream mobile phone brand city level distribution of 2017

Q4



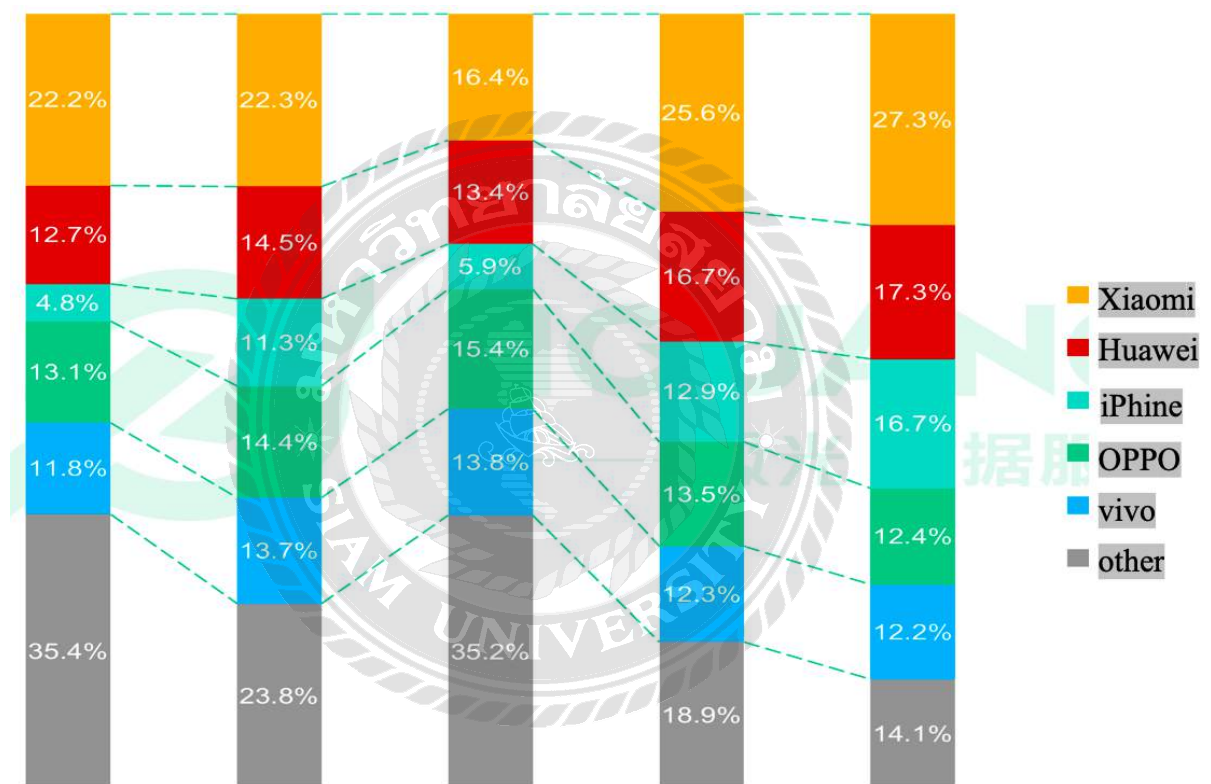
Sources: Jiguang .cn

From the market share in the past year, it can be seen that Xiaomi is in the position of first-tier manufacturers in the domestic mobile phone market. However, in 2017, the market pattern has undergone significant changes, which has made Xiaomi face two significant challenges: First, with the sudden emergence of Huawei, OPPO and vivo, Xiaomi's market share has turned sharply. The market share name is close to the end of the first-order team. Even

in the first-tier cities with advantages, it has not been able to open the gap with the lower ranking competitors.

Customer loyalty is the core indicator for measuring the competitiveness of a brand. The chart below reflects the commitment of major brands in China's mobile phone market in 2016-2017:

Figure 3.2 The loyalty of major brands in China's mobile phone market



Sources: Jiguang .cn

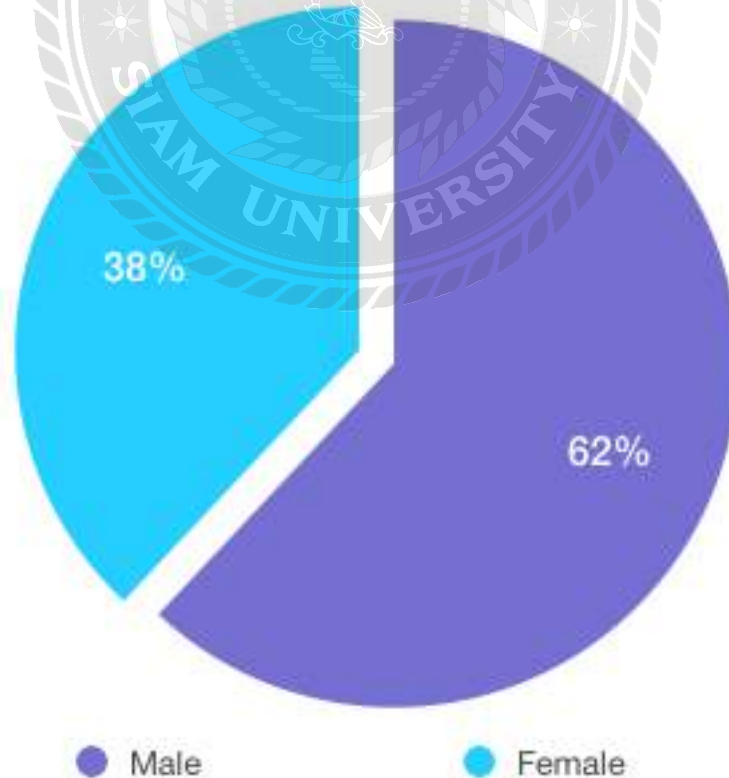
From 2016 Q4 to 2017 Q4, the customer loyalty of Xiaomi smartphone is maintained around 25%, ranking first compared to its competitors Huawei, OPPO, and vivo, and even higher than Apple, which shows that Xiaomi smartphone is the most attractive to users in China. However, the fact that the

customer loyalty of Apple and Huawei are proliferating also demonstrates the efforts of Xiaomi's main competitors in fostering customer loyalty.

3.2.2 Customer segmentation of Xiaomi company

Identifying potential customers is a prerequisite for an enterprise to implement customer relationship management. A fundamental principle in marketing is that customers are very different. Some customers need organizations to spend a lot of time and money to attract them, while others don't need to provide too many services. Therefore, for Xiaomi, the first task is to identify customers with high intrinsic value and long-term cooperation meaning among different customers and then determine the implementation targets of their community marketing strategy.

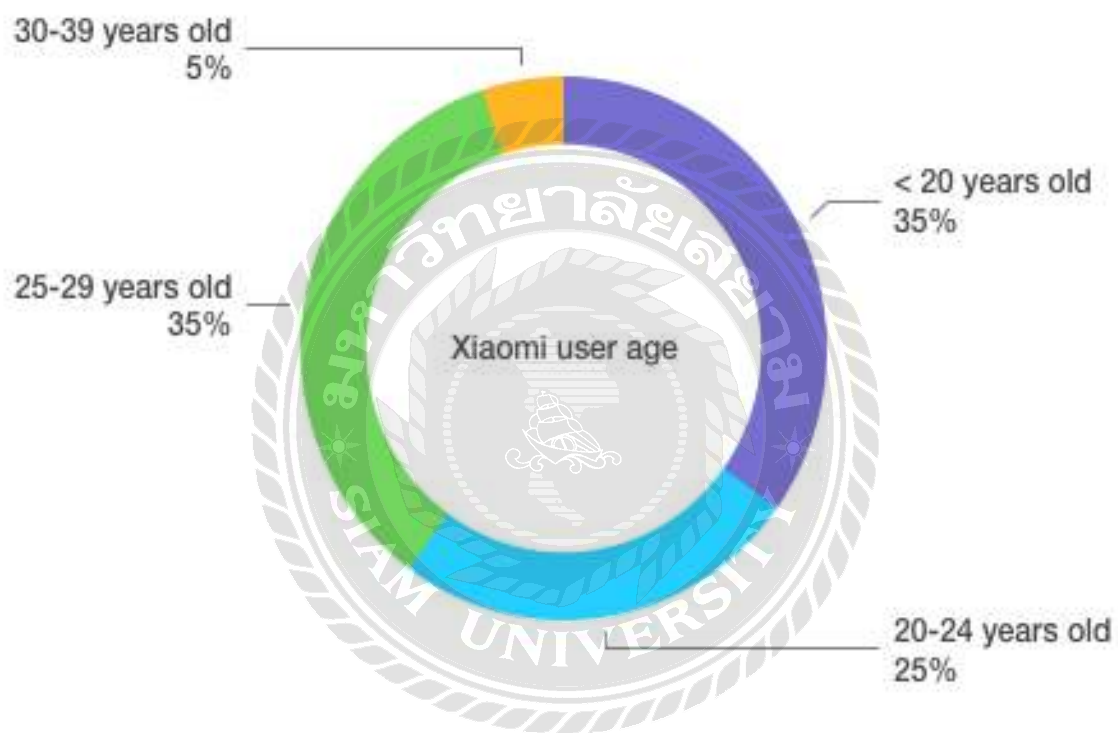
Figure 3.3 Gender of Xiaomi mobile phone user



Data source: Questionnaire

As can be seen from the above figure, 62% of the respondents were male, 38% were female. The number of Xiaomi mobile phone male users is much more than female users. Which also shows the target market of Xiaomi mobile phone are male.

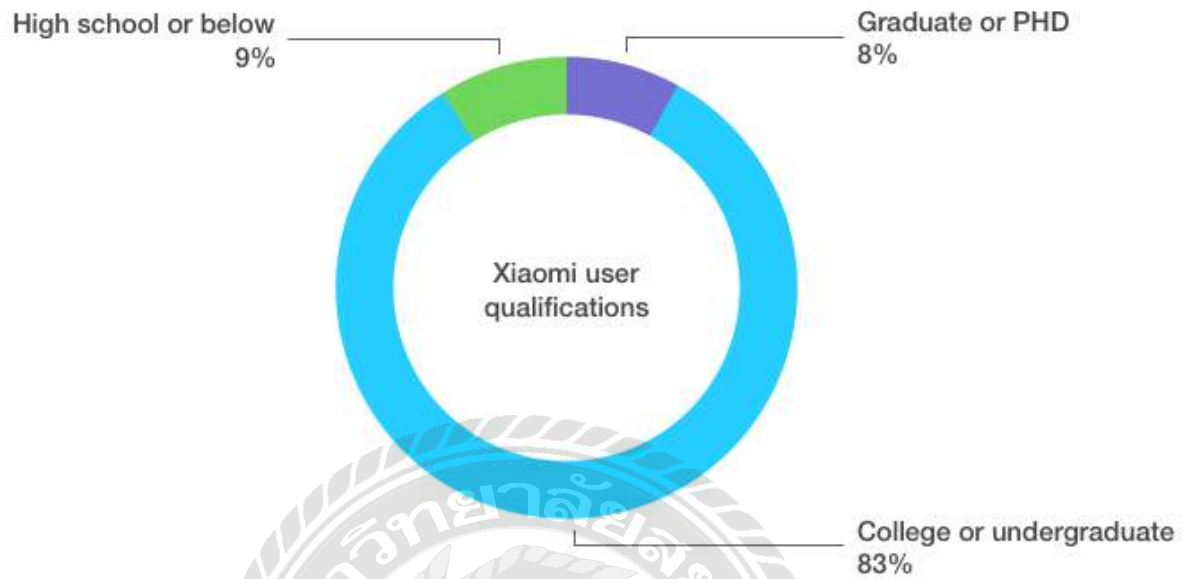
Figure 3.4 Age of Xiaomi mobile phone user



Data source: Questionnaire

The main Xiaomi smartphone users are at the age 20-29 years old, of which, the proportion of men in the forum is as high as 62%. The period of users is characterized by youthfulness. They pursue a quality life and buy their favorite products; they are keen to show their individuality and not drifting, but they also are positive and hope to share their attitudes towards life.

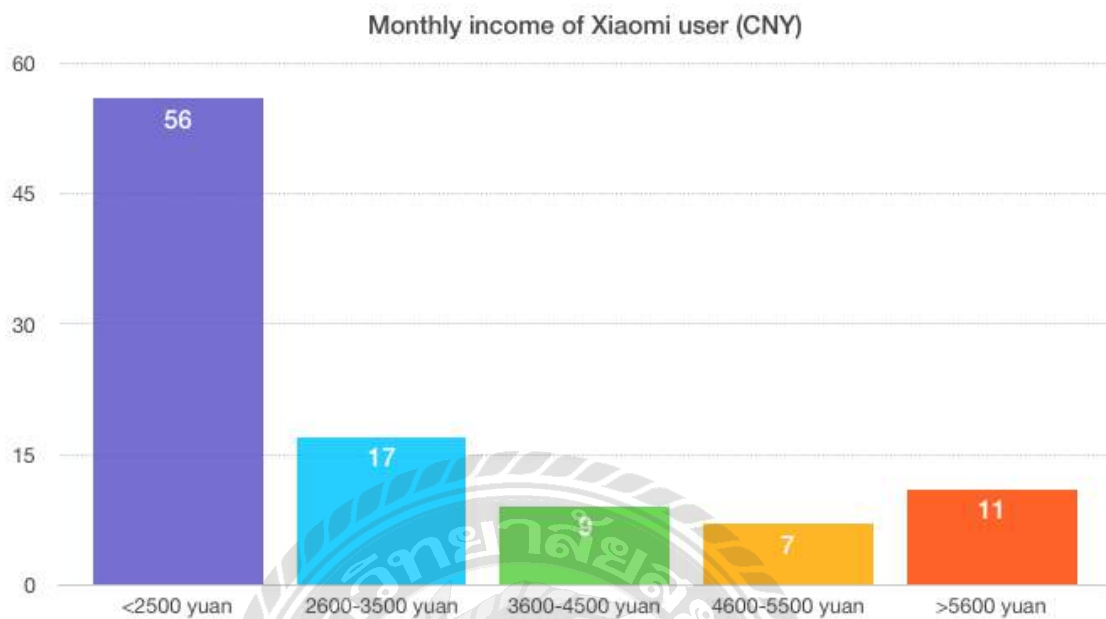
Figure 3.5 Xiaomi mobile phone user qualifications



Data source: Questionnaire

Among the user groups of Xiaomi Forum, 83% have a bachelor's degree, 9% have a junior college degree, and few other qualifications. The primary users are college students and white-collar workers who have just entered the workplace. It can be seen that most of the Xiaomi mobile phone users have low income and high pressure on life, has greater sensitivity on the prices. Due to income constraints, they are more eager to gain recognition from others.

Figure 3.6 Personal income of Xiaomi users



Data source: Questionnaire

Based on the integration of the above information and supplementary materials, the author gets the necessary image data of Xiaomi users as below:

- 1, Male to female ratio 6:4, nearly 62% of Xiaomi users are males.
2. The majority of young people aged 20-39, with the highest proportion of users in the 25-29 years old;
3. 83% of the users are college students or higher education;
4. Personal income is mostly in the 2600-5600 yuan/month.

3.2.3 Customer satisfaction of Xiaomi Company

Customer-centric is the core philosophy of customer relationship management and a fundamental principle that every company must implement,

to get benefit from excellent customer relationships. When Xiaomi Company was founded, its slogan "Birth for a fever," reflecting the pursuit of the ultimate high requirements, as Li Wanqiang said in his book "The sense of participation": users are willing to propagandize for good products.

Doing everything to understand customers, to understand their needs, and work hard to help them is significant customer interaction. The establishment of the MIUI Forum has become the main feedback and communication channel for customers. MIUI team members are required to run in the corresponding section at least 15 minutes a day, to accept feedback and suggestions from users, and answer questions from customers. Xiaomi is also very good at discovering user needs in communicate with users and try to improve their products and services to meet the needs of users. For the mobile phone system, there is a similar satisfaction survey in the MIUI forum:

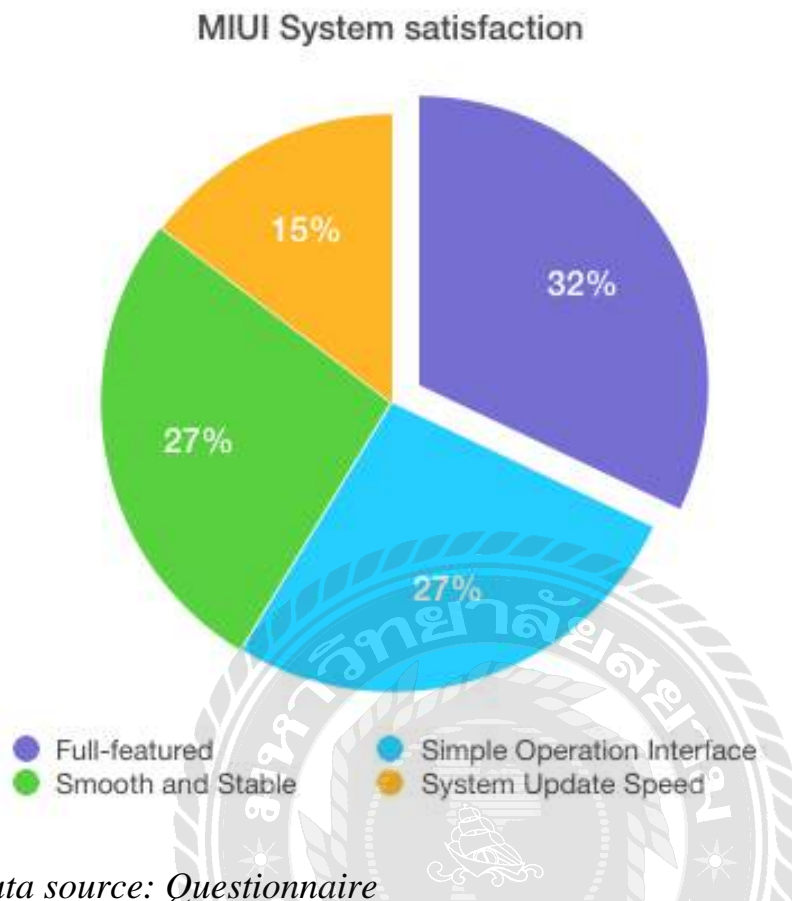
Table 3.4 MIUI System satisfaction survey

| MIUI Versions | Satisfaction |
|---------------|--------------|
| 8.10.24 | 87.29% |
| 8.10.17 | 89.32% |
| 8.10.10 | 89.44% |

Sources: MIUI Forum

<http://www.miui.com/extra.php?mod=miuivote/index&op=statistic>

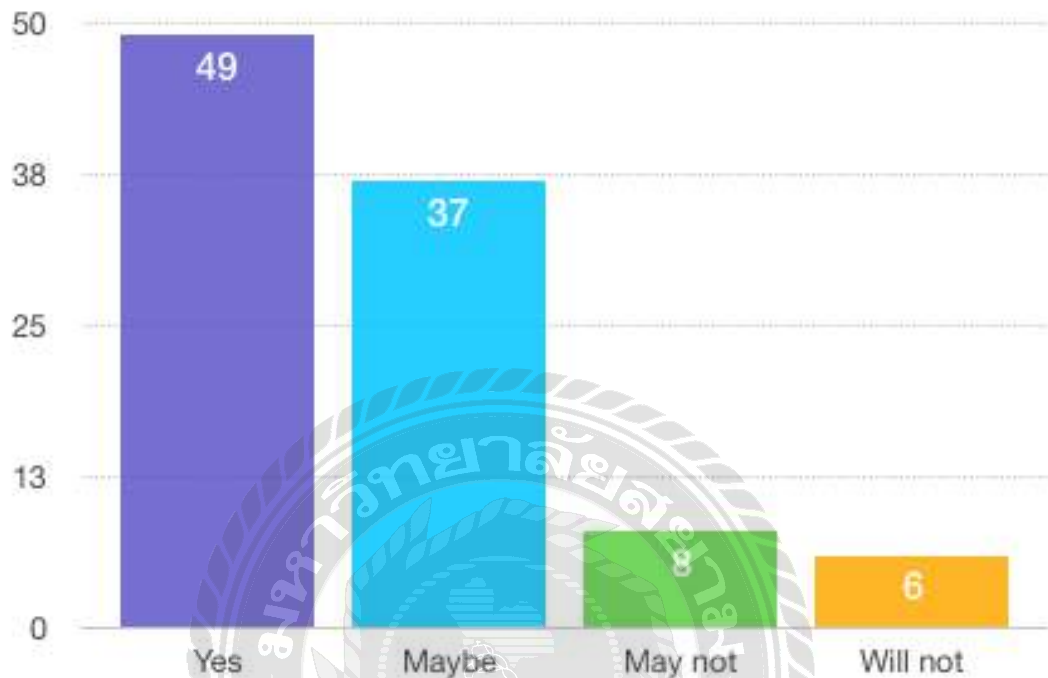
Figure 3.7 MIUI System satisfaction questionnaire



Data source: Questionnaire

As can be seen from the above tables, MIUI development version satisfaction is around 88%. 32% of the questionnaire respondents like the full-featured of the MIUI system, and they also think that the MIUI system easy to use and has a stable function. However, it should be pointed out that the above survey results are based on the survey of the development version of the internal test personnel in the MIUI Forum. The purpose is to improve the test errors, so the actual satisfaction of MIUI should be higher than the survey result.

Figure 3.8 The willingness of Xiaomi mobile users to recommend Xiaomi products



Data source: Questionnaire

According to the survey data sent by the author, nearly 86% of mobile phone users said that they are willing to recommend Xiaomi's products to people around them. As shown in the above table. This means that Xiaomi's mobile phone satisfaction is quite high; Xiaomi has stiff competition in China.

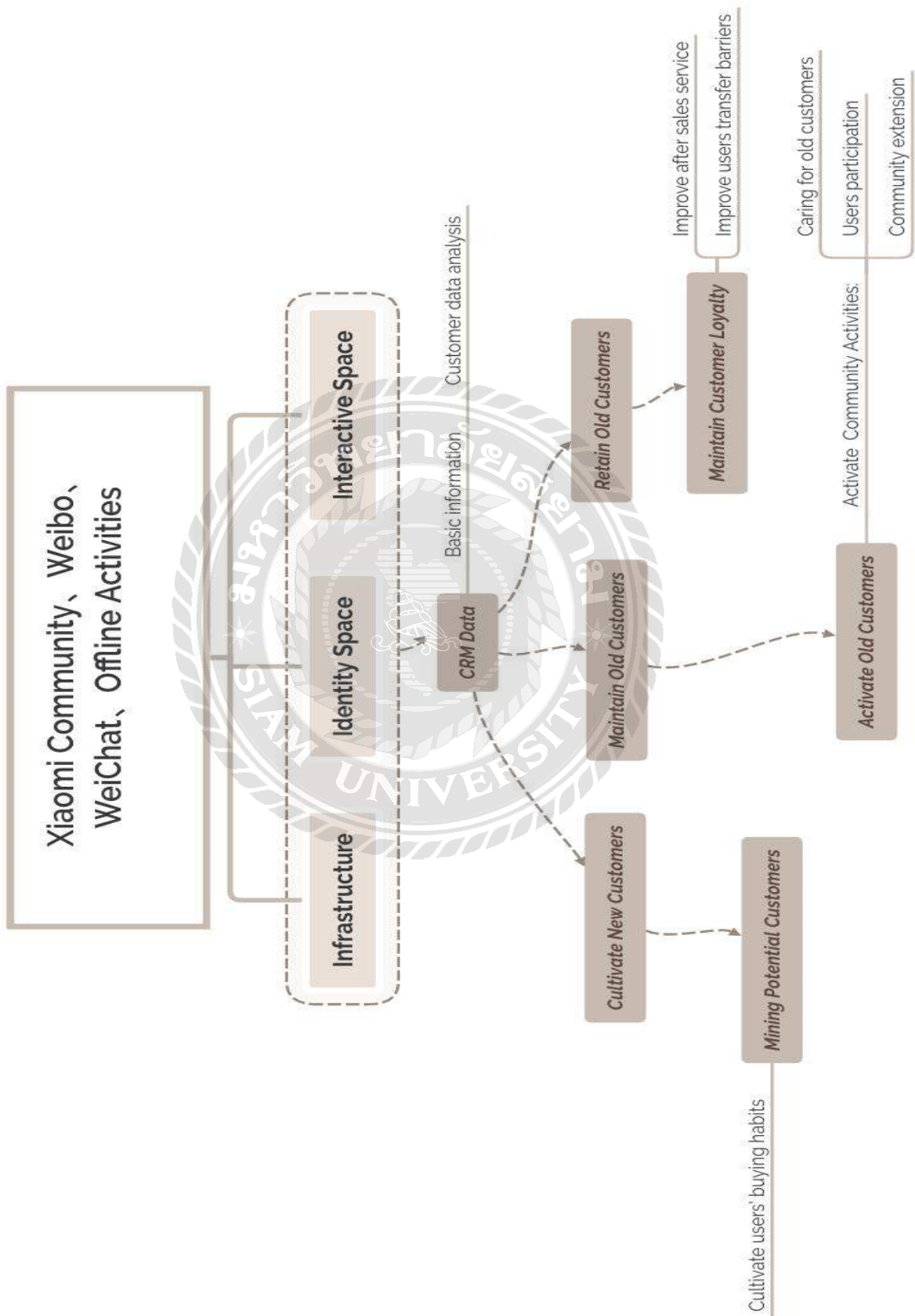
Chapter 4 Findings

By building a virtual brand community, Xiaomi has established a new form of consumer communication and achieved innovation in the customer relationship management model. This chapter is the process of Xiaomi community construction and operation, mainly discussing Xiaomi Company adopts specific strategies to obsess consumers, retain community members, and cultivate brand loyalty.

4.1 CRM-Based Social Marketing Strategy of Xiaomi Company

One of the roles of customer relationship management is to help companies achieve a closed loop of marketing. Under the idea of customer-centric and creating value for customers, identifying potential customers, maintaining existing customers, retaining lost customers, and improving customer satisfaction to build customer loyalty ultimately leads to a long-term and stable customer relationship. In the Xiaomi company, the brand community is one of the essential ways to maintain customer relationship. Its interaction helps consumers understand Xiaomi products, and supports the company to identify the defects of the products and the real needs of consumers and strengthen the mutual understanding between community members and Xiaomi company.

Figure 4.1 CRM-based community marketing structure of Xiaomi




4.1.1 The Infrastructure Construction Strategy

The infrastructure construction strategy is the initial stage of Xiaomi's establishment of a virtual brand community, to facilitate the use of community members and business management. Before the construction, Xiaomi focused on the consumer's motivation and their brand concept, Xiaomi also stimulated the consumer's participation enthusiasm to meet the victory needs of their network participation.

The Xiaomi community was only a platform for MIUI users to interact on the Internet. After the company turned some users into fans, it developed into the Xiaomi Forum and then evolved into the Xiaomi community to accumulate brand fans. In addition to the Xiaomi community, Xiaomi has also actively used other social media, such as Weibo, WeChat and QQ Space, to create a variety of virtual brand communities that rely on third-party platforms.

Table 4.1 Construction Status of Xiaomi Company Brand Community Platform

| Platform Nature | Platform Type | Platform Features |
|-----------------|---|--|
| Own platform | Xiaomi Community  | The official forum established by Xiaomi official website, it is the gathering place of Xiaomi's biggest brand fans, bringing together many millets related information. |

| | | |
|----------------------|---|---|
| Third-party platform | <p>Weibo</p>  | <p>Use the star effect to attract a large number of fans, through the Weibo like, forward and comment these three primary functions to achieve brand promotion.</p> |
| | <p>WeChat</p>  | <p>According to the product characteristics of WeChat, using WeChat's keyword search mechanism, Xiaomi has turned WeChat into a platform for providing customers with customer service and self-purchasing.</p> |
| | <p>QQ Space</p>  | <p>Another online sales channel for Xiaomi.</p> |

4.1.2 Identity Space Construction Strategy

The recognition space of the brand community satisfies the social needs of the community members, that is, they have a sense of belonging to the communities they have joined, and other community members recognize them. The construction of the recognition space is conducive to the community members to form a universal brand awareness. The collective brand awareness of Xiaomi community members means that as a member of the Xiaomi community, not only has a high evaluation of

Xiaomi products, but also recognized the value proposition of “because of Xiaomi fans, so Xiaomi” from the heart. Therefore, the construction of the community identity space must be based on the brand and highlight the connotation of the brand.

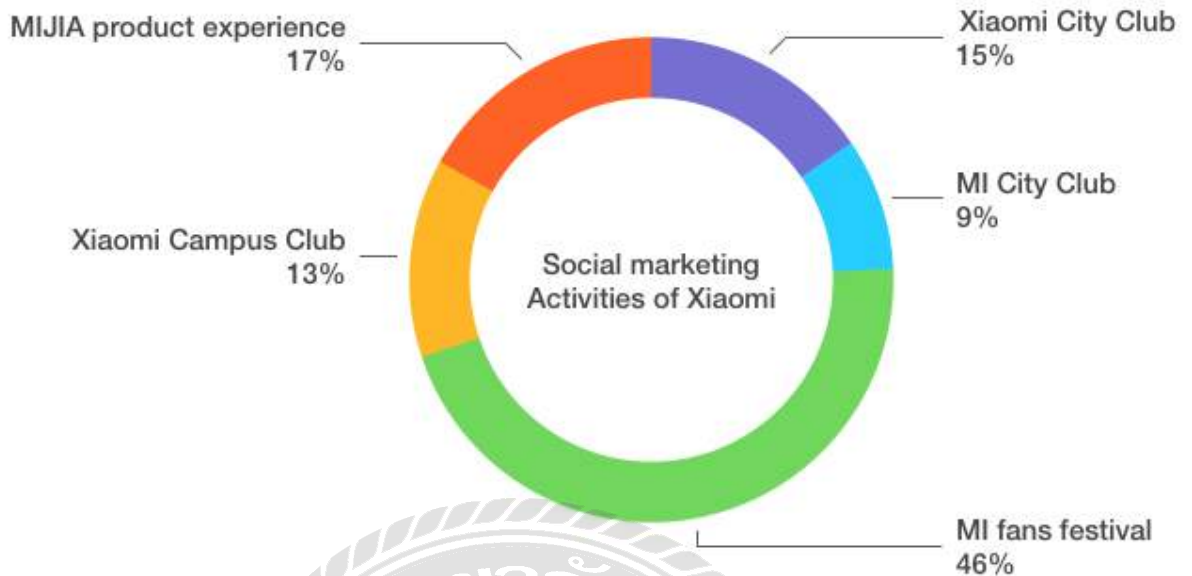
4.1.3 Interactive Space Construction Strategy

Consumers are the major players of the entire Xiaomi community-building process; Xiaomi also actively participate in community interactions. To provide a free interactive environment, more interactive opportunities and online brand experience activities for its fans, Xiaomi has adopted several strategies to consolidate the members to brand and members to members with the core of community members and the purpose of cultivating loyal customers.

4.2 Social marketing of Xiaomi Based on CRM

Xiaomi community organizes a wide variety of community activities, which can be roughly divided into online businesses and offline activities depending on the platform selected. In the offline activities of the Xiaomi community, Mipop annual carnival and MI City Club will have the most significant influence.

Figure 4.2 The participation of Xiaomi offline activities

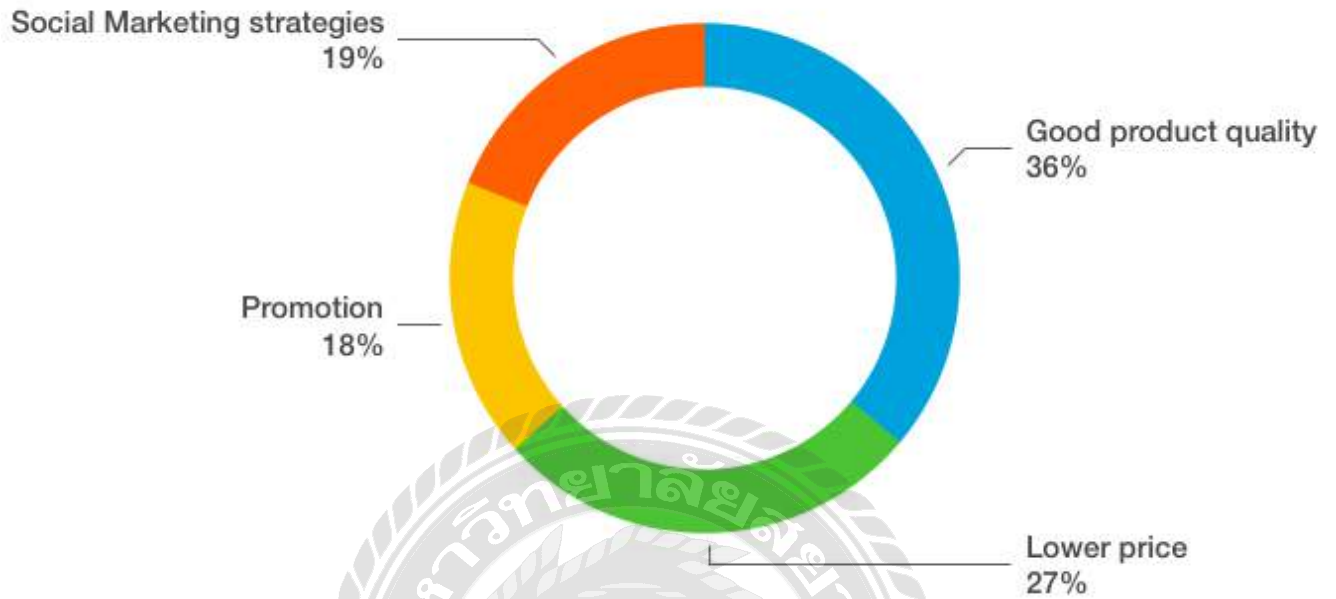


Data source: Questionnaire

The above figure shows that MI fans festival has the most significant influence as Xiaomi Company released new products, and the company's senior executives will appear to participate in the interaction between fans.

The mode of Xiaomi Company to hold the Mi Fan Festival is: Several high-performance hardware products are revealed on their media platforms, such as official website, forum, Weibo, WeChat official accounts. Xiaomi Company will also formulate production plans and delivery cycles based on the statistical data and provide a complete logistics system based on the peak logistics situation after the MI Fans festival. In the process of the MI Fans festival, fans will be satisfied with reservations, online shopping, and logistics of their demand.

Figure 4.3 A survey of why Xiaomi can achieve such great success in a short time



Data source: Questionnaire

The questionnaire result shows that around 63% of Xiaomi users are attracted by the lower price and excellent product experience of Xiaomi product. Also, social marketing and promotion have a significant effect on the success of Xiaomi.

Chapter 5 Conclusions and Enlightenment

5.1 Conclusion

The development of the Internet and the emergence of social media have changed not only the traditional way of information dissemination but also caused profound changes in the marketing model of enterprises. Consumers are grouped because of their love for a brand, sharing ideas and sharing feelings through online social media. And ultimately under the guidance of the company, they establish one brand after another virtual community. The emergence of the population has created a bridge for companies to build a lasting and stable customer relationship. Through the brand virtual community, companies can understand and interact with customers one-on-one. At the same time, the community also has the characteristics of aggregation and fission, which means that enterprises have the opportunity to use the topic of manufacturing network to attract potential customers to participate in the company's marketing activities fully.

Based on the perspective of customer relationship management, this paper analyzes the customer segmentation and community marketing concept of Xiaomi Company. Focus on the Xiaomi company's community construction and community marketing strategy and proposed

corresponding optimization recommendations. Through the social media platform such as Xiaomi Community and Weibo, Xiaomi has established a community marketing matrix with its functions and mutual synergy, which makes full use of the word-of-mouth effect to promote the products and promote itself. Also, the brand community can fully stimulate the creativity of customers and attract customer participation. On the one hand, it enhances the sense of belonging and identity of the members of the Xiaomi community. On the other hand, it helps to improve products and services, and ultimately improves customer satisfaction and cultivates loyal brand fans.

5.2 Revelation

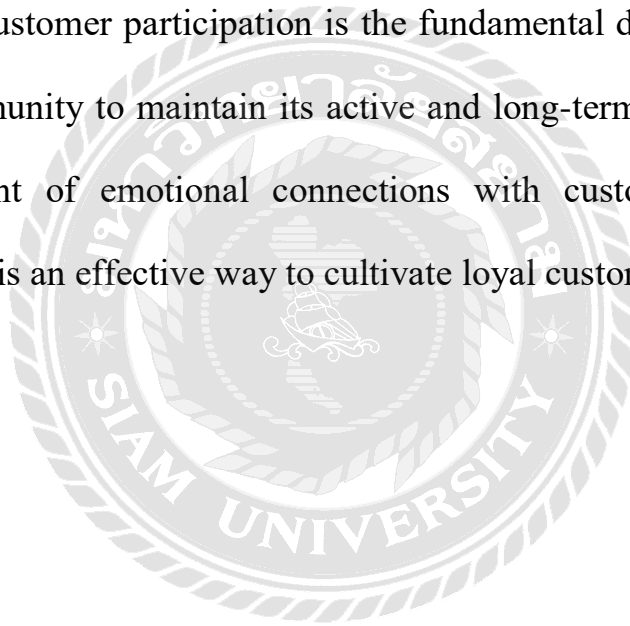
In the writing process of this article, the author also got the following enlightenment:

1. At present, the global and China's mobile phone market are in a stage of near saturation. Under the fierce competition, the profit of mobile phones is continually being squeezed. If enterprises rely solely on a particular product, it is difficult to maintain a foothold in the market for a long time.

2. Things have two sides. The implementation of community

marketing by enterprises has positive significance for improving customer relations, but at the same time, it should be more vigilant about its adverse effects and maintain the brand image of the company.

3. Regardless of the marketing strategy used by the company, focusing on the needs of customers, meeting the diverse needs of customers is the most effective strategy to ensure customer satisfaction. Extensive customer participation is the fundamental driving force for the brand community to maintain its active and long-term development. The establishment of emotional connections with customers through the community is an effective way to cultivate loyal customers.



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Appendix

Social Marketing Questionnaire of Xiaomi Company

Dear ladies and gentlemen:

Hello! I am a graduate student at the MBA International College of Siam University in Thailand. I am writing a thesis. Your opinions and opinions are very important to my research. The data collected in this survey is for research purposes only and is not publicly available or used for any commercial purpose. There is no right or wrong in this questionnaire. Please answer your personal thoughts and feelings.

Thank you for your cooperation!

(1) Basic Information

Gender *

- Male
- Female

Age (years old)*

- <20
- 21-24
- 25-29
- 30-34



○35-39

○>40

Academic Level *

○ High school or below

○ College or undergraduate

○ Graduate or PHD

Occupation *

○ Company white collar

○ Self-employment

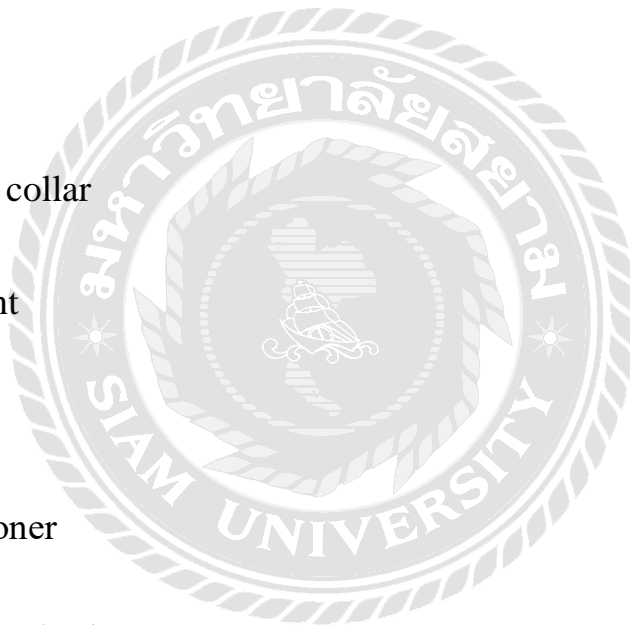
○ Self media staff

○ Internet practitioner

○ Civil servants, institutions

○ Student

○ Other



What is your monthly income? *

- <2500 yuan
- 2600-3500 yuan
- 3600-4500 yuan
- 4600-5500 yuan
- >5600 yuan

(2) Investigation on the behavior of members of the Xiaomi community

Are you a registered member of the Xiaomi Forum? *

- Yes
- No

How many times do you visit the Xiaomi Forum every week? *

- Less than 3 times
- Around 4-7 times
- More than 7 times

Which platform do you use to participate in the community discussion in the Xiaomi community? *

- WeChat group
- QQ group
- Weibo
- Xiaomi community application
- Xiaomi official website

Which online activities have you participated in in the Xiaomi community?

*

- Member interaction area interaction
- Grab the F code
- Online shopping

Which offline activities have you participated in the Xiaomi community? *

- Xiaomi City Club
- Xiaomi Campus Club
- Mipop carnival
- MIJIA product experience
- Never participated

Why did you choose to buy a Xiaomi phone? *

- Full-featured
- Cost-effective
- High Brand Awareness
- Support Domestic Products
- Other

Compared to other systems, why do you like MIUI system? *

- Full-featured
- Simple Operation Interface
- Smooth and Stable
- System Update Speed

Would you recommend the Xiaomi phone to friends and family? *

- Yes
- Maybe
- May Not
- Will Not

Which of the following channels do you prefer to buy a Xiaomi phone? *

- Xiaomi Official Website
- Xiaomi WeChat Mall
- Xiaomi Direct Store
- Operator or Agent
- Other E-Commerce Sites

What do you think about Xiaomi Company can achieve such great success in a short time? *

- Good product quality
- Lower price (Small profits but quick turnover)
- Good at promoting information through online channels
- Social Marketing strategies, such as holding rice noodle festivals, making appointments, etc.
- Other

What opinions or suggestions do you have for the future development of Xiaomi mobile phone? [fill in the blank]