



**RESEARCH ON THE MARKETING STRATEGY OF HAIER
HOUSEHOLD APPLIANCE IN THE UNITED STATES**

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RESEARCH ON THE MARKETING STRATEGY OF HAIER HOUSEHOLD APPLIANCE IN THE UNITED STATES


ABSTRACT

Title: The Development of Social Media Context the Millet Mobile Marketing Strategies

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With the development of global economic integration, Haier, as the leading enterprises of Chinese household appliances, how to conduct international marketing efforts, especially in developed countries like the United States, is put in front of the priority. On December 15, 2015, Haier was shortlisted for the top 100 of the “Top 500 Global Brands” in and ranked first in the global white goods brand. But its sales are mainly concentrated in Asia, Africa and Latin America developing countries, which including China, sales is not ideal and low brand awareness in U.S. The United States is the world's largest economy, is one of the countries of the world's highest levels of consumption, world famous gathered, huge market potential, high quality requirements for consumer products, strong purchasing power. The only way for Haier to become a true sense of the world's first household appliance brand is to develop the U.S. market successfully. With the increasing number of competitors in the U.S. appliance market and competitors is getting more mature, Haier, as a new entrant, how to quickly increase brand awareness, expand market share and let the large home appliance scale sales, all of these is what Haier need to face when he compete in the U.S. market.

This paper is based on the basic theories and methods of marketing strategy, integrated use the international marketing and SWOT analysis tools, to study on Haier household appliances marketing strategy in United States. The paper first introduces the Haier Group and the necessary of Haier developing the U.S. market, the exploring history and current situation of Haier home appliance on the U.S. market. Second, it analyzed the macro environment and industry environment which Haier faced. Macro environment analysis mainly involve the U.S. population, economic, political, legal and cultural factors, the industry competitive environment analysis is mainly involve the U.S. appliance industry market size, characteristics, sales channels, competitors and so on. Third, find the opportunity and threaten of the Haier through the environment analysis. Haier household appliances is facing the large

market capacity, great potential, high level consumption, aging trend and economic crisis, anti-dumping and countervailing, centralized channels and brands, the unconditional return of the terms in the U.S. market. Haier also need to face the threaten of raw materials' rising prices on international market and the RMB appreciation on China's exports. Haier must achieve one of the four major national chain channels and let Haier large home appliances sales in size through strategic alliances strategy; to achieve innovational design, optimizational cost, marketing localization and avoid the threat of anti-dumping and countervailing through localization strategy; to rationally allocate the short-term goals and long-term goals through the both OEM and brand strategy. However, the advantages and disadvantages of the enterprise affect the implementation of the marketing strategy, Haier need to enhance the brand awareness and clear brand positioning through the advertising strategy and brand positioning strategy, to enhance the reaction speed in U.S. market through the process optimization strategies, to improve the consumer shopping experience through after-sales service strategy. Based on these, the advantage can be played and the pressure of Haier's disadvantage can be reduced to complete marketing strategy easily on U.S. market, to develop U.S. market successfully and to be true sense of the world's 1st brand. Hope the conclusion of this study will help Haier to develop the U.S. market and provide a reference for China's household appliance enterprises to research and make international marketing strategy.

Key Words: Haier, Household Appliances, United States Market, Marketing Strategy

摘 要

题目： 海尔家电在美国的营销策略分析

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随着全球经济一体化的发展，海尔作为中国家电行业的龙头企业，如何开展国际市场营销工作，特别是如何在美国这样的发达国家开展市场营销工作是摆在面前的重要工作。2015年12月15日海尔入围2015年度《世界品牌500强》前一百强，并位居全球白色家电品牌第一名。但其销售主要集中在包括中国在内的亚洲、中东等发展中国家，在美国、欧洲等发达国家家电市场销售业绩并不理想。美国是全球第一经济强国，是世界上消费水平最高的国家之一，世界名牌云集，市场潜力巨大，消费者对产品的质量要求高，购买力强。海尔只有成功开拓以美国为代表的发达国家的家电市场才能成为真正意义上的全球第一家电品牌。随着美国家电市场上竞争者数量的增加以及竞争者的日臻成熟，海尔作为美国家电市场的新进入者，如何快速提升品牌知名度、扩大市场份额、实现大家电产品的规模销售，是海尔在美国市场上参与竞争要解决的首要问题。

本文以营销策略的基本理论和方法为基础，综合运用国际市场营销等相关理论和SWOT分析工具，对海尔在美国家电市场的营销策略进行案例研究。论文首先介绍了海尔开拓美国家电市场的必要性和海尔开拓美国家电市场的历程和现状。其次，介绍海尔在美国家电市场所处的宏观环境和行业环境，其中宏观环境主要涉及人口、经济、政治法律和文化因素，行业竞争环境主要涉及美国家电产业市场规模、特征、销售渠道和竞争者等。第三，由企业环境分析海尔在美国家电市场面临的机会与威胁，即市场容量大、潜力大、消费水平高的机会，老龄化趋势的机会，金融危机的机会与威胁，反倾销反补贴的威胁，销售渠道集中的机会与威胁，品牌集中的机会与威胁，无条件退货条款的威胁，同时海尔还需要面对国际市场原材料价格攀升、从中国出口人民币升值的威胁。在此情况下，海尔须通过战略联盟策略实现美国4大连锁渠道之一的进入和大家电产品的规模销售，提升市场份额；通过本土化策略实现设计创新、成本优化、营销本土化和避免反倾销反补贴的威胁；通过OEM和品牌并重策略实现短期目标和长期目标的合理配置。然而，企业内部的优势、劣势却影响着这些营销业务策略的实施，只有通过广告策略、品牌定位策略提升海尔品牌知名度、清晰品牌定位；通过流程优化策略提升海尔在美国市场的反应速度；通过售后服务策略完善消费者的购物体验，才能发挥优势、减少企业自身劣势给其带来的压力，更好的确保企业营销业务策略的实施，实现美国市场的成功开拓，成为真正意义上的全球第一品牌。期望本文的研究结

论能为海尔开拓美国家电市场提供有实际意义的借鉴,并对中国家电企业的国际市场营销策略的研究与制定提供参考。

关键词：海尔；家电；美国市场；营销策略



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RESEARCH ON THE MARKETING STRATEGY OF HAIER HOUSEHOLD APPLIANCE IN THE UNITED STATES

1.INTRODUCTION

1.1 Topic Background and Significance

1.1.1 Background Selection

Haier Group was founded in 1984 in Qingdao. Since the establishment, Haier has persisted in the innovation system that focuses on user needs to realize the continuous and healthy development of the company. It has grown, from a small, insolvent and grouped-owned factory to the world's largest brand of home appliances. Through the exploration of the Internet model, Haier Group has achieved steady growth. In 2016, Haier's global turnover is expected to reach RMB 2016 billion, which represents a year-on-year increase of 6.8%, profits of RMB 20.3 billion, a year-on-year increase of 12.8%, and profit growth of 1.8 times that of revenue growth. Haier's compound annual growth rate of revenue for the last ten years reached 6.1%, and the compound annual growth rate of profits reached 30.6%. The compound growth of profits is 5 times the compound growth of income. The transaction volume generated by internet transactions was 272.7 billion yuan, an increase of 73% over the same period of last year. Haier products also included socialized B2B and B2C businesses. Behind the world's first home appliance brand is Haier's global expansion of home appliance business. In the United States, after 12 years of hard work, Haier has sold more than 40 million home appliances, serving for a new user every three minutes; in Europe, Haier has strengthened its users' online shopping community, focused on high-end products, and became a local company. High-end brands. However, Haier's sales performance in all continents is carefully examined. Its sales are mainly concentrated in developing countries including China, Asia, the Middle East, Africa, and Latin America. Sales performance in Australia, Europe, the United States, and other developed countries are not so ideal. Successful exploitation of the home appliance market in developed countries can make Haier become the world's first home appliance brand in a true sense, especially the development of the US market, one of the three major home appliances markets in the world.

Haier started the development of the home appliance market in the United States as early as the end of the 20th century. On April 30, 1999, Haier established the United States Haier Industrial Park in South Carolina, USA. The park covers an area of 700 mu with an annual output capacity of 500,000 units. In 2000, it officially launched production of home appliances and gradually opened the market up through high quality and personalized design. This means that the first "trinity localized" overseas Haier was established, namely the design center in Los Angeles, the marketing center in New York, and the production center in South Carolina. The Haier American Refrigerator Factory set up in the United States in April 1999

in the city of Camden, South Carolina. It was formally put into production in March 2000 and had about 180 local employees.

Before Haier set up the plant in the United States, its annual sales in the United States were less than 30 million US dollars. Due to the construction project, Haier's annual sales in the United States increased to US\$250 million in three years, an increase of eight times. Refrigerator sales exceeded 1 million units, accounting for 11% of the US market share, ranking fifth, with a freezer share of 9%, ranking third, with air-conditioner share of 12%, ranking third. However, Haier still faces the problems of low brand awareness, low market share, large-scale sales of home appliances and other issues in the US consumer electronics market. This article is a case study of Haier's home appliance US marketing strategy in such a situation.

1.1.2 The purpose and significance of the topic

Research purposes

This article takes Haier's current status in the home appliance market of the United States as the background, combining the author's work experience and accumulation in Haier's overseas market, then conducts case studies on Haier's home appliance market in the United States. This will serve Haier and other Chinese consumers who want to explore the home appliance market in the United States, and also provide some useful references for companies. As a challenger to the US market from across the ocean, Haier must understand the opportunities and threats posed by the macro environment and industrial environment of the U.S. home appliance market. Based on this analysis, it analyzes what are the real opportunities and threats and formulates the requirements in line with the development of the enterprise and the market. Based on the marketing business strategy and combining the advantages and disadvantages of the company based on the marketing business strategy, we can formulate a marketing management strategy that can ensure the successful implementation of the enterprise marketing business strategy, through the simultaneous implementation of the enterprise marketing business strategy and marketing management strategy, Haier completed the successful development of home appliance market in the United States.

Significance

(1) Theoretical application and extension significance. In the formulation of international marketing strategy, it is necessary to take factors into account such as population, economy, politics and law, culture and technology, international raw material prices, and international exchange rates in the context of the macro marketing environment, such as market size, sales channels, and competitors. The analysis of other factors will enable us to formulate an effective international marketing strategy. This dissertation mainly focuses on the application of international marketing theory to the case study of Haier Home Appliances'

s US marketing strategy. There are certain innovations in research objects and research methods.

(2) Realistic guidance significance. Based on a comprehensive analysis of the home appliance market environment in the United States, this paper clarifies Haier's opportunity threats and Haier's own strengths and weaknesses. Based on this, it determines Haier's home appliance US marketing business strategy and marketing management strategy to guide Haier's efforts. The marketing of home appliances in the United States market has important practical significance.

(3) Reference significance. The analysis conclusions of this thesis not only benefit Haier in developing the home appliance market in the United States, but also serve as a reference for other Chinese companies who want to explore the home appliance market in the United States.

1.2 Summary of Related Research at Home and Abroad

1.2.1 Overseas Research Status

In 1956, Paleta, an American scholar, officially used the term "export marketing" in his book "Modern International Business Review". This term does not differ from international marketing in essence, marking the establishment of international marketing. Christian (1961) clearly pointed out that the gap between multinational corporations, domestic markets and foreign markets gradually disappeared, and a "global vision" should be established. Fatt (1967) proposed the customer base and the benefits of global unified advertising, that is, considering advertising and marketing strategies on a global scale. Buzzel (1968) first defined "transnational standardization" as providing the same product at the same price through the same distribution channels in different countries and through the same distribution channels. Levitt (1983) formally proposed the concept of "global marketing", which marked the beginning of the study of global marketing theory. He pointed out that modern technological progress had promoted the shrinkage and homogenization of the entire world market, and formed the global market. Enterprises must learn to see the world as a big market to operate, ignoring the apparent differences between regions and countries. Zou and Cavusgil (1996, 2002) summarized international marketing strategies as standardization, configuration, coordination, and integration. Howard Bollmatt believes that the orientation of international business management decision-makers using to guide their work is ethnocentrism, multiple centers, regional centers, and global centers. These four orientations together constitute a framework called the international management positioning theory. The concept of extension of the domestic market is centered on the ethnic center in this framework, and the concept of the country market is formed based on the multi-center positioning. The global marketing concept is formed based on the orientation of the regional center or the global center. In helping companies to successfully go out, James, A. Lee proposed self-reference guidelines and specific action steps for companies to successfully adapt to the differences between different countries' cultural environments. Wayne, Tipskar

and Reeve, Salas proposed five aspects of international marketing including determining demand, satisfying demand, exceeding competitors, coordinating marketing activities, and determined limiting factors. Linda believes that the marketing strategy includes both the market goal and the marketing mix. Marketing expert Philip Kotler believes that excellent companies meet the needs of the companies in contact with their needs. In the formulation of marketing strategies for enterprises, he should add 6P to political power and public relations on the basis of 4P. He believes that both can be used as controllable factors for companies to carry out marketing activities. Enterprises create a good international marketing environment.

Gloria and Ding Z. believe that we should pay attention to the quality and after-sales service products to shape the corporate brand image . Haier's successful experience in the Chinese market is worth learning. Lee, Daniel believes that Haier will use new products like "packages" and "smart products" to open up the international market. Robert, A. Gilbert believes that companies should take into account multiple factors such as brand positioning, product function, and design when making product prices.

Joseph, M. believes that the operation of the brand will affect the company's overseas business strategy and financial operations. Mac.DoZ believes that Chinese home appliance companies should pay attention to the creation of brands in international marketing 'Normandy Madden believes that Chinese home appliance companies need to use high-quality products, competitive prices, and differentiated advertising to make Chinese appliances to become famous world Brand name.

1.2.2 Domestic Research Condition

In the late 1970s, the Chinese government began to encourage Chinese companies to introduce advanced production lines and experiences in home appliance manufacturing. With the further development of home appliances and the ever-increasing export volume of Chinese home appliances, international marketing theory entered China in the mid-1980s, guiding Chinese home appliance companies to go abroad. In terms of market development, Liu Peng believes that when Chinese companies are conducting international marketing, they should also pay attention to the development sequence and time of different markets to avoid unnecessary threats while developing new products .

1.2.3 General Research Review

From the above studies of international marketing by scholars from home and abroad, we can see that in the study of corporate international marketing strategy, some focus on the concept of “global marketing” and implement a unified advertising and marketing strategy on a global scale. Some focus on the implementation of "national standards", and others focus on brand, product quality, service, pricing and channel strategy. In the study of international marketing of Chinese home appliance companies, the main domestic and foreign research focuses on the brand, especially the creation and marketing of self-owned brands. It is necessary to increase the intensity of brand innovation and to be familiar with the effective ways of international promotion of the brand. In other respects, products must be upgraded

through technology, localization, and high value-added products to increase product profit margins. Also we should pay attention to human capital, and be familiar with the marketing environment. They can effectively avoid tariff, the threat of anti-dumping and countervailing measures by building factories overseas. Of course, these studies have also raised the problems existing in the internationalization of China's home appliance companies: the blindness of channel establishment, the single channel model, the easy loss of autonomy for enterprises, the gap in information management, and the existence of marketing capabilities and marketing strategies disadvantages.

Most of the above studies are based on the study of the international marketing strategies of the home appliance business group. Haier's international marketing research is also based on Haier's international marketing perspective. It is not specific to Haier. The market's marketing strategy conducts specific research. This article will study Haier's home appliance marketing strategy in the US market and hopes to give some guidance for Chinese home appliance companies including Haier to develop their US market.

1.3 The main research methods adopted in this paper including:

1. A combination of theory and practice. The international marketing theory, marketing strategy theory, strategic alliance theory, and localization theory used in this article are all created by Western scholars and belong to the common wealth of all human beings. These theories must be combined with practice to have guiding significance. . Therefore, this paper adopts a combination of theory and practice in the research. It not only uses theory to guide practice, but also raises the experience gained from practice to the theoretical level.

2. SWOT analysis. Before the study of Haier Home Appliances US marketing strategy, this article first analyzes the macro environment and industry environment of Haier's home appliance market in the United States, and analyzes the opportunities and threats faced by the company based on this, and formulates the marketing strategy of the company; Based on these marketing business strategies, the company analyzes the advantages and disadvantages of the company itself, and formulates marketing management strategies that companies should adopt to ensure the implementation of marketing business strategies.

1.4 Thesis Structure

The paper's structure is as follows:

The first chapter is the introduction. This paper introduces the background and significance of the topic selection, a summary of relevant studies at home and abroad, research methods and the structure of the paper.

The second chapter is an overview of relevant theories. Introduce international marketing theory, marketing strategy theory, SWOT analysis model, strategic alliance theory and localization theory.

The third chapter is Haier Home Appliances American market development process and

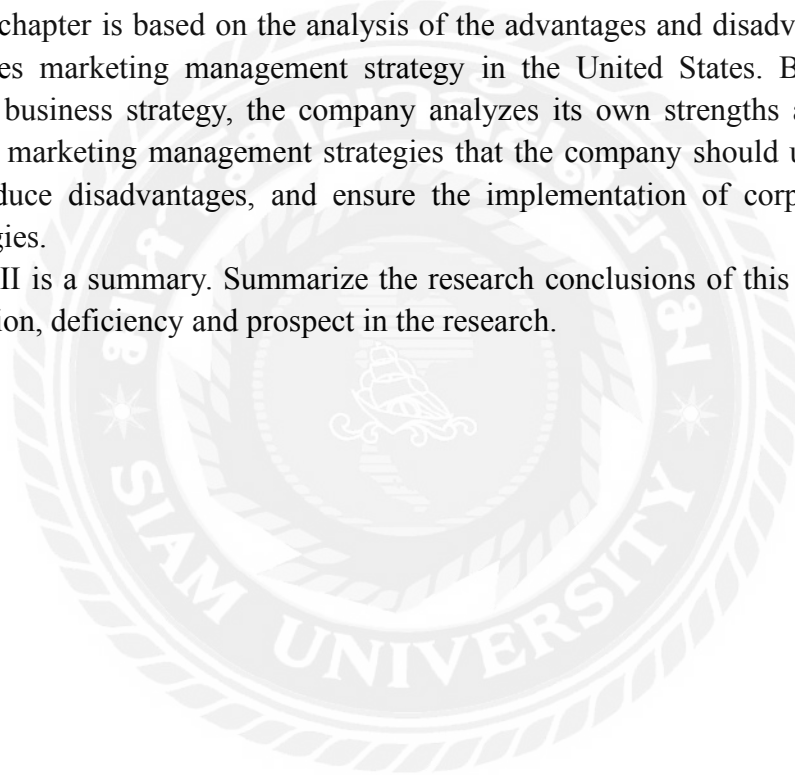
development status and to introduce you Haier company and the necessity of Haier to develop the US market, Haier's home appliance development history and status quo in the US market.

The fourth chapter is the macro environment and industry environment analysis of Haier home appliances in the US market. Macroeconomic analysis includes factors such as population, economy, political law and culture. Industry environment analysis includes factors such as market size, industry characteristics, sales channels, and competitors.

The fifth chapter is based on the opportunity and threat analysis of Haier home appliances marketing business strategy in the United States. According to the analysis of the macro environment and industry environment of Haier's home appliance market in the United States in Chapter 4, the company analyzes the opportunities and threats in front of the company, and formulates the marketing strategies that the company should adopt to seize opportunities and avoid threats. .

The sixth chapter is based on the analysis of the advantages and disadvantages of Haier home appliances marketing management strategy in the United States. Based on Haier's marketing and business strategy, the company analyzes its own strengths and weaknesses, and formulates marketing management strategies that the company should use to exploit its advantages, reduce disadvantages, and ensure the implementation of corporate marketing business strategies.

Chapter VII is a summary. Summarize the research conclusions of this paper, and point out the innovation, deficiency and prospect in the research.



2.OVER VIEWING OF RELATED THEORY

2.1 International Marketing Theory

2.1.1 International Marketing Concept

International marketing is developed on the basis of marketing. International marketing refers to the activities in which companies' products and services are planned, priced, promoted, and directed in more than two countries so that they can enter the hands of consumers and then the company makes profits. Specifically, the company is based on the needs of customers in the international market, according to uncontrollable environmental factors from home and abroad (political, legal, economic, sociocultural, technological, demographic, natural, and competitive environments, etc.), and the use of corporate controllable factors. (product, pricing, distribution and promotion), then formulate, implement and control international marketing plans to achieve corporate marketing goals.

2.1.2 Similarities and differences between domestic marketing and international marketing

International marketing and domestic marketing are all marketing. Since marketing was the first to study domestic issues, since then, as the company's operations have crossed national borders, marketing has become an international market. Both are consumer centrist, studying unmet needs of consumers, analyzing their market environment, seeking opportunities to enter the market, and then choosing the target market and making corresponding marketing mix decisions. Therefore, both are in the basic The principles, main principles, basic marketing steps and methods are the same.

Since international marketing is a marketing activity that spans a wider range of borders, there are differences in specific issues between international marketing and domestic marketing.

2.1.3 Benefits of Developing International Marketing

(1) It helps companies find new markets. Chinese home appliance companies have been relatively saturated in the domestic market, competition is fierce, and profit margins are as thin as the blade. International marketing is conducive to diversifying their risks and finding new profit growth points.

(2) It is beneficial for enterprises to introduce advanced technologies and use foreign capital. Through marketing work in developed countries, we use local advanced technology, talents and funds to help companies achieve product innovation and use of foreign investment.

(3) It will help improve the production and management level of the company. The international market gathers big names and Chinese home appliance companies can learn

from advanced companies through international marketing. They can improve the quality, quality, packaging, and service of their products by improving their production technology and management standards.

(4) It helps enterprises to protect their international markets. In order to protect their home country enterprises, developed countries in Europe and the United States impose restrictions on imported products such as high tariffs and import quotas from countries including China. So Chinese companies will face the threat of anti-dumping and countervailing subsidies. If Chinese companies can set up local factories to produce and sell their products, which can greatly protect and expand their international markets.

2.2 marketing strategy theory

2.2.1 Marketing Strategy Concept

Marketing strategy is a business starting from consumer demand, based on experience to obtain consumer demand and purchasing power, corporate expectations and other information. It is a planned organization to coordinate product strategies, pricing strategies, channel strategies and promotional strategies and other business activities. The process of achieving corporate goals is running by providing consumers with satisfied goods and services .

2.2.2 Evolution and Development of Marketing Strategies

The 4Ps theory proposed by American scholar Jerome McCarthy has long been used in the marketing community to find the most important factors from complex marketing variables, and to rise from simple factors into a set of strategies, and it is good to adapt to marketing environment. In 1990, American scholar Lauterpe proposed 4Cs, reinterpreting 4Ps from the perspective of consumer demand, which created the initiative and enthusiasm of the company. In the mid-1990s, Schultz, an American scholar, began to emphasize the relationship management, namely the 4Rs, from the competition-oriented companies in establishing and consolidating long-term cooperative relationships. The 4Vs proposed at the end of the 1990s are mainly used to cultivate and build the core competitiveness of enterprises.

2.2.3 Influencing Factors of Marketing Strategy

Factors that influence marketing strategies are both macro-environmental factors and micro-environmental factors.

The macro-environmental factor refers to the external environment of the company. It plays an important role in the success of the company's marketing. However, because it is uncontrollable and cannot be influenced, the company should be better adapted to the macro-environmental factors.

(1) Population environment. Population factors include population urbanization level, population size, age structure of the population and their changing trends. The geographical migration factors of the population include the characteristics and laws of the population's

movement, purchase motivation, and so on. Social factors include social status and family.

(2) Economic environment. The economic environment includes personal income, foreign trade revenue and expenditure, and gross national product.

(3) Natural environment. The natural environment includes the deterioration of the environment, the impact of diseases and the shortage and protection of natural resources.

(4) Technical environment. The technological environment includes the impact of technology on consumers and the impact of corporate competition.

(5) Political-legal environment. Whether the political structure is stable and the country's political and legal environment directly affects the corporate marketing strategy.

(6) Cultural environment. The cultural environment includes traditional customs and religious beliefs.

The micro-environmental factor refers to various factors and conditions that include suppliers, competitors, the public, and the company itself, which exists around the company and closely influence its activities.

Supplier. That is, a product manufacturing company.

buyers. Buyers are divided into individual buyers and group buyers. The number of buyers of individual buyers is large, there is a large difference in demand, the frequency of purchase is high, and the liquidity of purchase is large; while the number of group purchasers is small, the purchase scale is large, and the difference in demand is small.

competitor. Modern social competitors include manufacturers of similar products and different types of products that can meet consumer needs.

public. The public includes the government, finance, locals, internal and general public.

enterprise. The enterprise includes the company's internal environment, internal collaboration of various departments within the company.

2.2.4 Differences between Marketing Strategy and Marketing Strategy

Marketing strategies and marketing strategies address different levels of issues.

The problems to be solved by the marketing strategy are macro-oriented, such as: what is needed in the market, which direction we need to look at, etc.; the problems to be solved by the marketing strategy are usually detailed and specific, such as: how to meet these needs, How these practices landed and so on.

2.3 Introduction to SWOT analysis

SWOT analysis is to evaluate the advantages (S) and disadvantages (W) and external opportunities (O) and threats (T) of the company's resources to fully understand the overall situation of the company to help the company make full use of resources to capture opportunities. Freedom from threats, formulate strategies that fit the company's situation.

2.3.2 SWOT analysis method steps

The two most important steps of the SWOT analysis are to summarize the external and internal environment based on the SWOT list of the company's overall environment, and in accordance with these summaries, the company's resource advantages and market opportunities can be better matched with the company's strategy, which will help to improve these significant disadvantages to avoid confronting them directly.

(1) Analysis of environmental factors

The analysis of environmental factors is mainly used to identify favorable and unfavorable trends in the direct impact of the external environment on the company. General environmental factors are divided into macro environmental factors and industry environmental factors. The macro-environmental factors generally consist of the economic, political, legal, social and cultural factors in which the company is located. The environmental factors in the industry include the overall development status and trends of the industry in which the company is located, competitors, and upstream and downstream enterprises. The analysis of industry factors must pay particular attention to the company's industry background and competitors. The industry background creates opportunities and threats for the entire industry. Competitors are the reference system for the competitiveness of the company.

(2) Formulate corporate marketing business strategies based on opportunities and threats

Analyze the opportunities and threats faced by enterprises according to their macro environment and industry environment, then formulate marketing business strategies to seize market opportunities and avoid threats to increase brand awareness and expand market share and so on.

(3) Analyze the advantages and disadvantages of the company based on its marketing strategy

On the basis of each marketing business strategy, the company analyzes its own strengths and weaknesses. Only in this way can the advantages of the company be better used, and taking action to avoid the disadvantages of the enterprise itself will put pressure on the implementation of the marketing business strategy.

(4) Formulate corporate marketing management strategies based on strengths and

weaknesses

Based on a clear understanding of the advantages and disadvantages of the company itself, a marketing management strategy for the company has been formulated to take advantage of the advantages to overcome the disadvantages and ensure the implementation of corporate marketing business strategies.

2.4 Strategic Alliance Theory

2.4.1 Strategic Alliance Concept

A strategic alliance is a cooperative relationship in which two or more companies combine resources and capabilities to create a common competitive advantage. It should be noted that the alliance may be strategic for one company and may be tactical and operational for another.

2.4.2 Form of Strategic Alliance

The two important latitudes for dividing the coalition are the nature of the commitments and the ownership of the coalitions they own and the resources invested by the coalition. The following forms can be referred for complementing strategic alliances:

(1) Equity alliance. The form of equity alliances depends on factors such as legal structure, number of participants, and goals. For example, in a joint venture, two companies create a third company through equity investment. This company, in a legal concept, it is an independent entity. However, the alliance does not necessarily need to create a separate legal entity or share equal ownership. In many cases, the equity alliance includes non-equal cooperation.

(2) Non-equity alliances. Non-equity alliances are usually contracts that require a party to supply, produce, sell, or distribute goods or services for the other party for a longer period of time.

(3) Multiparty alliances. Other types of alliances usually include multiple participants, and may even include government. Although there may be some cost sharing, the main benefit of these agreements is that information can be shared.

2.4.3 Ways to Realize Competitive Advantage through Strategic Alliances

Not only does the alliance diversify the risks of operations by sharing risks with other companies, but it also enables companies to gain access to knowledge, resources, and capabilities that were not available in non-alliance forms. The alliance achieves competitive advantage in the following four ways.

(1) Joint investment. Alliances can increase revenue by driving companies to invest. And when companies are not in a alliance form they are unwilling to make such a kind of

investments.

(2) Knowledge sharing. An important reason for companies to participate in alliances is to learn from alliance partners.

(3) Resources complementarity. When alliance partners combine their capabilities and resources, it is possible to create many resources that are not available to other competitors in the industry. If these resources are combined with complementary resource capabilities, the alliance will have a shared advantage. If the combination of resources and capabilities is valuable and scarce, it is possible for the coalition to generate more profits than the total sum profits of a single coalition partner.

(4) Effective management. One way to judge the correctness and effectiveness of a coalition is to see if it can help companies establish a competitive advantage.

2.4.4 Ways to Raise the Succeeding Possibility of Strategic Alliances

(1) Understanding and trust are the determinants. Since trust is extremely important to the performance of the alliance, companies need to focus on the most important aspects affecting trust. The first factor is the attitude of the parties before the strategic alliance is negotiated, and the social interaction in the negotiation process will determine whether any promise in the negotiation can be achieved eventually. Once a certain level of inter-organizational trust has been established, the stock and flow of trust reflect the experience of alliance partner interaction. Trust is also a function of the reputation of an organization that interacts with other organizations outside the alliance.

(2) Management knowledge and learning. For many companies, learning from coalition partners is one of the main goals of their participation in the coalition. The learning ability of coalition partners will also increase the income of various players in the coalition. Companies need to develop specific organizational processes that will enhance exchange of knowledge of learning

(3) Understanding of the alliance evolution. In a joint venture, even if it starts with a coalition, it may eventually become purchasing. In fact, one study said that nearly 80% of joint ventures ended with one party purchasing another. Alliances can provide companies with a low-cost, low-risk approach to pre-auditing possible acquisitions of their targets and can advance their long-term strategy.

(4) To measure the performance of the alliance. Strategic alliances should establish an effective system for measuring the performance of the alliance. The lack of an effective system for measuring the performance of coalitions means that the managers responsible for the coalition must rely on intuition rather than reliable information. The long-term consequences will be even more serious. This result often begins with a spiral of decline until more performance problems arise, ending with the termination of strategic alliances.

2. 5 Localization Theory

2.5.1 The concept of localization

Localization is another trend and trend relative to globalization. It refers to the process of converting things to the specific requirements of the countries and local regions. Indigenization is the process of showing specific context elements and various heterogeneity. The best effect of resource localization is to be able to adapt to local requirements while maintaining the original contextual meaning of resources as much as possible .

2.5.2 Analysis of Localization

Globalization emphasizes the convergence of commodities, consumption, culture, values, and behavior models with the support of markets and scientific and technological forces. Localization is another trend relative to globalization. It is a change being made in order to adapt to the current environment. The popular term is like: do as the Romans do.

The core of localization is that the company's business activities are centered on consumers, and the company must change with changes of customers caused by regional changes. The essence of localization is the process in which multinational corporations integrate production, marketing, management, personnel, and other corporate activities into the host country. It is very beneficial for multinational corporations to realize the goal of reducing the cost of expatriates, integrating with local culture, avoiding anti-dumping and anti-subsidy threats, and increasing employment opportunities in host countries.

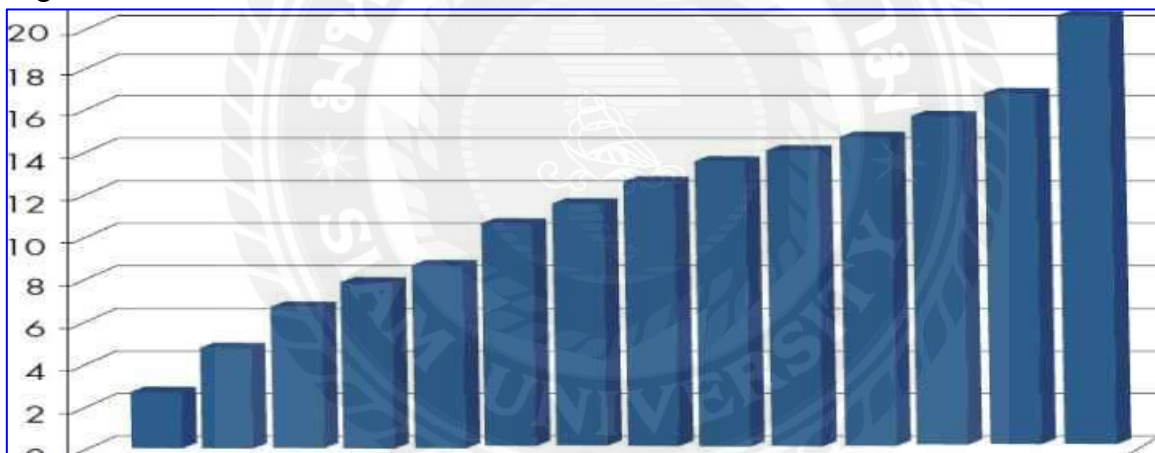
3 DEVELOPMENT PROCESS AND CURRENT SITUATION OF HAIER HOUSEHOLD APPLIANCE IN USA MARKET

3.1 Introduction for Haier Group and Necessity of Haier's Exploration in USA Market

3.1.1 Introduction for Haier Group

Haier Group was founded in 1984 which was originally a serious loss-making enterprise. Now it is a company that integrates white goods, brown goods, and gray goods. It is a leader in China's household appliance companies. Its refrigerators, freezers, water heaters and other products occupy the first place in the market, which also develops at a growth rate of 70% and there's no comparison between it and other big peer companies. Euro Monitor is an authoritative institution of consumer survey, issued by its household appliance brand, Haier is the world's No. 1 brand. The report issued by Boston Management Consulting Inc. has listed Haier as one of the world's most innovative companies and is the first company in China to enter this list.

Figure 3-1 Haier Global Turnover from 1984 to 2010



Source: Haier USA Branch Website

The steady growth of Haier group's global turnover mainly attributes to the Group's development strategy based on the external environment and internal

development needs of the Haier Group, that is, brand strategy, diversification strategy, internationalization strategy and global brand strategy.

The Development Stage of diversification strategy (1991-1998): Haier culture activates the "Shock Fish"

Times Opportunity: China encourages it to merger and reorganize

General Enterprise Practices: no development after merger; opposition to diversified development

Haier's innovative Practices: Merging several household appliance companies in China

Haier's innovative Managements: Implementing OEC management model, Haier Culture activates the "Shock Fish"

In the 1990s, the national policy encouraged the merger and reorganization of enterprises. Some enterprises could not continue after mergers and reorganizations, or considered that specialization should not be carried out. Haier's innovation is based on the "Haier culture activated the shock fish" idea has successively merged with the domestic 18 companies, so that enterprises in the diversification of operations and scale expansion has entered a broader space for development. At that time, the home appliance market was fiercely competitive and quality had become the basic needs of users. Haier took the lead in launching a star-rated service system in China. When household appliance companies competed in price wars, Haier won a competitive advantage through differentiated services.

At this stage, Haier began to implement the OEC (Overall Every Control and Clear) management method, which means that each person carries out all-round control and cleanup of everything every day. The purpose is to "have completed everything in one day." This law of management has also become the cornerstone of Haier's innovation.

In 1998, Harvard University wrote "Haier culture activated shock fish" in teaching cases and invited Zhang Ruimin to participate in the discussion of the case. Zhang Ruimin became the first Chinese entrepreneur to enter the Harvard Forum.

The Development Stage of Internationalization Strategy (1998-2005): Go Abroad, Export Creative Brand

Times Opportunity: China's Accession to WTO

General Enterprise Practices: earn foreign exchange through export, go abroad but return to OEM mode finally

Haier's innovative Practices: export creative brand, establishment of "trinity" localization model in oversea

Haier's innovative Managements: implementation of the reengineering of "market chain" process, go abroad, export creative brand

At the end of the 1990s, when China joined the WTO, many companies responded to the call of China government to go abroad, however, they faced difficulties when they went

abroad, which made them return to continue to produce by OEM mode. Haier believed that going abroad was not only to earn foreign exchange, but more importantly, to create China's own brand. Haier therefore proposed the "three-step" strategy of "going abroad, going in and going up," with the idea of " first-difficult-later-easy " and its first step was to enter the developed countries to create a famous brand, and then entered the developing countries with a strategically advantageous position, and gradually established the "trinity" localization model of design, manufacturing and marketing overseas.

At this stage, Haier implemented the management of "market chain", based on the computer information system, with the information flow of the order as the center, and promoted the operation of logistics and capital flows, which realized the reengineering of business process. This innovation of management accelerated the flow of information within the company and motivated employees to align their values with their needs.

The Haier Building is located on Broadway in Manhattan, New York, USA, which is a symbolic building in New York and becomes the headquarters of Haier in the USA.

The Development Stage of Global Brand Strategy (2005-2012): Creating a Global Brand in the Internet Era

Times Opportunity: The development of the internet

General Enterprise Practices: Regard enterprises as center to sell products

Haier's innovative Practices: Regard users as center to sell services

Haier's innovative Managements: Explore the win-win business model of POOP

The Internet era brings fragmentation of marketing. The model of "production-inventory-sales" of traditional enterprises cannot meet the personalized needs of users. Enterprises must change from "selling products with the enterprise as the center" to "serving with the user as the center". That is, the model driven by users, who need and provide at once. The Internet also brings about the integration of the global economy. The relationship between internationalization and globalization is a logical and progressive relationship. "Internationalization" is based on the company's own resources to create an international brand, and "globalization" is the use of global resources for my own use, creating a localized mainstream brand, is a qualitative difference. Therefore, Haier integrates global R&D, manufacturing and marketing resources to create a global brand.

At this stage, Haier's exploration of the Internet era to create a business model for customers is the model of win-win POOP.

In 2010, Zhang Ruimin exchanged the win-win POOP model of Haier with one of the top management masters in the world, Michael Porter and Gary Hamer. The two management

masters spoke highly of the practice of self-sufficient management of Haier's win-win POOP, Gary Hamer (left) believed that Haier's innovation in autonomous management was ahead of the curve.

The Development Stage of Network Strategy (2012-2019): Networking Market, Networking Enterprises

Times Opportunity: The development of internet

General Enterprise Practices: Traditional body-centered enterprises

Haier's innovative Practices: Platform-Oriented enterprises in the internet era

Haier's innovative Managements: Continue to explore the win-win Business Model of POOP

The arrival of the Internet era has subverted the development model of the traditional economy, and the foundation and operation of the new model is reflected in the networkization. The market and enterprises are more networked. In Haier's view, the implementation path of the networked enterprise to develop strategy is mainly reflected in three aspects: the enterprise has no borders, no management, no limited scale in supply chain, that is, mass customization, on-demand design, on-demand manufacturing, on-demand delivery.

3.1.2 Necessity of Haier's Exploration in USA Market

Why Haier chose to focus on developing USA market, the main reasons are as follows:

(1) Foreign household appliance companies enter the Chinese market. After China's accession to the WTO, foreign household appliance companies have landed in China. The Chinese household appliance companies are considering how to save the domestic market while thinking more about how to move towards the world and develop overseas markets.

(2) The demand saturation in market and fierce competition of domestic household appliance companies. Due to the saturated market demand and fierce competition, the price war has been fought. The profits of the household appliance industry are as thin as blade, causing household appliance companies to find new markets and achieve new breakthroughs.

(3) The necessity of Haier's globalization strategy. Under the guidance of its globalization strategy, Haier adopted the strategy of "first-easy-later-difficult" for globalization, namely, entering the developed countries first to establish a brand, and then occupy the market of developing countries with a strategically advantageous position.

(4) The household appliance market in USA is very attractive. USA is one of the countries with the highest consumption level in the world that famous brands have gathered

and the market has great potential.

(5)The support from China's national policy. The China government has also provided a series of preferential policies for export enterprises to encourage ethnic enterprises to go abroad and go global, such as export tax rebates.

3.2 The Development History of Haier Household Appliance USA Market

In 1990, Haier's household appliance products passed the UL certification of the United States which was an important symbol of Haier's preparation for developing the household appliance market in USA.

In 1996, Haier received the Five-Star Diamond Award from the American Association for Quality Science. Haier's CEO Zhang Ruimin received the Five-Star Diamond Lifetime Honor.

In 1999, Haier established the Haier Industrial Park in South Carolina which covered an area of 700 mu with an annual output capacity of 500,000 units.

In 2000, Haier's USA factory formally produced refrigerator products.

In 2001, South Carolina Government named a freeway near the Haier factory as Haier Road in the United States to thank Haier for its contribution to local economic development. This is the only road in the United States named after Chinese brand.

In 2002, Haier purchased the Greenwich Bank Building on Broadway in Midtown, New York, and used it as the headquarters of Haier in North America. This marked the establishment of Haier's first overseas "trinity", that was, the design center in Los Angeles, the marketing center in New York, and the production center in South Carolina.

In July 2004, at Manhattan Plaza in New York, Haier's air conditioner created a historical record of selling 7,000 units in seven hours.

In May 2006, journalist Mai Zhiqiang from Dow Jones News wires published his visit to Haier's CEO Zhang Ruimin in Wall Street Journal. The article gives an incisive summary of the significance of Haier's establishment of a factory in the United States and its globalization: "Haier has assumed the roles of importer and manufacturer in the United States, and this will be a classic case of avoiding trade disputes!"

In January 2008, Haier was named the first brand in consumer electronics in China at the 41st International Consumer Electronics Show.

In February 2008, Haier became the sole sponsor of the 57th NBA All-Star Game. Haier

and NBA jointly launched the Haier Hybrid Shooting Competition, which attracted the attention of NBA fans around the world.

In April 2009, the Haier factory in the United States was built 10th anniversary. Haier had grown from a previously unknown Chinese brand to a localized brand that sold products in mainstream channels in the United States.

In 2009-2010, Haier's air conditioners sold more than 1.3 million units in the United States, which accounted for 21% of the market, and surpassed LG for the third consecutive year to become the second brand of air conditioner in the USA (after Frigidaire).

In 2010, Haier's products of mini refrigerator and freezer successfully entered Lowe's, one of the four largest national chain channels in the United States, and began to plan to promote the entry of large household appliances.

At the 2010 Shanghai World Expo, Haier American Branch sponsored the American Pavilion. It not only showed the lives of the American people to Chinese consumers, but also used the World Expo as an international event to show Haier's the ideas of international strategic marketing and brand concepts to American consumers.

On June 09, 2011, Haier was selected as one of the world's most prestigious companies.

On December 22, 2013 Euromonitor International: Haier's global sales of large-scale household appliances achieved five consecutive championships.

On April 16, 2015, Zhang Ruimin won the award of "Outstanding CEO" from the 2015 Best Practices Institute (BPI).

On December 15, 2015, Haier was shortlisted for the top 100 of the "Top 500 Global Brands" in and ranked first in the global white goods brand.

3.3 The current situation of Haier Household Appliance in USA Market

By the year of 2011, the 12th year of development in the household appliance market in the United States, Haier America has developed into a local company with more than 200 employees, 12 categories, more than 2,000 models of products, annual compound growth rate of 35%, and annual sales of nearly US\$600 million. And with the good performance of small household appliance products in the household appliance market in the United States, it has won such honors as "Best Supplier" and "Qualification Exemption Supplier".

The Haier brand has gained the reputation of consumers in USA while expanding its market share through products that fully meet the individual needs of consumers. In 2003, Haier won the National Golden Hammer Award for product design. The magazine, Consumer Report in the evaluation of air-conditioning products in July 2010, gave Haier's products an

rating of "excellent". Consumer Report is the third-party evaluation magazine which most recognized by American consumers. Haier was outstanding on the stage of competing with the international competitors on the same stage which 7 models were listed on the list, 1 model ranked first, and 3 models were rated by Consumer Report as products recommended by consumers. At the CES show in 2010, one of the organizers of the show, Popular Science awarded Haier TV with Product of the future. In 2010, the magazine, Good Housekeeping recommended consumers to select Haier washing machine products.

The collaboration with NBA, the representative of mainstream culture in USA since 2006, Haier have used innovative NBA platforms. Through comprehensive cooperation with the online and offline of NBA, using the influence of the NBA itself, coupled with the star effect of NBA players, Haier quickly gathered popularity. The contest of “Haier Shooting Star” is the highlight of the NBA All-Star Weekend every year and Haier Wonderful Playback is the most popular web content for fans. Through four years of activity, the page visits of Haier’s official website increased by 2128%, and brand awareness in the United States increased to 37%.

Haier implements strategies for environmental protection and sustainable development. In the United States, Haier sponsored the National Park Protection Alliance and advocated for the protection of the park environment for the modern and the next generation.

While seeing Haier’s achievements in the household appliance market in the United States, it should also see the problems in its development.

Low brand awareness. Haier has been operating in the household appliance market in the United States for 12 years, but its brand awareness is still relatively low at only 37%. Of course, the reasons for this are more complex: such as the amount of funds invested in brand promotion, whether the brand positioning is clear, and whether brand positioning and product positioning are consistent.

Table 3-1 2011 first brand and Haier market share of all types of household appliances in the United States

Category	The First Brand		Haier
	Brand	Market Share	Market Share
refrigerator	Kenmore *	17.1%	0.2%
mini fridge	GE	19.7%	5.0%
washing machine	Whirlpool	20.2%	0.4%
microwave oven	GE	29.1%	0.7%
television	Samsung	23.9%	0.2%

Note: Kenmore * is a custom brand of Sears of the US department store chain

Low market share. As shown in Table 3-1, Haier’s performance in refrigerators, washing machines, microwave ovens, and televisions of all types of household appliances in 2011 was

lacklustre and failed to achieve a major breakthrough.

Large household appliances do not achieve scale sales.

In the United States, large capacity is the mainstream and trend of household appliances. Large household appliances do not achieve large-scale sales. Table 3-2 shows the statistics of the number of drum washing machines on the website of Lowe's, Homedepot, and Bestbuy, We can clearly see that the number of large-capacity drum washing machines accounted for about 90% of the total, and Haier's large-capacity drum washing machines could not be shown on the website of the channel.

Category		Lowe's		Homedepot		Bestbuy	
		Number	Accounting	Number	Accounting	Number	Accounting
Capacity	Small-capacity	3	5%	3	11%	4	9%
	Large-capacity	63	95%	25	89%	41	91%
	Total	66	100%	28	100%	45	100%
Brand	Whirlpool	25	38%	13	46%	11	24%
	GE	4	6%	5	18%	3	7%
	Electrolux	20	30%	0	0%	4	9%
	LG	0	0%	10	36%	14	31%
	Total	49	74%	28	100%	32	71%

3-2 Samples washing machines major USA websites

summary, still faces above problems in household appliance in USA. To successfully

Note : 1, The standard for the statistics of the drum washing machines in this table is: the small capacity is a drum washing machine with a capacity of less than 3.5 cubic feet, and the large capacity is a drum washing machine with a capacity of 3.5 cubic feet or more;2, Whirlpool brand statistics include the brand of Whirlpool and Maytag, Electrolux brand statistics include the brand of Electrolux and Frigidaire.

develop the home appliance market in USA, Haier should carefully study the environment and advantages and disadvantages of Haier's home appliance market in the United States, and based on this, Haier should also formulate a reasonable marketing strategy to achieve breakthrough.

4 THE ENVIRONMENT ANALYSIS OF HAIER HOUSEHOLD APPLIANCES IN USA MARKETING

The factors affecting corporate marketing strategies are divided into macro-environmental factors and micro-environmental factors. This chapter will analyze the macro-environmental factors and factors of industrial environment that affect Haier ' s household appliance marketing strategy in USA to find out the opportunities and threats that companies face.

4.1 The Analysis of Macro Environment

For a company expanding into overseas markets, it is difficult but important to implement macro-environmental analysis. The purpose of analyzing the macro marketing environment is to better understand the environment and adapt the social environment and its changes through corporate marketing activities to achieve the marketing goals of company. As the macro environment changes, marketers should adjust marketing strategies to adapt to the changes brought about by population, economy, politics, law, and culture.

4.1.1 Population Environment

The demographic environment reflects population size, structure and distribution. The demographic environment directly affects people's consumption behavior, and also indirectly influences consumer behavior by affecting other individual attributes. Population size refers to the number of individuals in a society, and the structure is about statistics on age, income, education, and occupation. Population distribution refers to the geographical or geographical distribution of population, such as how many people live in this area, how many people live in that area and how many people live in rural areas, and how many people live in cities and suburbs. A comprehensive analysis of the demographic environment of the U.S. market has the following characteristics:

(1) Large population, rapid population growth

The population size determines the size of the market and its potential capacity. If the overall income level of consumers is the same, the more people there are, the more demand for home appliances and the greater the market. With a land area of over 9.62 million square kilometers, the U.S. has a population of more than 300 million people, ranking third in the world. By 2015, it is expected to exceed 320 million. This has huge market demand behind it.

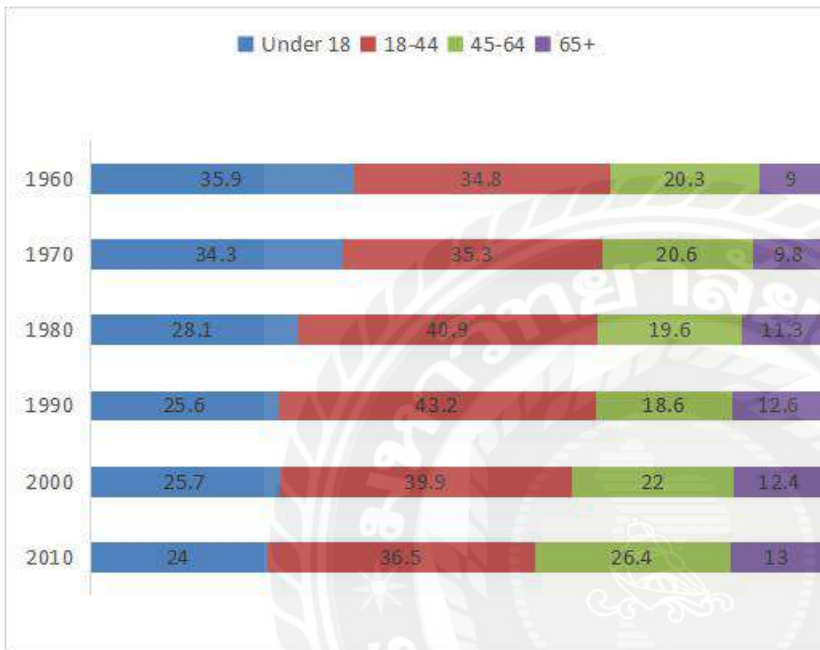
(2) Rapid population growth

According to the survey results of United States Census Bureau, the ratio of males and females in the United States in 2010 was 49. 2: 50. 8. The ratio of men and women was basically the same. In 2008, there were an average of 2.1 children per U.S. woman. Despite this, the United States is still one of the countries with the highest population growth rates in developed countries. According to the UN's forecast, in 2050, the population in the United

States will increase from the current number of 30.06 million to 40.02 million.

Trend of aging

Consumers of different ages constitute different consumer groups, and the demand for household appliances from these groups is different. It forms a segmented market with characteristics of different ages. Young people demand innovative products, while older people require home appliances to be stable and perform well.



Median age
29.5
28.1
30.0
32.9
35.3
37.2

Figure 4-1 Age Composition of USA Population from 1960 to 2010 (%)

From Figure 4-1 we can clearly see that the USA population has been gradually moving towards aging since the 1980s. In the 1980s, the national average age of population in the United States was 30. By 2010, the average age in the United States was 37.2 years old. This was mainly due to the increase in the elderly population. Haier should pay attention to this trend in the planning of future product lines and seize opportunities in emerging markets.

High education, high income

(1) High education

In the modern economy, education is becoming a driving force for income. The degree of being educated is partly determined people's income and career, which influences people's purchasing behavior. At the same time, it also affects people's way of thinking, decision-making, and ways of interacting with others. The level of education greatly influences people's consumption taste and consumption preference. From Table 4-1, it can be seen that the education level of the US labor force population in 2000 was mainly secondary education, and by 2007, the education level of the US labor force population was mainly higher education, with a ratio of 61%. These consumers with high education have certain requirements for the appearance, quality, and technical performance of home appliance, Haier must fully consider the needs of these highly educated consumers in carrying out product

design, marketing and other activities.

Table 4-1 The composition of the education level of the United States labor (%)

Education Level	Year	
	2000	2007
Primary Education	13.7	9.5
Secondary	51.5	29.4
High Education	34.8	61.1

(2) High per capita national income

Table 4-2 Per capita GNI of global countries from 1990 to 2009 (USD)

Country	1990	2000	2007	2008	2009
Global	4053	5267	8100	8721	8741
China	330	930	2490	3060	3590
USA	23330	34410	46890	48190	47240

Per capita national income can well reflect the level of people's living standards, and thus determines the composition of commodity demand. The consumer groups with low per capita national income invest more income in food and other physiological needs, while the consumer groups with high per capita national income invest more in self-realized demand. The United States is the world's largest economy. Table 4-2 shows that the per capita GNI in 2009 was US\$47,240, which was more than double the average national income of Americans in 1990 and was six times the average GNI of the world. China's per capita gross national income is more than 13 times, American consumers have enough income to consume household appliances.

High level of urbanization and uneven distribution of population

The level of global urbanization is 49%, and about 81% of the population in the United States lives in the metropolitan area. By comparison, the United States is a country with a high level of urbanization. Over the years, the United States has been shifting its population gravity center to the southwest. Among them, the most populous states in the United States are California and Texas. When Haier establishes an after-sales service network in the United States, it should first consider a metropolitan area with convenient transportation and dense population.

The density of population in different regions determines its different market size and consumer demand characteristics. The population of USA has never been evenly distributed. More than half of Americans live in 11 of the 50 states in the United States, most of them in the coastal zone. Areas with high population density are also areas with large market potential.

These 11 states can be the first areas covered by Haier when it establishes a marketing network and after-sales network.

Multi-ethnic and multi-cultural

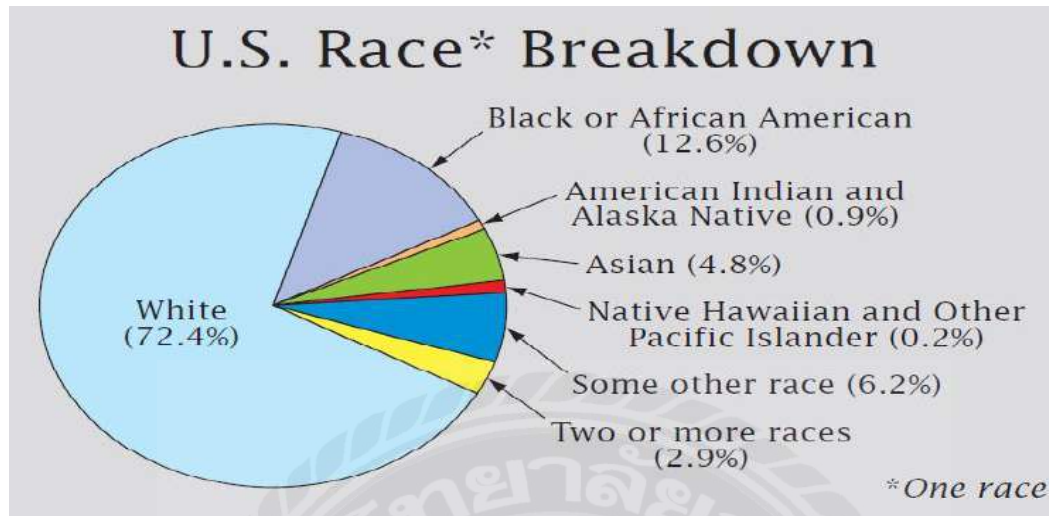


Figure 4-2 Racial ratio of population in the United States

The United States is a multicultural and ethnically diverse country. Figure 4-2 shows the statistical data released by the US Census Bureau in 2010. It shows that the U.S. ethnic composition is dominated by 72.4% of white people, other ethnic groups, such as African-Americans accounted for 12.6%, and Asian Americans accounted for 4.8%, native Americans in Alaska and Alaska accounted for 0.9%, Hawaiians and Pacific Islanders accounted for 0.2%, more than two races (multiracial) accounted for 2.9%, other races accounted for 6.2%. Among them, the Hispanic population of the United States already accounts for 16.3% of the total population, and the population increase is the most rapid. Haier should fully consider the factors of different ethnic languages, usage habits and other factors in product design, and create home appliances that can meet the needs of different consumers.

4.1.2 Economic environment

The economic environment is an important environmental factor affecting the marketing activities of company. It includes such factors as income, consumer expenditure, government expenditure, industrial structure, money supply, bank interest rate, and economic growth rate. This section only analyzes the factors of income and industrial structure.

High Gross National Product

GNP is an important measure of a country's economic strength and purchasing power. The faster the GNP grows, the greater the demand for goods and purchasing power, and vice versa. The growth of consumption in any country benefits from the overall macroeconomic

development. The United States has a highly developed modern market economy and is the world's largest economic powerhouse. In 2011, the United States' GDP was as high as 15.065 trillion dollars, ranking first in the world, and the per capita GDP was 48,147 US dollars, ranking 9th in the world.

The industrial structure is based on the service industry

As can be seen from Table 4-3, the USA industry is focused on high value-added tertiary industries, namely service industries. Three-quarters of the country's labor force is engaged in service industries. The United States has a highly developed tourism industry and ranks third in the world. Although the primary industry of agriculture, forestry, husbandry and fishery in the United States only accounts for 1% of GDP, its export volume accounts for more than half of the world's agricultural export market. It is the world's largest exporter of agricultural products and its main agricultural products include corn, wheat, sugar and tobacco. The second industry of manufacturing, energy and construction accounts for 20.4% of GDP. Its industrial products mainly include airplanes, automobiles, and electronic products. The United States has abundant mineral resources, including gold, oil, and uranium. However, most of its energy supply depends on imports. In the future development, Haier should make full use of the financial, scientific research, retail, entertainment, and legal resources in the third industry of the United States.

Table 4-3 The Industrial Structure in USA

Industry	Proportion of Percent	The world's top industry
The primary industry(husbandry,forestry and fishery)	1%	Corn and soybean
The secondary industry (manufacturing,energy and construction)	20.40%	Aerospace Defense, information technology, Pharmaceuticals , automobile manufacturing
The tertiary industry (Service)	78.60%	Finance, education / research, telecommunications, retail, entertainment, law, health care, civil aviation

4.1.3 The environment of policy and law

USA has a complete set of strict systems of import management to protect the interests of its domestic producer which mainly includes:

Tariff protection

USA tariffs have used Tariff rules under the Harmonized System or HS since 1990. The Harmonized System is an international tariff rule that classifies the commodities in USA into 22 categories and 97 sections according to taxes.

(1) Method of calculate-levy. The Harmonized Tariff Schedule is mainly used for the calculate-levy of USA. tariffs. Most of the tariff rates are ad valorem taxes. Some imported products, mainly agricultural products, are subject to specific taxes, and some products are subject to tariffs at a compound tax rate. Some products, including sugar, are subject to tariff quotas.

(2) Products with high tariff. Mainly in textiles and clothing, leather, rubber, ceramics, footwear and travel products and others. From the perspective of specific commodities, such as footwear and ceramics, a lower tax rate is generally applied to high-priced products, while a higher tax rate is applied to lower-priced products.

(3) Preferential tariff measures. With the exception of Cuba, all WTO members are accorded most-favoured-nation treatment of tax rate.

(4) Tariff escalation. Tariffs for minerals, noble metals and precious stones are 0.43% for primary products, 1.17% for semi-finished products, and 6.12% for finished products and the tax rate for finished products is 6.12%. The tariff on the primary products of textiles and clothing products is 7.17%, while the semi-finished product tax rate is 9.21%, and the tax rate of finished products is 10.16%.

(5) Tariff-Rate Quota. For relatively sensitive imported products, such as agricultural products, tariff quotas are applied.

Anti-dumping

Anti-dumping refers to the boycott measures taken by the importing country against the low prices of foreign goods imported into the country. In general, dumped goods are subject to import duties, and additional taxes are added so that they cannot be sold at a low price, which is called "anti-dumping duty." The U.S.A government stipulates that when the CIF value of foreign goods is lower than the ex-factory price, it is considered that the goods are dumped and anti-dumping measures are taken immediately. At present, 35% of the anti-dumping investigations in the world and 71% of countervailing investigations target Chinese exports. A typical example is the anti-dumping investigation initiated by the United States against China's color TVs. In May 2004, the U.S.A government imposed 20%-25% of anti-dumping duty on Changhua, TCL and other Chinese color TV manufacturers responding to the complaint, and levied an anti-dumping duty of up to 78.45% on non-responding enterprises.

Countervailing

Countervailing is a necessary restrictive measure taken by the importing country to protect the healthy development of its economy, maintain a fair competition order, and the free development of international trade, including necessary temporary measures and

promising to impose countervailing duties. By 2009, China had encountered 22 countervailing investigations, including 7 in Canada, 13 in the United States, and 1 each in Australia and South Africa.

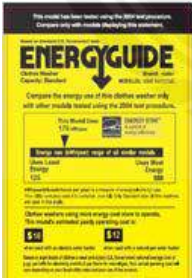
Mandatory management measures for technical


All products imported into the United States must comply with import inspection and certification systems and standards in terms of safety and hygiene in USA that household appliances must be certified by UL, a non profit independent institution in the USA, before entering the USA market. Besides, household appliances sold in the USA market must have energy efficiency certification and safety certification.

(1) The certification of energy efficiency

The measures in USA for energy efficiency certification of household appliances include the Energy Guide Label, Energy Star, the Minimum Energy Efficiency Standard, the 2007 U.S.A Energy Independence and Safety Law, and the California State Electric Efficiency Regulations 2007. Table 4-4 shows the marks of energy efficiency certification and basic instructions in USA. The Energy guidance label is mandatory, while the Energy Star is non-mandatory, but the trend of market is that consumers are more and more inclined to purchase household appliances with label of “Energy Star” .

Table 4-4 U. S. Energy efficiency Certification

Name	Sigh	Description
Energy Guide		<p>In 1980, the Federal Trade Commission (FTC) promulgated the "Electrical Label Regulations" (16CFR 305), which required some manufacturers of household appliances to apply energy guides to their appliances. According to this regulation, refrigerators, freezers, dishwashers, washing machines, room air conditioners, and electric water heaters should be labeled with the "Energy Guide" with black words on yellow background, indicating the annual power consumption and the estimated annual operating cost, and must also inform the FTC about energy consumption and model information of product. The energy guide is a comparative label. According to the test procedure developed by the Department of Energy, the label shows the lowest and most energy-consumption or energy-efficiency estimates for the same type of electrical equipment. This information helps consumers compare the energy use of the product.</p>

Energy Star		<p>The Energy Star is a government program jointly promoted by the U.S. Department of Energy and the U.S. Environmental Protection Agency to better protect the environment and save energy. In 1992, the Environmental Protection Agency (EPA) and the Department of Energy (DOE) jointly launched the "Energy Star" program. This plan is not mandatory, and vendors who voluntarily cooperate with this plan can label their qualified products with the "Energy Star" logo, promote the popularization of low-standby energy consumption products and achieve good results. The Energy Star program has become one of the international standards.</p>
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As shown in Table 4-5, the standard of ENERGY STAR has two upgrades on July 1, 2009 and January 1, 2011, with the following values::

Table 4-5 The Energy Value Requirements of Energy Star

ENERGY STAR Criteria	Current ENERGY STAR Criteria as of January 1, 2007	ENERGY STAR Criteria as of July 1, 2009	ENERGY STAR Criteria as of January 1, 2011
	MEF \geq 1.72 WF \leq 8.0	MEF \geq 1.8 WF \leq 7.5	MEF \geq 2.0 WF \leq 6.0




In addition, according to the results of the ENERGY STAR website in January 2008, 51% of the products have reached the requirements of ENERGY STAR in 2008, and 33.3% of the products even met the requirements of ENERGY STAR in 2011.

(2) Security Certification

In terms of electrical safety, the requirements of states in the United States are not the same, but the products are generally required to obtain safety certifications. Table 4-6 shows the signs and instructions of basic safety certification UL, ETL, CSA in USA.

Table 4-6 UL、ETL、CSA.

Certified name	Sign	Description

UL		<p>UL is a shorthand for Underwriter Laboratories Inc. The UL Safety Test Institute is the most authoritative in the United States, and it is also a large private institution engaged in safety testing and identification in the world. It is an independent, non-profit professional organization that conducts tests for public safety, which adopts scientific test methods to study and determine the degree of hazards to life and property of various materials, devices, products, equipment, and buildings; identify, formulate, and issue appropriate standards and information that helps reduce and prevent loss of life and property, and conduct fact-finding operations.</p>
ETL		<p>ETL refers to ETL Testing Laboratories Inc. ETL's listed products are recognized by the "Authorities Having Jurisdiction" and may be considered "approved". In most parts of the United States, the approval of electrical products is mandatory.</p>
CSA		<p>CSA is an abbreviation of the Canadian Standards Association. Founded in 1919, it is the first non-profit organization in Canada to set industrial standards. All electronic and electrical products sold in the North American market need to be certified for safety. Currently, CSA is Canada's largest safety certification authority and one of the world's most famous safety certification agencies. It can provide safety certification for all types of products in machinery, building materials, electrical appliances, computer equipment, office equipment, environmental protection, medical fire safety, sports and entertainment. CSA has provided certification services for thousands of manufacturers all over the world. Every year, hundreds of millions of products with CSA logos are sold in the North American market.</p>

4.1.4 Cultural Environment

Culture is regarded as a complex that includes knowledge, beliefs, art, law, morals, customs, and other abilities acquired by members of society, which contains almost all aspects affecting individual behavior and processes of thought.

Cultural values are divided into three types: people-oriented values, environment-oriented values, and self-directed values. People-oriented values reflect the views and opinions of society on the appropriate relationship between individuals and groups, while environmentally oriented values involve the relationship between society and its economic, technological, and material environment.

The self-directed values reflect the goals of life that the members of the society believe they should pursue, as well as the ways and means to achieve them. Such values mainly include active and passive; indulgence and abstinence; material and non-material; hard work and leisure; instant satisfaction and delay enjoyment; religion and secular.

Self-directed values

Traditionally, Americans have the characteristics of personalities that are proactive, cost-effective, hard-working, and full of faith as well as has tendency to be hard-headed and enjoyable. Since the World War II, Americans have begun to attach important to leisure and play timely. This trend has accelerated in the 1970s and 1980s which greatly affect consumer behavior and marketing activities.

(1) Religion and secular. The United States is a secular society. Although people's daily behaviors are not strictly bound by religious precepts, 79% of Americans believe in God, 36% claim to participate in religious activities at least once a month, and more than 50% of people believe that religion plays an important role in their lives, which deeply affects many of their decisions.

(2) Sensory satisfaction and abstinence. According to abstinence is a kind of virtue, which is closely related to traditional religious tendencies.

(3) Delay enjoyment and instant satisfaction. Americans are often less reluctant to delay enjoyment than values of sensory satisfaction. On the one hand, people are worried about high personal debt, and more and more consumers are paying attention to value for money. On the other hand, personal credit and credit sales are rising again.

(4) Hard work and leisure. Americans have always had a good tradition of hard work, making the people living in this society busy as a whole that they work an average of 39 hours a week, 28% of whom work more than 40 hours a week. It can be said that Americans tend to focus on work and leisure at the same time and both are well-integrated in people's lives.

(5) Material and non-material. Americans have always maintained a tradition of focusing on material consumption, which has turned it into a consumer-driven society and they spend more time and money to earn money in order to buy goods and receive services such as buying cars and traveling.

(6) Active and passive. Americans pay attention to the lifestyles of positive and active.

Environment-oriented values

Traditionally, Americans have always advocated cleanliness, change, performance, risk, problem solving, and conquering nature. Although the foundation of these values has not wavered, it is undergoing some major changes.

(1) Cleanliness. For a long time, Americans have always attached importance to cleanliness and personal hygiene. But this kind of concern for health now seems to be somewhat weakened, especially in terms of family hygiene which is likely that more and more working hours are required, but the stressful home environment is increasingly accepted, but this change does not represent the mainstream.

(2) Tradition and change. Americans are pleasure to accept change. The traditional concept is that "new" means "improvement." But nowadays Americans are no longer easy to change for change. On the other hand, due to the ageing trend of the population in USA, elder people are less likely to accept change.

(3) Risk and safety. Taking risks is still the mainstream in American society. The spirit of change, innovation and adventure are advocated by Americans.

(4) Problem solving and fatalism. Americans often take pride in solving problems. In general, Americans believe that everything can be done, as long as they have enough time and energy. For example, more than two-thirds of Americans believe they can continue to maintain economic growth and improve environmental quality.

(5) Worship nature and conquer nature. Although the percentage of Americans who consider themselves to be the focus of environmental protection has fallen from 76% to 50% in the past decade, statistics show that people's concern for the environment is still very strong.

(6) Performance and status. Americans pay attention to the usefulness of products, not just whether they are famous brands. Although consumers are willing to buy the products from famous brands, the premise is that these brands must be satisfactory in style and function in addition to prestige.

People-oriented values

The United States is a society that advocates individualism, encourages competition, emphasizes masculinity and youthful vitality, and at the same time advocates core families.

(1) Individual and collective. The most prominent feature of American society is the emphasis on individualism that Americans pay attention to the value of "doing your own

business ” . Even the uniforms designed for each generation of young people also leave considerable space for students to perform. This value has an impact on the incentive system, advertising themes, product design, and consumer complaint behavior of sales person.

(2) Diversity and consistency. Although prejudice against race, religion, and stratum has not been completely eliminated, American culture is becoming more focused on diversity than consistency. A study found that 56% of Americans felt that they had respected the culture of different values in the past year.

(3) Core family and extended family. The United States is an immigrant country. Some people who originally settled in the United States did not come to the United States together. The same phenomenon also occurred during the migration of the American population to the west. Even now, frequent migration and social mobility mean that few children have the opportunity to live close with their aunts, uncles, cousins and nephews.

(4) Youth and elder people. In American advertising, appealing to young people is far more appealing than elder people and traditional appeals. However, this youth-centered values are gradually changing. With the increase of the aging population and the increase of the income of the elder people can be freely controlled, the influence of the elder people on politics and economy is also gradually increasing.

(5) Competition and Cooperation. The United States is a highly competitive society that the concept of competition has become deeply rooted in the hearts of the people.

(6) Males and females. The American society has a male dominated tendency for a long time.

In summary, these characteristics of Americans have created the characteristics of changes, fairness and free competition in the USA consumer market. Haier should respect Americans' initiative, diligence, and extroversion when carrying out their work in the United States.

4.2 The analysis of industrial environment

4.2.1 Scale of household appliance in USA market

The household appliance in USA market has a huge capacity. In 2009, the market energy capacity was about 47 million units, which is about one-third of the share of the global house appliance market. Among them, refrigerators, washing and drying machines, air conditioners (including dehumidifiers), and cooking appliances accounted for 31%, 31%, 20%, and 18%, respectively.

4.2.2 The features of household appliance industry in USA

The main features of the household appliance industry in USA are:

Intense competition. The vast majority of household appliance market share in USA is concentrated in Whirlpool, GE, Electrolux, and LG. As shown in the data of Euromonitor in Figure 4-3, Whirlpool, Kenmore (Sears Custom Brands), GE, and Electrolux are the four brands that account for 90% of the market share of refrigerator and freezer products. Laundry washing machine with 91.5% of market share, kitchen appliances with 88.3% of market share, air conditioning with 51.7% of market share, which especially the Whirlpool brand, accounted for most of the home appliance market share .

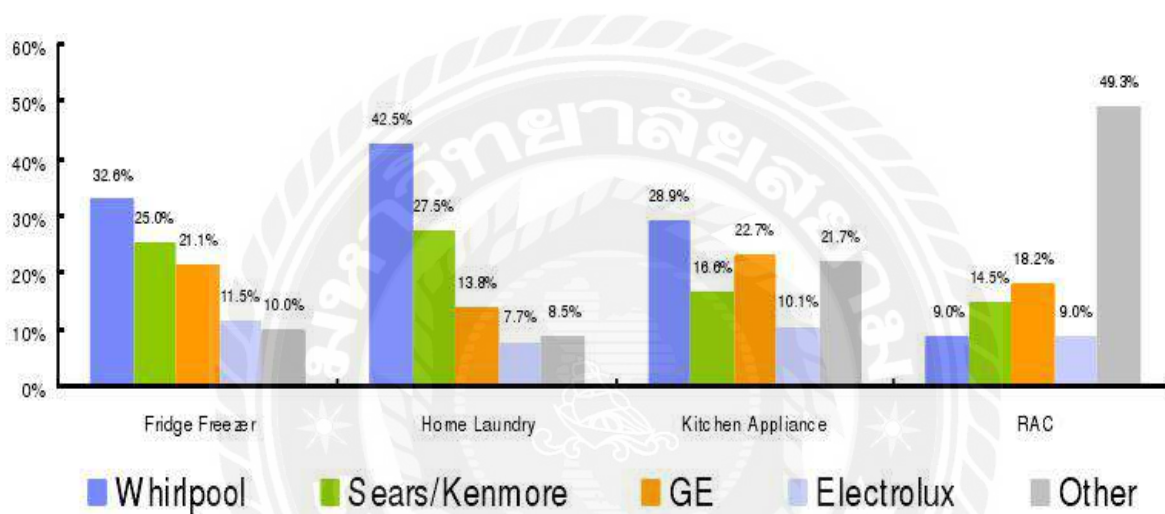


Figure 4-3 The market share of each brand's white goods in USA (calculated by sales volume)

Large capital input. Because of the large capital required by the household appliance industry, there are few new brands. Only the old brands have been taken over and some brands have risen. In 2005, the century brand in USA, Maytag was taken over by Whirlpool with a consideration of US\$2.3 billion, which intensified brand concentration and high competition in USA market. LG from South Korea has also begun to emerge as a high-end, technology, and elegant brand image for thirty to forty years after entering the US market, and has grown at a faster rate.

Global competition. The competition of global household appliance giants is gradually breaking the boundaries of the country, and they are carrying out production and market distribution on a global scale. These household appliance companies prefer to build factories in countries and regions with lower labor costs, such as China, Southeast Asia and Latin America. At the same time, they have also increased their marketing efforts in strategic markets.

The pace of asset reorganization is accelerated. With the fierce competition in the household appliance industry, asset reorganization across the globe is accelerating. In May 2009, Haier acquired 20% of stake in Australian household appliance company Fisher & Paykel, which not only helped Haier's rapid growth in Australia and New Zealand, but also helped Haier and Fisher & Paykel rapidly cooperate on a global scale.

4.2.3 The sales channels of household appliance in USA

The sales channels of household appliance in USA are mainly as follows:

Department store: Sears

Sears, traditionally regarded as a department store, has a market share of 31%. It is the largest white goods retailer in the United States and traditionally prefers to sell its own branded products (Kenmore).

Furniture promotion specialty store: Lowe' s and Home Depot

Lowe' s and Home Depot are large chain furniture promotion specialty stores with market shares of 15% and 13% respectively. They have not been in the business of white goods retail for a long time, but have achieved significant market share growth in the past few years. Home Depot has stores in all 50 states, and Lowe' s has stores in 49 states while Lowe' s is the second largest white goods retailer in the United States with more than 1,500 stores. Home Depot is the third largest white goods retailer in the United States and has more than 2,200 stores.

Consumer electronics specialty store: Bestbuy

Bestbuy is considered as a large-scale chain store for consumer electronics products with a 6% market share which is the fourth-largest white goods retailer with a rising market share and more than 950 stores, and are known for their high discounts.

Mass-market retailers: Walmart and Target

Mass-market retailers are not the main channel for the sales of white goods in USA, only account for 3% of market share which cover a wide geographical area and is famous for providing consumers with inexpensive and cost-effective products such as small white goods. Target is positioned relatively high-end and stylish in it while Wal-Mart is the largest, with only 2% of the market. ◦

Regional chain NATM and independent dealer M&M Appliance

The remaining market share is mainly divided by regional chain stores and independent

dealers. 通 Usually regional chain and independent dealers are affiliated with a purchasing group such as NATM, AVB/Brandsource or Nationwide Marketing Group to enhance their bargaining power. The regional chain stores, which only have white goods retail, but also have specialty store for furniture promotion or consumer electronics.

In general, the sales staff of regional chain stores and independent dealers are more professional and have more product knowledge, and the products they sell are more targeted. Because of the role of purchasing groups, their commodity prices are not necessarily higher than the national chain's large channels. Generally, they will sell more niche brand products to differentiate themselves from large channels such as Viking and Sub-Zero products.

Out-lets: Costco

National outlets account for only a small part of white goods. Costco is one of the larger ones, with market share accounting for approximately 0.7% of the entire industry.

In summary, Sears, Lowe' s, Home Depot, and Bestbuy are the top four national chain channels in the United States. They account for 65% of household appliance retail sales in USA, which intensifies competition for household appliance manufacturers to enter these retail channels. The distribution channels of household appliances after the removal of the four major national chain channels in the United States are very fragmented, with the top 16 retailers following them occupying a total market share of 13%, and the remaining 80 retailers have an overall market share of only 9%.

In the United States, the proportion of household appliances sold on the Internet is not large and will not grow rapidly in the future. However, more and more consumers will first understand the function, price, and other relevant information of the product before making a purchase decision. Online sales are mainly small white goods, such as small refrigerators, dehumidifiers, and other white goods that do not require additional delivery and installation. The complexity of shipping costs, delivery, and installation requirements is the main reason why consumers still prefer to purchase household appliances in traditional store channels.

4.2.4 The competitors of household appliance USA market

The global household appliances giant, Whirlpool Household Appliances Group, which has a history of more than 100 years, was founded in 1911. It is the world's largest manufacturer of large-scale household appliances and one of the world' s top 500 companies. Whirlpool, Maytag, KitchenAid, Jenn-Air, Amana, Brastemp, Consul, Bauknecht, Gladiator and many other famous international and regional brands are affiliated with Whirlpool Home Appliances Group which is in stark contrast to Haier's use of the “Haier” brand globally, including the United States. Whirlpool operates in more than 170 countries and regions and has 73,000 employees worldwide. As a manufacturer focused on a full range of large-scale home appliances, Whirlpool is committed to providing global consumers with superior quality home appliances. As shown in Figure 4-4, the company's products cover nine major

series including washing and drying machines, refrigerators, cookers, and dishwashers, with annual sales of more than US\$18 billion .

Whirlpool: Market leader

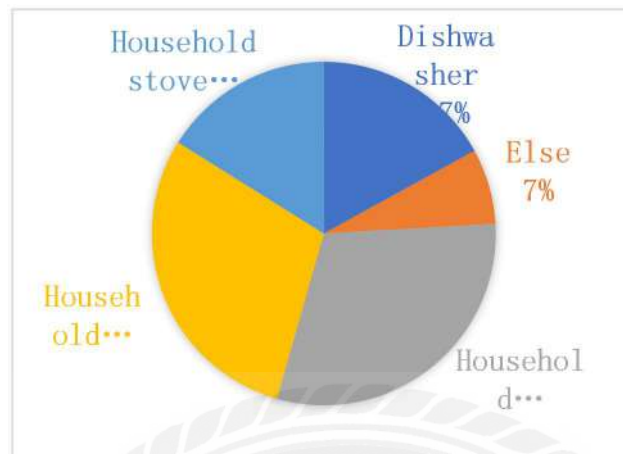


Figure 4-4 Global Income Distribution of Whirlpool

From Figure 4-3, we can see that Whirlpool's market share of refrigerators, washing and drying machines, air conditioners and kitchen appliances in the United States were 32.6%, 42.5%, 9% and 28.9%, respectively. In addition to air conditioners, other home appliances occupy the absolute market share first place. It can be said that Whirlpool is the absolute leader in the home appliance market in the United States.

GE Appliances: The second household appliance manufacturer in USA

GE Electric is a smaller business unit within GE Group, which the annual sales account for only about 6% of GE Group. Its business is mainly concentrated in North America, and its business in the European market is shrinking. As one of the oldest white goods in the United States, GE has been producing white goods since 1907. Today, GE has evolved into the second largest household appliance manufacturer in the United States after Whirlpool. Some products of GE also branded for OEM in the Kenmore brand of Sears. It can be seen from Figure 4-3 that GE ranked third in the freezer refrigerator and washing machine business with 21.1% and 13.8% market share respectively, and kitchen and air-conditioner business ranked second with 22.7% and 18.2% market share, respectively.

Electrolux: High-end appliance manufacturers from Europe

Founded in Sweden in 1919, Electrolux Co., Ltd. is a merger of Lux Co., Ltd. and Elektromekaniska Co., Ltd., headquartered in Stockholm. It is the world's largest manufacturer of kitchen equipment, cleaning and washing equipment and outdoor appliances. It is also the world's largest producer of commercial appliances. It employs 59,500 people worldwide, produces in more than 60 countries, and sells a variety of electrical products in 160 countries . Its main brands include: Electrolux, AEG-Electrolux, Zanussi, Eureka,

Frigidaire and others. Electrolux's business is divided into two major parts: consumer durables and professional products. The US market is Electrolux' s largest single market in the world, accounting for 31% of the Group' s total sales. Products mainly include refrigerators, washing machines, dishwashers, vacuum cleaners and so on. From 1995 to 2007, after 12 years of hard work, Electrolux' s market share has risen from 13% to 24%, making it the third largest share of the U.S. consumer electronics market behind Whirlpool and GE.

LG: The fastest growing company of household appliance

Founded in 1947, LG Group has annual sales of 73 billion yuan, 170,000 employees from worldwide, 31 research centers in 6 countries, and investment in research and development has accounted for 5% of the group's total revenue.

More than 300 overseas offices have been established in 171 countries and regions. The business covers six major fields: chemical energy, motor electronics, machinery metals, trade services, finance, public welfare, and sports.

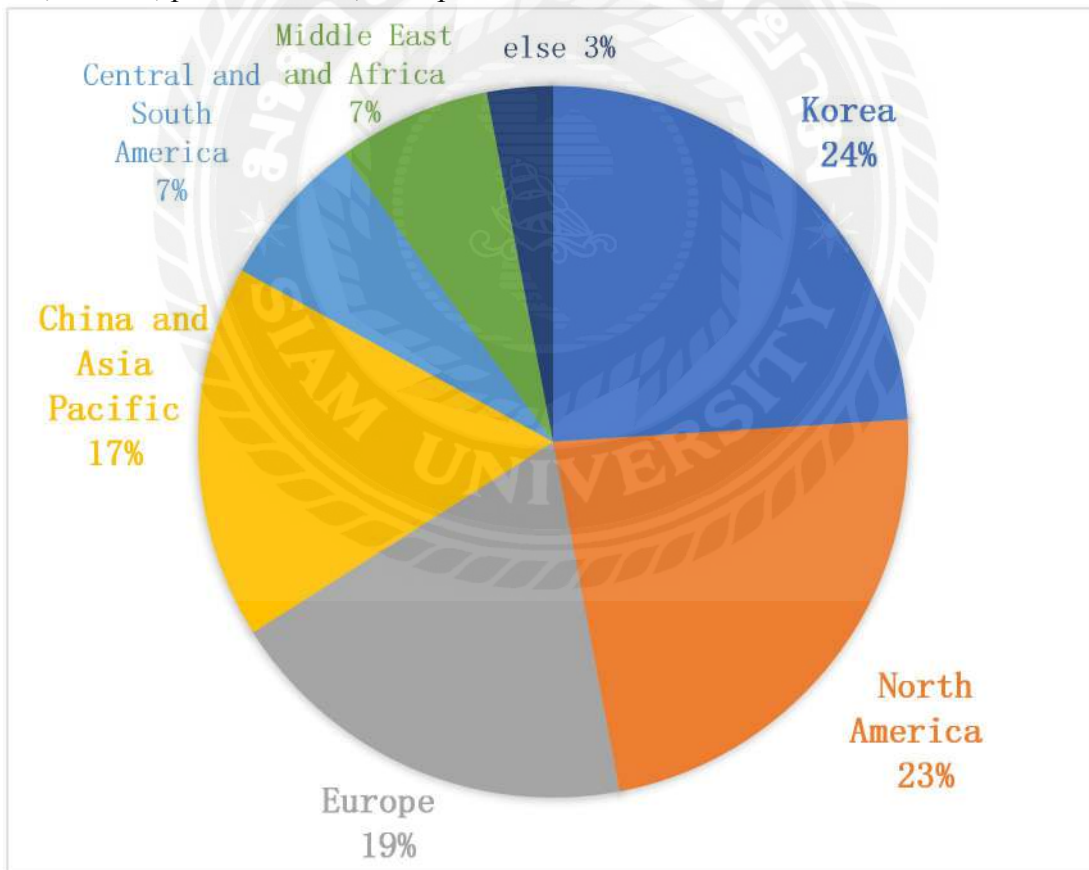


Figure 4-5 Global Sales Revenue of LG Electronic

As shown in Figure 4-5, the key global markets for LG are Korea, North America, Europe, and Asia Pacific. Including the United States, the North American market accounts for 23% of its global turnover, second only to its turnover in South Korea.



5 BASED ON THE ANALYSIS OF OPPORTUNITY THREATS OF HAIER HOUSEHOLD APPLIANCE MARKETING STRATEGY IN USA MARKET

USA is one of the world's three major markets of household appliances. To truly become the world's No. 1 brand of household appliance, Haier must analyze the local market environment and competitors in USA, and find out the opportunities and threats the company faces in light of Haier's macro and industrial environment. In order to formulate the company's marketing strategy, based on this analysis of the company's own strengths and weaknesses, formulate the company's marketing management strategy to ensure the successful implementation of marketing strategy, complete Haier's success in household appliance market in USA.

5.1 The analysis of opportunity and threat of Haier Household Appliance in USA market

5.1.1 The opportunity and threat of Haier Household Appliance in USA market

In the previous chapter, we conducted a detailed analysis of Haier's macro and industrial environment in USA market. From this we can conclude about Haier's opportunities and threats in the household appliance market in USA which are as follows:

(1) Opportunities with large market capacity, potential, and high consumption level. The United States has a population of 3.06 billion, ranking third in the world. Its population growth rate is fast, and it is expected to surge to 40.02 million people by 2050. In 2009, the capacity of the US home appliance market was 47 million units. With the increase of population, the market capacity will also be further expanded. The expansion of market capacity is a good opportunity for all home appliance companies. This of course also includes Haier, Haier should seize the opportunity to use the right channels to sell the right products to consumers at the right price. In 2009, the per capita national income of the United States was 47,240 US dollars. This created the characteristics of high consumer spending and strong purchasing power in the United States. At the same time, it also created consumers' desire for high-quality, well-designed products. In the United States, due to high labor costs for repairs, American consumers often discard and then re-purchase damaged small household electrical appliances. This has also created a strong demand for home appliances in the United States.

(2) Opportunities for aging. The U.S. population is gradually moving towards ageing population since the 1980s. Haier should enrich the product lines which are suitable for the elderly population in future product lines and seize opportunities in emerging markets.

(3) Opportunities and threats of the financial crisis. Financial crisis in USA caused the overall market environment to go down, and it also affected manufacturing and retail industries in USA, including household appliance companies. In 2011, the unemployment

rate in the United States continued to exceed 9%. About 14 million people lost their work, and nearly 40% of them were unemployed for more than six months. The long-term high unemployment rate had limited the space for growth in consumer demand, and had largely affected the enthusiasm of consumers to purchase home appliances. From another point of view, however, the high unemployment rate had also led to a decrease in the cost of labor in USA. Haier should seize the opportunity to pay close attention to consumer spending dynamics in the context of economic downturn and adjust marketing strategies to better seize market opportunities.

(4)Threats of anti-dumping and countervailing. The USA government imposes anti-dumping duties on commodities whose CIF are lower than their ex-factory prices, and imposes countervailing duties on commodities whose import prices are low due to the subsidy of imported products. When Haier exports its household appliances in USA, it should set a reasonable price to avoid the threats of anti-dumping and countervailing duty rates. In addition, Haier can also avoid the threats of high tariffs and anti-dumping and countervailing duty rates by building factories in USA or Free Trade Area in North American or other countries.

(5)Opportunities and threats centralization in sales channels. The four largest national chain channels in USA account for 65% of the household appliance market in USA, which has exacerbated competition for household appliance companies entering these retail channels. However, this is also an opportunity for household appliance companies. Once you enter one of the four major national chain channels, you will get a large number of orders. Haier's current business in USA market is mainly focused on Wal-Mart and regional distributors (NATM). Although small household appliances have entered the national chain for sales, large household appliances have not yet entered. Haier can consider establishing a strategic alliance with national chain channels and doing OEM for them to achieve the goal of achieving the scale sales of Haier's major appliances.

(6)Opportunities and threats of brand concentration. Brand concentration opportunities and threats. The majority of household appliance market share in USA is divided by Whirlpool, G E, Electrolux and LG's brands, and brand concentration is quite high. A king washing machines as an example, the washing machines with the brand of Whirlpool and Maytag from Whirlpool marketed 23.6% and 15.5%, respectively, if Whirlpool's 24.5% share of the washing machines from the brand of Kenmore produced by Sears is included, Whirlpool has a 60% market share in the washing machine market and is in an absolute leading position. The high concentration of U.S. home appliance brands poses a threat to the development of home appliance companies such as Haier. As a new market entrants, Haier is competing with mainstream brands and seeking cooperation with mainstream brands which is also a good opportunity for growth. Haier can improve the design, function and quality of Haier's household appliance products by OEM for large-scale household appliance manufacturers, and learn their advanced technologies and management experience, which will be beneficial to Haier's future development.

(7)Threat of unconditional return term. USA has the most lenient consumer protection of the world' s strongest return terms, which is the unconditional store return policy of 30 to 90 days. Household appliance companies exporting to the United States are aware that if the unconditional return ratio of goods sold in USA is not well controlled, it will cause huge losses to the company. When Haier selects sales channels in the United States, it is necessary to study the terminal retailer's policy on unconditional return terms and to develop methods for detecting returned products. It is better to choose to cooperate with terminal retailers with stricter control of unconditional return.

In the face of the environmental opportunities and threats of the household appliance market in USA, Haier should also pay attention to the threats in the sectors of manufacturing and export in China:

(1) Threat of rising prices of raw materia. The continuous rise in the prices of raw materials in the international market has further weakened the export competitiveness of Haier' s household appliances.

(2) Threat of the appreciation of appreciation. On June 19, 2010, during the second exchange reform to December 30, the central parity exchange rate of the US dollar against the RMB was 6.6218, which again set a new high since the exchange reform. The appreciation of the RMB has led to higher labor costs in China's household appliance industry and higher export costs of household appliances. The originally very modest profit margin has been squeezed out, which has reduced the competitiveness of Chinese home appliance products in USA.

5.1.2 Summary of the opportunities and threats of Haier household Appliance in USA Market

In the household appliance market with large capacity, high potential and high consumption level in USA, Haier needs to seize the opportunity of centralized channels in the USA market and establish strategic alliances with four major national chain channels in USA or large household appliance companies to achieve large-scale sales of household appliances and increase market share; grasping the opportunity for brand concentration, by improving the design, function, and quality of large household appliances for OEM of large home appliances companies, learning their advanced technologies and management experience will be beneficial to the development of Haier in the future. Through localization, Haier can enhance the competitiveness of products, personnel and marketing, and the reaction speed of enterprises to the market, and avoid the threat of anti-dumping, countervailing and the appreciation of RM.

5.2 The marketing strategy of Haier household Appliance in USA market

5.2.1 Strategic Alliance Strategy

In USA, Sears, Lowe's, Home Depot, and Best buy, the four national chain channels accounts for 65% of the household appliance market, and their number of stores in USA are 2,400, 1,500, 2,200, and 950 respectively. Whirlpool, GE, Electrolux and other household appliance companies also accounts for most of the market share of the appliance market supply. If Haier wants to expand rapidly in the USA market and achieve large-scale sales of household appliances in the chain channel, it should form a close strategic alliance with one of the four major national chain channels in USA or famous house appliance companies.

A strategic alliance is a cooperative relationship in which two or more companies combine resources and capabilities to create a common competitive advantage. The alliance can only include resource sharing associated with a key activity in the partner's value chain.

The relationship of strategic alliance between Haier and the four major channels or large household appliance companies can be established through both equity alliances and non-equity alliances. Equity alliances rely on the factors such as law, number of participants, and goals. Non-equity alliances are usually the contracts that require a party to supply, produce, sell, or distribute goods or services for the other party for a longer period of time. Currently, Haier can expand its own products to reach consumers by establishing non-equity alliances with four major channels or large household appliance companies. After Haier has formed a strategic alliance with four major channels or large-scale household appliance companies, it should urge the development of specific organizational management processes for the exchange of knowledge within the strategic alliance so that learning can be strengthened to better improve Haier's products and services. At the same time, Haier should supervise the establishment of an effective system for measuring the performance of the coalition so as to avoid that the coalition managers cannot make the right decisions based on reliable information, which will cause the performance to spiral downward and eventually lead to coalition failure in the long run. During the alliance, Haier should take care to prevent the alliance from becoming an acquisition.

5.2.2 Localization strategy

The localization strategy refers to the strategy of the enterprise to optimize the allocation of its own resources in the host country according to the specific operating environment of the host country in order to obtain the best interests. The operating principle of a successful multinational company is: "The globalization of thinking and the localization of actions." Haier must implement its localization strategies, including product localization, talent localization, and marketing localization, to enhance the competitive advantages of products, talents, and enterprises, and the reaction speed with which companies respond to the market, which can avoid the threat of anti-dumping and countervailing, thereby further consolidating Haier's position in the United States and laying a solid foundation for future development.

Product localization

The localization of products is an obstacle for the enterprise to design and develop the

function and appearance of the product in accordance with the needs of the consumers when entering the country in order to exclude the adaptability of the simple transfer of the product. Besides, in order to better meet the demands of consumers, Haier should shorten the period of product investment and reduce the risk of product failure after being put into the market.

Haier needs implement the product localization in USA market from the following aspects:

(1)Localization of product development

Whether a product can be accepted by the market or not, the most crucial link is research and development. For Haier, promoting localization of R&D is an important measure to enhance competitiveness in USA. If the R&D work is not transferred to USA, it will be difficult to adapt to the needs of competing with local companies in USA and other multinational companies. The localization of R&D has important implications for Haier's implementation of its strategy in USA as well as its global strategy:① It can be close to the USA market, develop new products based on the needs of consumers, and enhance the competitiveness of products in USA;②Research and development in the United States can make full use of the local human resources, intellectual resources and scientific and technological results;③ Research and development in the United States can also improve Haier's image and enhance its visibility in the United States.

(2)Localization of production

On April 30, 1999, Haier established the Haier American Industrial Park in South Carolina, covering an area of 700 mu with an annual output of 500,000 units. This initially achieved the local production of some models of Haier's refrigerators. However, at present, the production capacity of the factories in South Carolina is difficult to meet the market demand. Most of the Haier household appliances sold on the USA are produced in China. Not only do they need travel long distances to USA, they also need pay for ocean freight and tariffs, and faces the threats of anti-dumping and countervailing subsidies. Taking into account the factors such as the geographical location of the United States and Mexico, and the large difference in labor costs in Mexico, Haier can fully use the North American Free Trade Agreement to invest factories in Mexico to change the current situation.

In 1989, the United States and Canada signed the America and Canada Free Trade Agreement. In August 1992, the United States, Canada, and Mexico signed a trilateral free trade agreement, the North American Free Trade Agreement. The agreement entered into force on January 1, 1994. The agreement decided to phase out trade barriers and implement the free circulation of goods and services within 15 years from the date of entry into force, so as to form a world's largest free trade group with 360 million consumers and annual gross national product exceeding 6 trillion dollars. The purpose of the North American Free Trade Area is to reduce trade barriers, improve the environment for fair competition, increase investment opportunities, protect intellectual property rights, resolve disputes, and expand and strengthen the benefits of the agreement. When Haier invests in building a factory in

Mexico and exports its products to the United States, it must pay attention to "rules of origin" and seize the initiative as soon as possible so as not to lose the best opportunity to enter the US market.

(3) Localization of the productions of parts and components

Haier's refrigerator factory in South Carolina has long considered in the long term that localization of parts and components should be gradually implemented which is very beneficial for ensuring the supply of raw materials and parts and components and reducing the cost of them. After the factories are invested and built in USA, Haier can choose to invest these upstream projects themselves, and they can also promote their own affiliated companies to invest in USA, or in USA to find the suitable upstream raw materials and companies of parts manufacturing. Through the investment, Haier can achieve the localization of raw materials and parts and components.

(4) Talent Localization

The localization of talent is the foundation for implementing localization strategies because talent localization is closely related to any other localization. Talent localization can make good use of the local people's understanding of the markets, cultures, policies, laws, traditions, and behavior rules, develop products that better meet the needs of consumers, and better understand the market to develop targeted marketing strategies. Better familiar with the political and economic environment to seize opportunities and avoid risks; advertisements can be more targeted and more deeply rooted in people's hearts; better obtain government and public recognition and support to occupy the target market; better serve consumers. The world-famous large-scale household appliance companies adopt the strategies of talent localization when exploring the international market. For example, when Electrolux, a large European household appliance company, enters the Chinese market, its local company's general managers from top-level and the responsible person from the most basic-level are all Chinese.

The majority of staff in Haier America Branch is also recruited locally. If Haier wants to fully realize the localization of talents, it can be achieved through the following ways:

(1) Employment of local employees. This is the basis for implementing the localization of talent. The localized designers can better understand the needs of consumers and their expectations for the future of household appliances, and can help Haier apply the advanced scientific and technological achievements of USA to Haier's design of household appliance product. Localized managers can better motivate local employees to use their work enthusiasm and potential. Local marketers know what marketing strategies can better attract consumers' attention and drive their purchases.

(2) Establish a training center and joint research and development. Haier has its own "Haier University" in China to train talent. In the United States, Haier can also establish training bases and co-operative R&D projects with prestigious universities in USA to train

talents who suitable for the development needs of enterprises, and apply the transformable research results to the development of Haier's household appliance products, making full use of local high-tech talents and their scientific and technological achievements, which will greatly benefit the development of the future household appliance market.

(3) Scramble for reserve talent. In order to scramble for reserve talents, Haier can consider turning the target to teenagers.

(4) Obtain talents through mergers and acquisitions. We consider more economic benefits when we take mergers and acquisitions, and we often overlook the importance attached to talents in M&A companies.

(5)Marketing Localization

To achieve localization of marketing, in March 2002, Haier bought the Midtown Greenwich Bank Building in New York as the headquarters in North America and marketing center of Haier America Branch. Haier's marketing team in the United States is entirely local. When Haier first entered the United States, Haier took huge amounts of money to invite Michael Jordan, a basketball superstar with special status in the eyes of Americans, as his advertising star, and was also covered with advertisements in the small carts at John F. Kennedy Airport in New York. In 2006, Haier fully cooperated with the NBA and used the NBA, a nationalization movement in the United States, to win the recognition and familiarity of Americans.

At present, Haier should increase its investment in advertising and adopt the following measures to better achieve marketing localization:

(1) Localization of selection of advertising company

In the selection of advertising companies, there are generally three options: First, the company has its own advertising company; second, select the advertising company in the country where the company is located;third, select the advertising company in the country where the advertisements are advertised. At present, Haier does not have its own advertising company,and Chinese advertising companies that are working with Haier do not yet have advertisements which can design to meet the needs of Native American consumers. Therefore, Haier needs to find suitable advertising companies in the United States for long-term cooperation.

(2) Localization of choice of advertising media

When Haier chooses advertising media, it should combine the consideration of different consumers in the United States on the preferences of different media, media coverage, and business economic capabilities. In addition, Haier can advertise through the Internet, outdoor advertising, and advertisements in USA, such as local fairs and football games.

(3)Diversification of advertising sources

For some ads, Haier can apply it to USA market by changing the language, name, and

color. In China, Haier's slogan is "sincere and forever". In Europe, the slogan is "Higher and Higher". While in the United States, the classic slogan for Haier is "What the World comes Home to". This advertisement contains two meanings. On the one hand, it adapts to Americans' perception of the world as their own psychology. On the other hand, it just rightly demonstrates the quality of Haier's global brands.

The most important thing is that Haier should establish its own advertising database in USA, which is good for better grasping the style of American advertising.

(4) Localization of promotional strategies

The requirement of marketing localization is to respect the multi-ethnic and multi-cultural characteristics of USA, to respect Americans' religious beliefs, personality of strong-minded and free, and to respect the characteristics of change, fairness and fairness, and free competition in the US consumer market, when formulating marketing strategies. In this way, Haier can better integrate with consumers and better grasp the hearts of consumers.

5.2.3 The strategy of OEM and brand equalization

At present, Haier has already established a firm foothold in USA market with small household appliances. Haier has repeatedly tried to communicate with the four major national channels of chain for major household appliances. However, the channels still expressed concern about Haier's large product which failed to form a purchase due to lack of sales records. In regional channels, Haier's large products of household appliance also have few sales records due to low brand recognition. Faced with this situation, Haier needs to implement the strategy of OEM for large household appliances to allow household appliances to enter the market and consumers' houses under the umbrella of the household appliances giants and mainstream channels in the United States, paving the way for the sales of Haier brand.

There are two types of OEM in USA: One is household appliance giants doing OEM. The other is to do OEM for large household appliance chains. At present, Haier's products such as mini refrigerators and freezers are sold to Sears as Haier brand and are also doing OEM for Sears. The same products, Kenmore brand's sales are much larger than Haier brand which means that Haier's large household appliance products should be absolutely necessary to form scale sales through OEM, optimize product design, improve product quality, and reduce costs and so on. When the time is ripe, Haier will launch a grand new brand series to the market, believing that consumers can better accept Haier's products.

Haier must adhere to the brand strategy while implementing Haier's household appliance products. Short-term OEM can help companies realize profits and learn advanced experience. However, for a company, OEM can not last long. The fierce competition in the modern market economy has led to the product's profit margin has turned to research and development and marketing. Haier should adhere to its own brand at the same time as OEM, establish a brand image, strengthen the brand awareness of competition, create a world famous brand, so that it can go better and longer.

In summary, at the current stage, Haier can only seize market opportunities and avoid threats by implementing strategic alliance strategies, localization strategies, and strategies of OEM and brand equalization, so as to achieve further expansion in the household appliance market in the United States.



6 BASED ON THE ANALYSIS OF STRENGTHS AND WEAKNESSES OF HAIER HOUSEHOLD APPLIANCE MARKETING MANAGEMENT STRATEGY IN USA MARKET

6.1 The analysis of strengths and weaknesses of Haier household appliance in USA Market

When implementing strategic alliance strategy, localization strategy, strategy of OEM and brand equalization, the advantages and disadvantages of the company will promote or constrain the implementation of marketing business strategies. Only analyzing and adopting appropriate strategies of marketing management can ensure the successful implementation of marketing strategies in company.

6.1.1 Haier's advantages and disadvantages based on strategic alliance strategy

The advantages of the world's first brand of household appliance

Recently, Euromonitor released the results of a survey of large-scale household appliances in 2013. Haier ranked first in the world for the fifth time in a remarkable performance of 9.7% of its global retail sales. This not only helped Haier establish an image in the minds of American consumers, but also gave a chance for the channels in USA and large household appliance chain companies to recognise Haier. At the same time, Haier can use its geographic location and good sales performance in China and other countries to help form a strategic alliance with the four major national chain channels in USA and large household appliance companies by assisting USA national chain channels and large home appliance companies to cooperate in countries such as China.

The advantages of strong manufacturing capacity and low manufacturing cost

For many years, China has been known around the world for "Made in China," and Haier has met the needs of consumers around the world with its superior manufacturing capabilities and lower manufacturing costs. According to statistics from China Customs, in 2010, China exported household appliances for 46.75 billion U.S. dollars, a year-on-year increase of 28.6% over 2009. Among them, US home appliances exported to the United States accounted for 12.81 billion U.S. dollars, accounting for 27.3%. China is a country with power in global manufacturing and Haier is a leader in China's household appliance companies. With 13 manufacturing bases in China and 29 manufacturing bases around the world, the superb home appliance manufacturing capability can well meet the demand for customized production of high volume products for strategic alliance channels. At the same time, due to China's abundant human resources and relatively low labor costs, Haier can meet the low-cost demands of strategic alliance channels with relatively low manufacturing costs.

Advantages of the support from China government policy

After the reform and development, the Chinese government began to encourage household appliance companies in China to actively introduce advanced home appliance production lines and management experience from abroad, thus opening the way for household appliances for Chinese companies. After nearly 20 years of development until the end of the 1990s, the Chinese household appliance industry had entered a saturated state. The

Chinese government had also formulated a series of export tax rebate systems to mobilize the enthusiasm of home appliance exporters, optimize the structure of export products, and promote the growth of foreign trade.

The disadvantage of after-sales service

If Haier and the four major national chain channels in the United States establish strategic alliances, the current after-sales service system will not be able to meet the demand. It needs to improve consumer shopping experience by improving after-sales service system and building after-sales service network. The operation in Haier's after-sales service center has yet to be improved. According to the consumer's impression, the consumer is not satisfied with the solution and support of the problem, and the solution is slower than the consumer expects. Haier's cross-channel online and offline services, support tools and capabilities are limited, and the tools and capabilities available to consumers are limited. The value added function of Haier's customer service and the opportunity of cross-selling and up-selling to meet the needs of customers lags behind other competitors. Haier lacks the ability to provide an end-to-end customer experience across channels, touch points, and across the entire purchase process. In addition, parts and components for after-sales maintenance can only be equipped with shipping containers in advance at a certain rate. If the United States local after-sales service center does not have a spare parts inventory, it can only arrange to ship with the container to the United States from China, which greatly affects the maintenance time of the home appliances and gives consumers the impression.

The disadvantage of slow response

Although Haier has established a manufacturing center in USA, at present, the manufacturing center in USA cannot meet the production capacity of the orders of four large chain channel. A large number of orders can only be manufactured and exported to the United States in Haier's production base in China and sold in the channel. Compared with home appliance manufacturers whose production bases are located in the United States, intangibly delaying the delivery of orders, Haier could not increase or cancel orders according to channels and distributors' demands in a short period of time. The order cycle is much higher than the industry standard.

In addition, although Haier's US subsidiary operates independently, it still needs the auditing and support of Haier's headquarters for important decisions. Haier's internal organization is large and complex, and the decision-making process is long and there is a time difference of 12 hours between China and USA. This kind of reason has caused the weakness of the slow reaction of Haier in the American market.

6.1.2 Haier's advantages and disadvantages based on localization strategy

The basis advantage is the "trinity". Haier's design centers in Los Angeles, marketing center in New York and 'production center in South Carolina all laid a solid foundation for Haier's comprehensive localization strategy.

The full implementation of the process has disadvantages. Haier needs a process to localize product R&D, production, components, talent, and marketing.

6.1.3 Based on the strategy of OEM and brand equalization to analyze the strength and weakness of Haier

(1) The advantages of strong manufacturing capacity and low manufacturing cost

Whether it is an alliance with the four largest national chain channels in USA, or OEM for a major household appliance company in USA, or Haier its own sell-brand, Haier's superior manufacturing capabilities and low manufacturing costs can better meet the demand for large-scale production and low-cost production.

The disadvantage of brand in household appliance USA market

(1)The weakness of the brand recognition in household appliance USA market

The brands of USA household appliance such as Whirlpool, Microtek, and GE are all 100 years old. Consumers have used these brands for generations, and their erosion of time still dominates the home appliance market and dominates the home appliance market. European brands such as Electrolux and LG from South Korea have all made great efforts to establish brand recognition after entering USA household appliance market, attracting a considerable number of consumers to become loyal users.. Haier entered the household appliance market in USA at the end of the 20th century. The timing of the entry was late, and brand recognition was still low.

(2) The weakness of brand positioning in household appliance USA market

Looking around the world, many household appliance brands use different sub-brands to meet the needs of different consumers. In China, Haier has its own brands such as Haier, Casa Di, and Ririshun to launch different series of products to meet the needs of different consumers. However, in the international market, Haier currently only sells all high-end, medium-end, low-end and full-series products using the Haier brand, which inevitably causes the problem of blurred brand positioning.

The disadvantage of product combination

At present, Haier's product combination is still not fully satisfied with the needs of channels and major household appliance OEM. Haier needs to cooperate with channels and large household appliance companies to optimize its products and enrich product lines for its OEM.

6.2 The Marketing Management Strategy of Haier Household appliance USA Market

In the face of the advantages and disadvantages that Haier owns when it implements its strategy of marketing, Haier should adopt the following strategies in marketing management to give full play to its advantages, reduce the pressure caused by its disadvantages, and ensure the implementation in the strategies of marketing business.

6.2.1 The strategy of advertising

Advertising strategy is based on the analysis of environmental factors, advertising objectives, target market, product characteristics, media availability, government control and cost - benefit relationship, and decisions on the manner in which advertising campaigns are conducted, media selections, and advocacy recommendations are made. Haier can use advertising pre-test to investigate consumers' reactions to new advertising programs to ensure the success of advertising. The sales effect brought by advertisements is difficult to measure in the short term, but the long-term effects of the advertising will increase the sales of Haier.

6.2.2 The strategy of brand positioning

When companies find different needs and consumer groups in the market, they must use these demand and consumer groups as target markets in a better way. Then, positioning its own products so that the target market can identify the company's unique products and image. Positioning is the design of the company's products and image so that it can occupy a unique position in the target customer's mind. The goal is to maximize the company's advantage in the minds of consumers through the potential benefits of the brand. Good brand positioning can help companies formulate marketing strategies, knowing that target consumer groups determine what they want to achieve and find suitable ways to achieve them. At present, Haier uses the brand of “Haier” to sell all high-end, mid-end and low-end products in USA household appliance market, giving people a fuzzy impression of brand positioning. Haier needs segment consumers in the future development of USA market, use different sub-brands to target different consumers, and meet the needs of different consumers.

6.2.3 The strategy of after-sale service

With the prosperity and development of modern economy, American consumers have considered after-sales service as an equally important factor in brands, qualities, prices, and innovation of household appliances when they purchase household appliances. They are not only concerned with the brand, quality of household appliance, the price is reasonable, attractive and innovative features and appearance, but also care about whether the company can provide good installation and usage instructions after the product is bought home. During the lifetime of household appliances, whether household appliance companies can provide reliable and effective services to ensure the use of products.

At present, Haier's after-sales service network and system are still not perfect. Haier can help Haier complete the after-sales service by finding a suitable after-sale service third party. However, in the long run, with the increase in the sales volume of Haier's household appliance products, Haier must establish its own after-sales service network and system in the United States in order to establish brand names in the United States in order to reduce complaints and enhance the reputation.

6.2.4 The strategy of process optimization

Haier's slow response in USA market is partly due to the fact that the vast majority of Haier's products sold in USA market are produced and exported in China, which will improve after Haier's complete localization. On the other hand, due to Haier's large

organization and long decision-making process, it should improve its response to the market through process optimization to meet market demand.

Haier can complete process optimization through process modification and redesign process. After the transformation of new process and design, it is necessary to test the rationality of the new process in reality, and evaluate it, and continue to improve on the basis of evaluation, so as to circulate and repeat until the satisfaction of the formal implementation.



7 CONCLUSIONS

7.1 Research Conclusions

Haier has used the differentiated small appliances to occupy a certain market share since it developed the USA household appliance market for 19 years. US marketing expert Kotler said “the other part of Haier’s strategy is the correct positioning of the consumer groups. He is targeting young people. The old people is accustomed to old brands such as GE, while young people have not formed any habitual purchases of household appliances, because they just heaved their first apartment or are building their first home and buying their own first refrigerator, which I think it is a wise decision to target young people. ”

However, Haier still faces the problems of low brand recognition, low market share, and failure to sell large household appliances in USA market. This article analyzes the macro and industrial environment in Haier ’ s USA market, and uses SWOT methods from the perspective of marketing to analyze the opportunities and threats that Haier facing in USA market. Based on this analysis, Haier should adopt the following marketing business strategies to seize opportunities and avoid threats:(1) Strategic alliance strategy. In today's market where the channel is king, only Haier establishes strategic alliance with one of the four major national chain channels in USA can it achieve the goal of large-scale of household appliances and increase market share.(2) Localization strategy. Haier should fully localize products, talents, and marketing. Localization of products, including product design, production, and localization of parts and components, is beneficial to the competitiveness of Haier's products, people, and companies. The implementation of talent localization can not only enhance the local affinity but also strengthen the understanding of the local culture and market. It can also save labor costs and can also use local people as local consumer services. Localization of marketing is to enhance Haier's brand image in a way that is closer to the market. (3) The strategy of OEM and brand equalization. Haier needs to rapidly realize its short-term goals such as design optimization of its large household appliance products and mass production quality optimization through OEM, but in the long-term, Haier still needs to establish high-end brand image and high-profit corporate goals through the establishment of its own brand.

Based on each marketing business strategy, analyze Haier's own advantages and disadvantages, and formulate marketing management strategies to ensure the implementation of marketing business strategies. Specific marketing management strategies are as follows: (1) Brand strategy. Haier must continue to increase advertising investment, seek advertising agencies in USA, establish a high-end brand image, and use different sub-brands to locate different product lines to meet the needs of different consumers. (2) Process optimization strategy. Haier's current speed of market response is difficult to meet market demand. Only through localization and process optimization can the company's response speed be raised to meet the needs of customers and consumers. (3) After-sales service strategy. Commodity sales and after-sales service are close, especially in USA. Haier needs to strengthen the construction of after-sales service network to improve the shopping experience of consumers and meet the needs of market sales.

Marketing strategy is one of the fundamental factors for any company to survive. It is hoped that the research results of this paper will help Haier household appliances with good decision-making. It also provides some reference and help for Chinese home appliance companies to carry out international operations.

7.2 Innovation, Insufficiency and Prospect of Research

The innovation of this article is mainly in the following aspects: The first is the innovation in research object. In the past, most of the research conducted by the group of Chinese household appliance enterprises was usually based on the research of its strategy of international marketing. In the study of Haier's international marketing, it also conducted research in the perspective of Haier's international marketing, which did not conduct specific research on Haier's marketing strategy in U.S.A market. The second is innovation in research methods. Through research and analysis of the macroeconomic and industrial environment of the household appliance market in U.S.A, identifies the opportunities and threats faced by companies, and works out a strategy of marketing business based on this. Besides, according to the company's own advantages and disadvantages to develop strategy of marketing management to ensure the successful implementation of corporate marketing business strategy.

In the process of writing this article, the author has consulted a large number of books, journals, magazines, and online materials. At the same time, the author has also combined all the primary sources and interview data with the research on Haier's household appliance marketing strategy in U.S.A. However, these data are still insufficient. Due to this limitation, this article has some shortcomings, that is less research on American consumers and marketing strategy, which needs further study in the future.

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