Private domain and Stickiness: A Study on the Effectiveness of Brand Community Marketing under Private Domain Traffic

Si Rong Li
Xi'an Ploytechnic University,Xi'an 710048,China
***Corresponding author E-mail: 1185272427@qq.com**

Abstract: As the dividend of public domain traffic is peaking, brands are turning to private domain traffic, which has the advantages of low cost and repeated reaching, and relying on WeChat social platform to build their own private domain traffic ecosystem. Brands expect to enhance users' brand stickiness through promotional activities in WeChat communities. In this paper, from the perspective of group dynamics theory, questionnaires and in-depth interviews are used to conclude that brands' WeChat community activities are weakly correlated with consumers' brand stickiness. Based on consumers' real demand feedback, to crack the existing community marketing dilemma, brands need to build two-way interaction mechanism, online and offline channel integration, to create "social + marketing" core highlights , to enhance consumer interest in buying. At the same time, the state to strengthen supervision, guide the private domain traffic benign operation, to create a good market environment.

Keywords: Private domain traffic; Group dynamics theory; Brand community marketing; Brand stickiness

1. Introduction

At the beginning of 2020, China's economy was affected by the epidemic and GDP growth rate dropped from a year earlier, but the digital economy achieved a growth rate of about 9.5%, effectively easing the downward pressure on the economy during the epidemic, while the growth rate of the public traffic dividend slowed down[1].

From the supply side, the epidemic has accelerated the construction of digital infrastructure, and several technology service providers have emerged to provide supporting technology for digitalization; from the demand side, brands have strong demand for digital transformation as well as seeking to refine the operation of users. At present, many brands adopt the form of independently building WeChat groups to build their own private communities, which has become an important marketing tool to improve consumer experience and cultivate user stickiness.

We were curious about this phenomenon: why do private communities increase consumer

stickiness? What impact do communities have on consumers' attitudes towards the brand?

2. Literature Review

As early as 2017 to 2018, most Internet companies perceived that the increment of public domain traffic had reached the top , and to continue to maintain the momentum of the company, they needed to keep acquiring new users as well as tapping new values of old users.In this context, in early 2018, Alibaba took the lead in proposing a new concept: dividing traffic into public domain traffic and private domain traffic. The domestic academic community has not yet unified the concept of private domain traffic, but the basic cognition is consistent. The so-called private domain traffic is a special designation compared to public domain traffic, meaning a closed pool of traffic based on trust and interest, with the characteristics of low-cos, ready and repeated reach.

The phenomenon of "private domain traffic" has been the subject of many studies. As early as 2001, foreign scholars Muniz and Ogion proposed the concept of brand communities to study the consumer-consumer relationship based on brands. American Internet marketing authority Chuck Brammer wrote in his book "Light Up The Community" that the most essential purpose of Internet marketing is to connect its target users accurately with minimal input[2] and achieve a strong word-of-mouth effect to achieve the goal of profit. Alexander Zauner et al. have found that celebrity-centered community marketing in social media has a positiveeffect on customer value.[3]

Xue Ke and Yu Mingyang conducted a more detailed study on the characteristics of private domain traffic itself and user thinking. Their research shows that user thinking is the basic concept of private domain traffic, users have a reverse role in promoting the production of enterprises, and the management of private domain traffic mainly involves three aspects: topic management, digital management and user management[4]

Xu Huili and Yang Bingbing analyzed the value and steps of community marketing[5],and She Shihong and Yang Jinling combine the 5A model to study the channel construction and operation strategy of private domain traffic from the publishing side[6] ,their research shows that in the era of marketing 4.0, when publishing enterprises solve the pain points faced by the development of private domain traffic,they need to build the whole chain of digital private domain layout as soon as possible, when publishing enterprises solve the pain points faced by the development of private domain traffic,they need to . The study shows that private domain traffic can innovate e-commerce operation mode and create new value-added points for social e-commerce.[7]

However, these studies summarize and conclude the concept of private domain traffic from a conceptual perspective on the one hand and study the existing enterprise structure and marketing methods and the application of e-commerce operation theory under private domain traffic from a practical perspective on the other hand, but none of them start from the perspective of

consumers.

The theory of group dynamics was developed in the 1930s by the German psychologist Loewen, and takes a dynamic and systematic view of the role and influence of various forces in groups on individuals.[8] The study of group dynamics in education has received the attention of many experts and scholars, who mainly discuss the mechanisms of group dynamics affecting learning and teacher management models. Murphy and Domyei explained how to tap into group dynamics in the classroom; Povarenkina Irina Alexandrovna,Frolova Natalia Hidarovna & Chicherina Yulia Vladimirovna. explained the role of group dynamics in creating a developing educational environment of a university,[9]

while scholar Chenchen YANG proposes the reconfiguration of teacher training management models from the perspective of group dynamics[10]; scholar Pamela Pike explores and develops effective dynamic teaching strategies[11]

In an advanced search of "group theory" as a keyword on CNKI, the author found that the research literature of domestic scholars on group dynamics theory is relatively small, with an average of only 6-7 articles per year, still mainly in the field of education and teaching. For example, scholars Zheng Jianchun proposed the integration of group resources, formation of entrepreneurial teams and construction of entrepreneurial project resource base to promote the development mode of entrepreneurial education in colleges and universities[12] scholars Xu Jingjing, Hu Weiping and Lu Ping combined the actual phenomenon of cooperative learning with group dynamics theory and social cohesion theory, and proposed the strategy to enhance group dynamics of online cooperative leaning[13] ; scholars Zhang Minghao combined the construction of college teachers with group dynamics theory to study the environmental factors and intra-group factors that affect teachers' motivation.[14]

At present, group dynamics theory focuses on groups and political attitudes in the field of communication, public opinion and its formation, the social function of group pressure, and the application of group theory in mass communication. In the field of psychology, it focuses on the psychological roots, manifestations and influencing factors of group pressure and convergent behavior. Domestic attention is paid to the research of group dynamics theory in education and teaching.

However, these studies do not examine the phenomenon of community marketing from the perspective of group dynamics, and therefore do not answer questions about brand community marketing under private domain traffic.

3. Problem formulation

Therefore, this paper will try to answer the following questions from theories such as group dynamics theory and community marketing: How does community marketing constructed under private domain traffic increase the stick appear special? How does community marketing work on consumers' attitudes towards corporate brands?

Based on the questions above, the corresponding hypothesis is presented here.

H1: The more community promotions there are, the more sticky consumers are to the brand.

H1a: The more community promotions there are, the more frequently consumers will consume the brand.

H1b: The more community promotions there are, the higher the amount consumers spend on the brand.

H2: The more satisfied consumers are with the community promotions, the more sticky they are to the brand.

H2a: The more satisfied consumers are with community promotions, the more frequently they spend on the brand.

H2b: The more satisfied consumers are with the community promotions, the higher the amount of money spent on the brand.

4. Research Methodology

This paper adopts the research method of questionnaire survey and interview method to try to answer the above questions.

4.1 Questionnaire survey methods

Judgmental sampling method was adopted to create questionnaires with Questionnaire Star and distribute them in WeChat and QQ channels.

This survey completed the process of data collection, collation, and analysis on October 10, 2022.The survey is mainly based on open-ended and closed-ended questions, and the main contents are (1) basic information confirmation: including age and gender ; (2) the descending statement part of the independent variable X community promotion activities ; (3) the descending statement part of the dependent variable Y brand stickiness and brand favorability. This questionnaire includes 15 questions, including 12 single-choice questions, 2 multiple-choice questions, and 1 matrix question. A combination of online and offline methods was used to distribute the questionnaire through WeChat friend circle and Qzone.

4.2 In-depth interview method

The study subjects of the questionnaire were divided into two groups as follows.

A. Had joined a private community run by the brand, but did not purchase

B. Had participated in activities and made purchases by joining private communities operated by the brand.

A total of six interviewers who joined to the brand community were interviewed in a 10-minute semi-structured in-depth interview for each of the six interviewers in this study. The

interviews began on October 4, 2022 and ended on October 10, 2022. The interviewees firstly included consumers who were in the same branded WeChat activity group as the author, and secondly a larger research sample was collected through the circle of friends.

The interviews were conducted as WeChat text interviews. The results of the interviews were compiled into verbatim transcripts, and the total word count of the interviews was 800 words.

5. Research findings and discussion points

5.1 Structural analysis structural description

A total of 415 questionnaires were distributed, of which a total of 299 were valid, of which the percentage of males was about 43.33% and females was about 56.67%. The total number of people who had produced purchasing behavior in the WeChat group was 186, with 41.94% of males and 58.96% of females.

Descriptive analysis shows that the most popular brand communities are food and beverage brands, followed by snack brands and apparel brands. More than 60% of the respondents said that their brand communities conduct promotional activities less than three times a week.

The Pearson correlation analysis found that the frequency of community promotions was not significantly correlated with consumers' stickiness to the brand, so the research hypothesis H1 was not valid.

Pearson's correlation analysis revealed that there was a significant positive relationship between consumers' satisfaction with community promotions and their spending amount ($r=0.075$, $p=0.307$), and the research hypothesis H2b was not supported. Therefore, the research hypothesis H2 was only partially supported.

According to the findings of this study, on the one hand, the frequency of community promotions does not correlate with consumers' stickiness to the brand. The economic level determines the consumption capacity, which is an objective factor that cannot be changed by a single promotional activity. At the same time, it is related to the degree of product demand, when the price of a product after discount still exceeds consumers' psychological expectations, consumers will postpone or even stop their purchasing behavior. In addition, the promotion of rational consumption values gradually shifts consumers' consumption concepts, and the influence of impulsive consumption inspired by promotional activities on consumers is weakened.

On the other hand, consumers' satisfaction with social promotion activities enhances consumers’ stickiness to the brand to a certain extent, where satisfaction has an impact on consumption frequency but not on consumption amount. The more novel the presentation of promotional activities in WeChat communities and the stronger the promotional activities are, the more they affect the satisfaction of users and thus the consumption frequency of users.

5.2 Realistic representation of brand WeChat communities under private domain traffic

When we conducted further in-depth interviews and tried to get answers about the attitudes of brands in Group A and B, most of the interviewees showed negative opinions about the brand's WeChat community.

5.2.1 Positive and negative dichotomy, lacking of two-way interaction mechanism.

When individuals are integrated into the group context and communicate effectively with other members of the group, group dynamics are formed. WeChat community is a community marketing method built based on WeChat social networking, but in the actual scenario, there is only a single active information output from the brand, and users are in a passive input position, and the users in the group cannot browse the purchase records of other users, mistakenly believing that only they buy the products, causing a sense of loneliness among users. For example, Poundland updates the current purchase status of a product on the purchase page in real time, so that users who have not yet purchased can be influenced by more users who have already purchased to make a purchase.

5.2.2 Product redemption channels are fragmented, increasing the cost of use for users

Brand WeChat community is not universal for the whole brand, each WeChat community is operated by a designated single offline store or regional distributor, certain activities are designated stores or must be redeemed offline, online and offline cannot be efficiently transformed, resulting in increased cost of use for consumers and easy for consumers to give up purchasing. If you choose to redeem online, all regional brand stores can redeem offline, not just a single store.

5.2.3 Internal channel competition is fierce, to create “social+ marketing ”core highlights.

Brands have many existing sales channels, including public domain traffic channels such as Taobao online stores and Tik Tok live streaming, and private domain traffic channels such as branded WeChat communities and small programs. Consumers' power of independent choice is expanding, and the sales channels within the brand are competing with each other. When the brand provides more preferential offers in another channel compared with the private traffic channel of WeChat, consumers are quickly attracted to the other channel, and the sales volume of WeChat community decreases, and it is difficult to establish the core competitiveness of WeChat community marketing with a single promotion offer. WeChat is now the largest social platform, and consumers' interpersonal relationships are deeply bound, and the time spent by the audience on it is much longer than other shopping APPs, so the brand can appear in the consumer's sight threshold more frequently. Users’s fission is achieved,and then the “social+marketing” core advantage is established.

6.Summary and reflection

6.1 Multi-dimensional satisfaction assessment mechanism, force the brand service upgrade

This study proposes the improvement initiatives and development of existing WeChat communities. The satisfaction of community promotions has an impact on consumers' attitudes toward brands, while the frequency and intensity of WeChat community activities have less impact on consumers, further reminding brand owners that a single discount marketing is not efficient, and consumers' evaluation of satisfaction is comprehensive and multi-level. The strict control of product quality in the early stage, the innovation of promotion form in the middle stage, the construction of two-way interaction bridge with consumers, and the maintenance of consumers in the later stage are all the test links of satisfaction, forcing the brand service upgrade.

6.2 Online and offline integration, build scenario-based marketing

Consumers within the community are likely to form a circle of consumers who recognize and are loyal to the brand (eg. Apple’s fans). This consumer circle is not satisfied with a single touch point online, and will feed into the brand's offline channels to further experience the brand. The brand takes the opportunity to realize the integration of online and offline channels, strives for scenario-based marketing, and further strengthens consumer stickiness, forming a closed-loop operation and relieving the pressure on offline channels under the epidemic situation.

6.3 Formation of a consumer symbol-oriented social private domain traffic pool

WeChat community is essentially a social relationship. Consumers participate in the brand's private community to increase their favorability to the brand, and then share the brand and other information through their own interpersonal network to further form their own private traffic pool. Because consumers in the same WeChat community share the same consumption habits or interests, they can add friends in the group, similar to the deep user groups of a certain product, for example, Apple’s fans regularly discuss the latest products in forums and microblogging conversations, but the platforms where these groups are located are information exchange plat forms, while the WeChat community is a purely commercial and profit-oriented platform, with consumer symbols such as products or brands as the main focus. WeChat community is a purely commercial and profit-oriented platform, which builds a bridge between people, reconstructs consumers' interpersonal network, and forms a brand-led consumption concept.

6.4 Mismatch between supervision and status quo, establish a sound management system

This study also found that community marketing an bring negative effects, the WeChat community itself will form another kind of network place, the brand in the WeChat group is equivalent to the KOL of consumers in the brand's WeChat group, consumers trust the news released by the brand within the group, plus the main level of state supervision and management lies in the public domain network ecology, such as Weibo,Tik Tok etc., there is no strong regulatory measures at the WeChat community level. If a brand publishes undesirable content in a WeChat group, it is often difficult to find out and can only rely on a single form of reporting by consumers within the group, which is poor timeliness. Nowadays, private domain traffic is booming, and there is a misalignment between regulation and development. How to avoid negative impacts on society and establish a proven management system is worthy of vigilance and reflection.

References

[1]China Private Domain Traffic Marketing Insight Research Report. Shanghai Ariadne Market Consulting Co. (eds.) Ariadne Consulting Serics Research Report (Issue 9, 2021)(pp. 438-488).

[2] Chuck Brammer. (2010). Zeng Hu-Yi, Transl. Lighting Up Community [M]. Oriental Press.

[3] Alexander Zauner, Matthias Fink, Daniela Maresch & Ewald Aschauer.(2012). Community marketing in social media-can marketers leverage Facebook groups of celebrities?. Int.J.of Entrepreneurship and Small Business (4).

[4]Xue Ke &Yu Mingyang. (2022). The generation, value and operation of private domain traffic. People's Forum (Z1), 114-116.

[5] Xu Huili & Yang Bingbing. (2020). A brief discussion on community marketing in the context of mobile Internet. Marketing Weekly (09), 79-81.

[6]She Shihong & Yang Jinling.(2021). Channel construction and operation strategy of private domain traffic of publishing enterprises in the era of marketing 4.0. Publishing and Distribution Research (08).

[7]Fu, Lei. (2021). Exploring the strategy of cultivating private domain traffic of social e-commerce based on 4C marketing theory. Business Economics Research (24), 90-92.

[8]SAM COCHRAN & HANNAH MARTIN.(2021).Group Dynamic. Architectural Digest(6).

[9]Povarenkina Irina Alexandrovna,Frolova Natalia Hidarovna & Chicherina Yulia Vladimirovna.(2021).The role of group dynamics in creating a developing educational environment of a university. SHS Web of Conferences.

[10] Chenchen Yang.(2019).Reconstruction of Teacher Training Management Model From the Perspective of Group Dynamics. Cross-Cultural Communication (2).

[11] Pamela Pike (2017).Dynamic Group-Piano Teaching,Taylor and Francis.

[12] Zheng Jianchun. (2014). An approach to entrepreneurship education in colleges and universities based on group dynamics theory. China University Science and Technology (11),80-81.

[13] Xu Jingjing, Hu Weiping & Lu Xing. (2022). A theoretical model of group dynamics, case design and implementation strategies for online collaborative learning. In: China e-learning (03),81-89.

[14] Zhang, M.J.. (2006). Analyzing the motivation of university teachers from the perspective of group dynamics. Journal of Guangxi University (Philosophy and Social Science Edition(S2), 113-115.