

Research on the Marketing Management of Hanfu Stores Derived from Internet Celebrity Economy

--Take Shisanyu as an Example

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Abstract: Due to changes in the times and consumption patterns, online shopping has become more and more popular, which has spawned the Internet Celebrity economy. Compared with general online stores, stores derived from the Internet Celebrity economy have different characteristics, such as targeted marketing and low product inventory. However, Internet Celebrity stores still have many shortcomings. These shortcomings can damage consumer rights. This article takes Shisanyu as an example to discuss the management problems of shops derived from the Internet Celebrity economy and the consequences of the problems. Finally, it analyzes the reasons why this type of store has many problems but is still popular, and gives how this type of store needs to be improved.

Keywords: Internet Celebrity economy, Marketing, Management, Hanfu

1. Introduction

1.1. Introduction of Internet Celebrity economy

Internet Celebrity economy is represented by the image of young and beautiful fashionistas, dominated by the taste and vision of celebrity, selection and visual promotion. This kind of economy is gathering popularity on social media, relying on a huge fan base for targeted marketing. This is a process of converting fans into purchasing power and can make the purchasing power fully utilized[1]. Similarly, many internet celebrities will also choose to open stores on e-commerce platforms to sell products after they have a certain number of fans. The characteristics of the products produced by this type of economy are: high customer loyalty, low product inventory and strong product pertinence[2]. Similar with fans economy, Internet Celebrity economy will have some products with high price premiums and be likely to poor quality[3]. The most obvious disadvantage of the Internet Celebrity economy is that the communication is bidirectional and it is difficult to control public opinion. Due to the large amount of information disseminated on the Internet and the wide range of dissemination, once bad information is generated, it is difficult for enterprises to control it [4].

1.2. Traits of Internet Celebrity stores

Internet Celebrity Stores are generally stores opened by Internet celebrities. Such stores generally claim to be original designs and are usually photographed by Internet celebrities themselves as models. There are no 100% substitutes for many styles of clothes in Internet Celebrity stores. However, there are many similar styles clothes on the online platforms. The products operated by online celebrity stores are monopolistic competition. Clothes in online celebrity stores are generally more expensive than those in ordinary stores, and most of them are pre-sales.

Internet Celebrity Stores generally have higher sales volumes. However, these kinds of stores received mixed reviews from customers. Generally, some customers consider the design of the Internet Celebrity stores have certain characteristics, and the clothes are not so stereotyped. However, other customers think that Internet Celebrity stores are stores that deliberately raise product prices because of internet celebrities' influences and such clothes have no differences compared with ordinary stores. In most situation, the quality gap between the first batch and the later batches is very large. Even the quality for same batch of the same product can be dissimilar. Clothes in some Internet Celebrity Stores have large differences between the actual product that the customer receives and the pictures displayed on the e-commerce platform.

1.3. Introduction of Internet Celebrity Hanfu Stores

Internet Celebrity Hanfu stores have the characteristics of all Internet Celebrity stores. Most Hanfu in the Internet Celebrity Hanfu store are improved and the colors are brighter. Most clothes in such stores are dissimilar with pictures which displayed in E-commerce platform. In terms of sales mode, some Internet Celebrity stores adopt the method of deposit and final payment, and no guarantee for shipment deadline. Stores that use deposit payment generally do not support seven-day returns policy. Products quality of such stores is poor, the profit is high, and the problem of delayed shipments is serious. However, even some Internet Celebrity Hanfu stores that can return products within seven days also have problems such as poor quality and delays for shipments, but these stores can return products and provide after-sale service[5].

2. The situation of Shisanyu Internet Celebrity Hanfu Store

2.1. The overview of Shisanyu Internet Celebrity Hanfu Store

Shisanyu Xiao Doukou Chinese elements' styles Studio is a representative Internet Celebrity Hanfu stores that provides seven-day return services. Shisanyu's popular styles can maintain for a period of time, but at most one year. When the new product is firstly launched, the monthly sales volume may be 1000+ to 10000+. But sales volumes maybe decrease to 100+ to 500+ per month after one year. After two years, sales volumes will be 50 per month. The monthly sales volume of unpopular styles was about 200+ to 500+ when it was first launched, and it may drop to about 50+ to 100+ after half a year. The monthly sales changes are shown in Figure 1 and Figure 2 respectively.

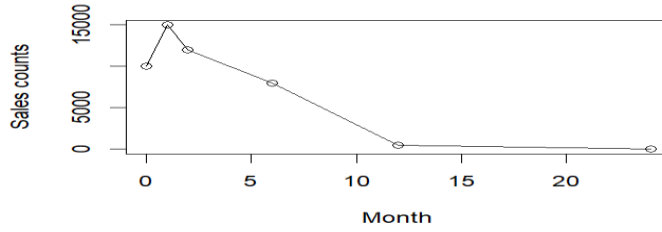


Figure 1: Monthly sales volume changes of Shisanyu popular styles.

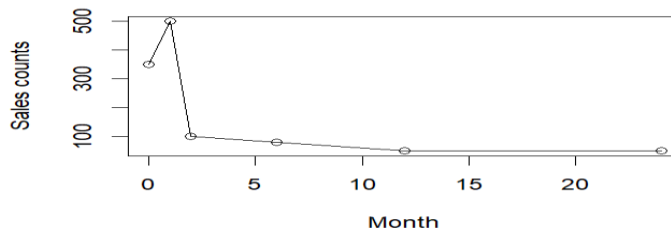


Figure 2: Monthly sales volume changes of Shisanyu unpopular styles.

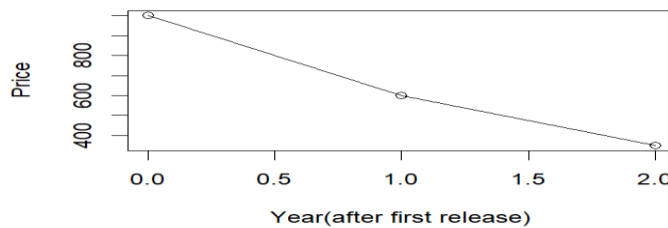


Figure 3: Shisanyu's Hanfu price changes in the second-hand market.

The prices in the second-hand market will drop sharply within half a year after the styles of Shisanyu first launched. After one year the new products first launched, the price in second-hand market may drop to 50% to 40% off; and after two years, the price will be about 30% off. However, even if the Hanfu is in good condition (the new one, never wear it), the Hanfu may not be sold. The sales situation in the second-hand market is shown in Figure 3. Assuming that the original price of a set of new Hanfu is 1,000, the picture shows the price changes in second-hand market after one to two years. The price in second-hand market is average price.

Shisanyu Hanfu store has the same characteristics as Internet Celebrity Hanfu stores, but it also has its own advantages, as shown in Table 1.

Table 1: The characteristics between Shisan Yu and others.

	Shisanyu	Others
7 days return without any reason	yes	Most not
The shapes of Hanfu	Improved, many self-created shapes. Some are kimono instead of Hanfu.	Improved, many self-created shapes. Only a few are kimono.
The quality of Hanfu	Most are poor, some are good.	Poor quality
Is there a premium	Yes	Yes

Table 1: (continued).

Shipment delay	yes	yes
Delay compensation	Only delay over 1 month.	Almost no
Advance deposit or final payment.	No	Most
Inexpensive styles	Yes	Almost no

2.2. Traits of customers

Most buyers are fans of internet celebrity or this brand. And such customers are irrational and have high tolerance for the clothes' poor quality. Most Shisanyu's fans will buy new products every time when store launched new products. Even if the shipments are delayed, the qualities are poor, and the discount is stingy, etc., such customers will still pay for the design. Particularly, many crazy fans will maliciously smear and trample other brands, resulting in poor popularity of Shisanyu. Specific performance is that: Both Shisanyu and other Hanfu stores releases all gorgeous and embroidered Ming dynasty's Hanfu, but the color and embroidery are very different. However, some Shisanyu fans will forcefully claim that other stores plagiarize the Shisanyu's design. Even if the other stores' Hanfu was launched earlier, the same situation still be occurred. However, many customers who buy once in a while will not tolerate the poor quality for Shisanyu. Therefore, it is difficult for Shisanyu to attract some ordinary customers.

2.3. Some bad expression for Shisanyu stores

Although Shisanyu has a high sales volume on the e-commerce platform, customers think the store still have some problems.

1) Most customers think that the overall quality of the clothes is poor, and no quality inspection for this brand.

The most obvious manifestation is that some customers receive the same batch of clothes without any quality problems, but others have severe quality problems. For example, some customers receive large areas of embroidery defects or even some clothes are damaged, but other customers receive clothes without any quality problems. Even if no serious quality problems when the clothes are received, the clothes are not textured and will break after twice or three times wears. Sometimes, the size is not standard, usually the size is smaller than platform's description. Shisanyu do not pay more attention for texture selection. The most obvious is that many summer clothes are not breathable, too heavy, or the materials are too plastic and not wearable.

2) Shisanyu's Hanfu is almost no restoration styles, and the styles are exaggerated, even sometimes Shisanyu's clothes not Hanfu.

Shisanyu also likes to create shapes that do not exist in traditional Hanfu, and does not label it as "improved Hanfu". The most serious is that many so-called "Hanfu" in Shisanyu are very similar to Japanese kimonos. Even if the shape of the Hanfu is correct, the actual product is quite different from such products displayed in picture. The most severe is that displayed pictures which models wear the clothes, pictures in white background and the picture which photo by customers themselves are all different.

3) Delayed shipment and delivery without proactively notifying customers.

Shisanyu's shipment often delayed. For example, Shisanyu marked the shipment date on May 15th for some clothes, and most of time, the clothes will be shipment on or after May 20th. This situation has existed from 2019 to the present, and delay durations often half to one month. Shisanyu's first batch products rarely ship on time, even if the description of products is in stock, the delays of shipment still occur. Moreover, Shisanyu store shipment delays repeatedly. For example, the clothes

that were originally scheduled to be shipped on November 30 were delayed to December 30. Shisanyu don't provide any compensation until the customer complaint to Taobao official customer services. However, shipment delayed may be notified again on December 30. Moreover, in many cases, if the customer does not ask the customer service why they do not shipment on time, Shisanyu will never notify the customers.

4) Discount rate is lower. When Shisanyu releases some new product, they will provide relatively low discount rate: 15% off compared to 25 % off of most Hanfu stores when new products first launched. Generally, many Hanfu stores have VIP system, and the points can be exchanged for coupons with more discounts. However, Shisanyu rarely provide such coupons. Even in some promotions festivals such as *Double Eleven*, Shisanyu's discount rate only similar to other Hanfu stores' new products discounts rate.

5) Inflated prices and huge profits. Most Shisanyu's clothes do not use expensive materials, but the price is very high. For example, one Ming dynasty's Hanfu called "Blooming Flowers for a Period" does not use silk or other expensive fabrics, but the price is as high as 1,599 yuan for upper outer garment. At the same time, other similar style gorgeous Hanfu upper outer garment with some embroidery was about 799 yuan. Even if the price is about twice as expensive, some quality problems and delays for shipment in Shisanyu's "Blossoms with a Period" still occurred.

3. The management problem and results

3.1. Management problems

1) Severe delays problems for shipment, unable to correctly estimate the shipment time. The store doesn't know how to solve delay problems.

Shisanyu only write the earliest possible shipment date; and no notification when such situation occurred, provide less compensation and repeated delays. Besides that, Shisanyu breaks their promises. For example, the shipment is often delayed by at least half a month. Buyers will not notify the delay for shipment. After receiving complaints from customers, they are only notified in the group chat on Taobao and rarely sent text messages for customers. Although Shisanyu had a compensation plan called One Million Compensation*, the program stopped after compensate for 130 thousand yuan.

*One Million Compensation Program means that Shisan Yu provide one million to pay the whole price to customers who face the problem for shipment delays. Customers will get whole price for clothes and clothes even if one day delays for shipment.

Shisanyu's marketing strategy only focuses on improving brand awareness, which leads to the low enthusiasm of many non-fan target customers to buy their products. For example, Shisanyu will push many advertisements on Weibo especially for new products released. 80% of the advertisements in Weibo platform which related to Hanfu are Shisanyu. Some data see Fig.4.

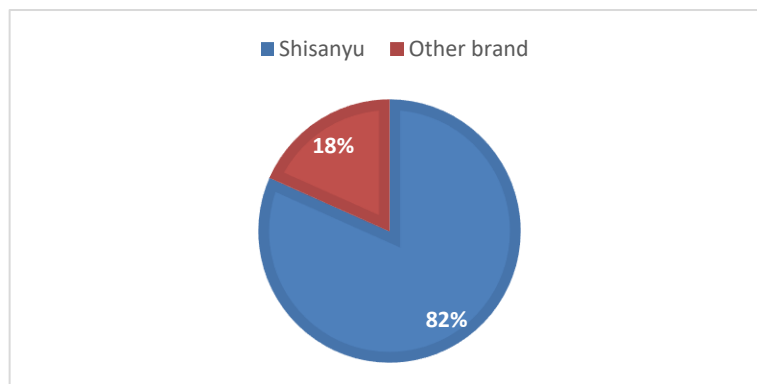


Figure 4: Weibo Ads which related to Hanfu distribution

Figure 4's data collected from March 5, 2023 to May 5, 2023. Only counts Weibo advertisement which are related to Hanfu. There 325 times for Shisanyu and 73 times for other brands. Before launching new products, Shisanyu will mainly advertise new products that are about to be launched.

Most customers have the impression of Shisanyu as an Internet Celebrity store, which is popular and with poor quality for clothes. Purchase intentions of non-fans for Shisanyu are not high.

3)The positioning of the store itself is not accurate. Shisanyu's target customers are Photograph lovers [5].

These customer will buy frequently, but such customers are price sensitive and have a low budget. Shisanyu tried to expand the scope of target customers in 2020, and the target customer is professionals who like high-quality customized Hanfu [5]. However, this expansion made the brand impression of Shisanyu worse. At the beginning of 2020, Shisanyu launched wedding Hanfu. However, Shisanyu's wedding Hanfu is not gorgeous and dignified, which is not suitable for banquets and wedding. Many customers who have same budget will choose to customize. Due to the inherent impression of Shisanyu as Intent Celebrity Stores, many customers have a negative attitude towards Shisanyu's decision to launch wedding Hanfu. Even if many customers are willing to use Shisanyu's wedding Hanfu for taking pictures, they will resell such clothes on second-hand platforms after using, or rent clothes directly on online platforms.

4)The marketing strategy is wrong in special times. After the epidemic, many Hanfu stores on Taobao have discounted sales on popular styles to attract potential customers. However, Shisanyu not only don't provide discounts, but has also increased price and the design is not improved. Around Mar. 2020, the overall inflated price for Shisanyu's new Hanfu is about 20%.

5)Shisanyu's clothing production is outsourced to different factories, and the result is that the quality of each batch of products is different due to differences.

For example, a customer buys a set of Hanfu, which has top, suspenders, and skirt. It is very likely that these three clothing will be sent to the receiving place by three packages at different times and different places. Due to outsourcing to different factories, same style of Hanfu will have different color in different batches.

6)Poor after-sales service. Although Shisanyu claims that they provide seven-days returns and replacement policy, some problems for after-sales' services still occurred. For replacement, it is very likely that the original replacement will be sent back directly without replacement for customers. A customer put a piece of paper with notes written by herself in clothes packing bag, but when she received the new package, she finds that the clothes were the old one. This kind of situation happens repeatedly. Shisanyu never thinks how to solve problems which they faced in after-sales services process. For example, when deadline of shipment dates is coming, the customer services agent claims that the products will be shipped to customers on time. However, most of time, delays for shipment will be occurred. Shisanyu didn't provide any solutions for delayed shipment. At first, Shisanyu didn't notify customers for shipment delays until some customers compliant for shipment delays. In many cases, Shisanyu will talk to customers what kinds of problems they faced and try to elicit sympathy from customers. Besides that, Shisanyu's explanation for shipment delays is feigned. For example, around the beginning of July 2021, some buyers did not receive the clothes that originally scheduled on May 30. At that time, when flood disasters occurred frequently, the warehouse happened to be in the flood disaster area. Shisanyu reply to customer that the goods could not be shipped due to floods. However, some buyers who purchased items shipped on May 30 received their products in mid-June.

7)The point and rewards are very stingy. As early as 2019, customers can become highest VIP in most Hanfu stores can become a cumulative consumption of 3,500 to 4,000 yuan. However, Shisanyu needs to spend almost 30,000 yuan to reach this membership level. In addition, VIP points of many Hanfu stores are one yuan for one point, but for Shisanyu, one yuan is 0.2 points. Although Shisanyu often has some lottery activities on the Taobao Stores' first page, some customers will not get the

reward even if the system shows that the customer has won a prize. For example, when a buyer got prizes for free set of Hanfu, Shisanyu's customer services agents directly denied that she got the prizes until the customers provided evidence about the lottery process. Shisanyu will not provide some free gifts which most Hanfu stores will provide it directly for customers unless in some promotion festivals such as *double 11*.

8) Don't know how to maintain the relationship with old customers. Gifts which provide to old customers are too stingy and the shipment speed is extremely slow. Generally, small gifts such as albums and playing cards, Hanfu brand stores will randomly gift them to along with the order, or randomly send such gifts to some highest-level VIP members. However, Shisan Yu almost gift these small gifts directly.

9) To many co-branded styles Hanfu. Starting from 2021, Shisanyu have launched too many co-branded styles with some TV series or some museums. However, the price is inflated and styles are controversial. The most controversial is that the co-branded styles for some TV series are not traditional Hanfu. Besides that, some Costumes for TV series are customized. However, when these costumes made by some factories and not customized, materials and details are not as exquisite as custom-made ones. The TV shows' costumes are only suitable in TV series, not for everyday wear. Shisanyu labeled costumes to "Hanfu" will make some customers who like Hanfu dissatisfied. If Shisanyu labelled such clothes for "Chinese Element clothes" or "Improved Hanfu", the controversy will be decreased. The most important is that Shisanyu's co-branded Hanfu will not be improved and change the pattern and styles for original costumes.

3.2. Consequences

1) The number of Weibo followers of Internet celebrity has decreased. Many customers buy Shisanyu's Hanfu because they like the Internet Celebrity who opened the store. However, when some problems occurred, many people unfollowed the internet celebrity's Weibo immediately, as shown in Fig.5.

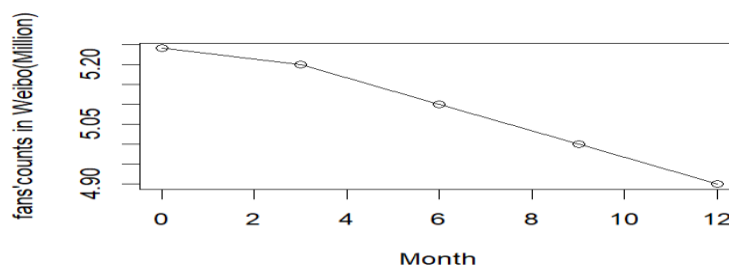


Figure 5: Changes in Weibo followers.

The time in the picture is calculated from the time when the Internet celebrity Weibo has the most fans. Since the occurrence of large-scale delays and other problems, the change of Weibo fans will be about July 2021.

2) The brand image deteriorates. Due to the inherent characteristics of Internet Celebrity Stores, the original brand image of Shisanyu was mediocre. However, successive problems lead to a worse brand impression.

3) Loss of loyal customers. Many customers with high loyalty are people who paid attention to the store and buy the products when it first opened. However, due to repeated disappointments, many early customers gave up and chose other stores instead.

4) Disrupt the Hanfu market [6]. Due to insufficient supervision, the quality of Hanfu is mixed. Shisanyu's conducts which ignore the quality and customers relationship will lead other small Hanfu stores imitate.

4. The reason of Shisanyu is still popular

Although Shisanyu has many management problems and bad impressions, the sale volumes of Shisanyu Hanfu are still high. This part will analyze the reasons why Shisanyu is so popular.

4.1. Internet celebrities have their own traffic, and many people follow

In general, Internet Celebrity stores have higher sales volumes, because Internet celebrities have many fans in different platforms. Therefore, Internet celebrities bring their own traffic, which increases the exposure of the Hanfu in the store. In addition, the pictures in Internet Celebrity stores will use a relatively large filter to let potential customers think the quality is excellent, but the actual product is quite different. Many customers will buy products from Internet Celebrity stores because of herd mentality.

4.2. Some consumers are irrational and have a high psychological premium

For customers who buying TV series co-branded Hanfu, most of such customers are crazy fans for these TV series or some celebrities. Many fans of Internet celebrities and celebrities have irrational love for the objects they admire. Therefore, they have a high degree of tolerance for poor quality of related products. Besides that, such customers are more willing to pay more money for co-branded products. At the same time, many co-branded products of film and television dramas are time-sensitive. If customers miss such products, they may not be able to buy these products later. Therefore, many fans choose to accept poor-quality products in order not to miss their favorite products. For example, a fan bought all Changyue Jinming's co-branded Hanfu because she admires the actor for this TV series. Because fans of film and television series are time-sensitive and restrictive in purchasing TV series peripheral products, many fans have a high psychological premium for products price and a high tolerance for product poor quality. The most important is that this customer group generally has no repeat customers. Even if the shopping experience makes the customer dissatisfied, this group of customers will have little impact on future transactions..

4.3. The design is special, the styles are exaggerated but highly recognizable

In the early Hanfu market, the patterns of Hanfu in many stores were not good-looking and the styles were simple without embroidery, or they were the restoration models' Hanfu in high-quality customize stores. All these styles cannot meet the needs for some target customers. Although Shisan Yu's designs are exaggerated and many styles may not conform to the traditional aesthetics of traditional Hanfu, its design is recognizable. Some customers favorite this kind of styles.

4.4. Catching up with the trend of the times of Hanfu revival

Shisan Yu opened its store in 2017, earlier than when the Hanfu industry was booming. Because Hanfu was a niche clothing at that time, and Hanfu stores' inventories were low, most of the stores have problems for shipment delayed. In this situation, Shisanyu's shipment delayed is not obvious. Due to the relatively early opening of the store and the relatively recognizable design, many target customer groups have had a profound impression on Shisanyu. In the early days, the market for Hanfu was not big, and there were not many choices and the quality for Hanfu was average. Shisanyu's

advantage is its design. Moreover, at that time, many stores with recognizable designs did not provide seven-day return service. However, Shisanyu provided this service.

5. Conclusion

The derivative stores under the Internet Celebrity economy mainly rely on the Internet celebrities' fans or the such stores' fans, and there are fewer ordinary customers. Such stores are not easy to gain some "non-fans" customers. If this situation is to be avoided, this type of company needs to make the following improvements.

1)Marketing should focus on strategy rather than advertising. Advertising is a major and important part of marketing, however too much advertising can only increase brand awareness and not increase actual profits. Too much advertising without focusing on the product itself will make the target customer more dissatisfied.

2)Positioning and repositioning for the store. For example, many customers in the Internet Celebrity Hanfu Stores are photographer lover. To target this kind of customers, the price should not be too high. It is feasible to target different segments' customers. However, the marketing research for such customers is necessary. Different customers have different needs, and it is not enough for only unique design to attract customers. If the stores are willing to target the Professionals, stores need more academic knowledge for Hanfu. The most important is that such customers do not have same requirements compared with Photograph lovers.

3)Need to pay attention to quality and quality inspection should be provided. Even if products are outsourced, after receiving such products from the factory, staffs can conduct quality inspection in stores' own warehouse to reduce the return rate and negative reviews.

4)The expect shipment date should not write the earliest but write the latest. If delays for shipment cannot avoid, the best way is to admit the mistake and provide some compensation.

5)When encountering delays, tell the truth directly to customers and don't try to gain sympathy. The reason why stores delay shipments is not customers' faults.

6)Pay attention to customer relationship management. Although it is difficult to attract some customers who are not internet celebrities' fans, but these fans have high loyalty. For these customers, stores should provide good after-sales services and good reward for VIP systems. These customers will be annoyed for poor quality.

7)Don't frequently launched the TV series' co-branded Hanfu. Although fans of film and TV series have a higher psychological premium and are willing to spend more money, ancient costumes of film and TV series are different with traditional Hanfu. The best way to avoid controversy is write "Chinese style clothing" or "Improved Hanfu" for TV series' co-branded clothing.

8)For the improved Hanfu, stores can design some styles that are convenient for put on and take off, but stores must indicate the improvement in product description. Design department's employees need train for academic Hanfu knowledge, don't try to replace Hanfu with Japanese kimono.

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