

Research on Holiland's Word-of-mouth Marketing Strategy Based on 5T Theory

Zeqi Weng^{1,a,*}

¹*Fujian Normal University, Fuzhou, Fujian, 350000, China*

a. 139050758@qq.com

**corresponding author*

Abstract: In recent years, driven by the trend of baked food as the main meal and capital investment, the baking market has continued to expand with frequent clashes between old and new brands, therefore, both opportunities and challenges coexist. Established in 1992, Chinese baking brand Holiland quickly seized the market through a series of comprehensive and efficient marketing strategies, escaped from the "midlife crisis", and became a top domestic baking brand. Its marketing model is worth exploring. Based on the 5T theory of word-of-mouth marketing proposed by American marketing master Andy Senoviez, this paper analyzes Holiland's marketing strategies from five aspects: talkers, topics, tools, taking part, and tracking. Through analysis, it is concluded that Holiland has a good reputation because it can arouse the identity of the Generation Z (Gen Z) consumer group and it is good at creating hot topics. Furthermore, it constructs media matrix promotion, pays attention to interactive management, and tracks customer feedback on a regular basis.

Keywords: Holiland, bakery brand, word-of-mouth marketing, 5T theory

1. Introduction

With the development of the material economy and the improvement of residents' income level, people's demand for food has changed from the stage of filling the belly to the stage of refined diets. In addition, with the fusion of Chinese and Western food cultures, baked food such as bread has gradually become a choice for "breakfast" or the "main meal". Consumption scenarios are more diversified and the market scale is growing rapidly. According to iMedia consulting data, the market size of China's baking industry in 2021 exceeded 280 billion yuan, and it is expected that the market size of China's baking industry will reach 306.99 billion yuan in 2023. In view of this, more and more capital is aware of the market potential of the baking industry, which has spawned a large number of emerging baking brands. On the one hand, it has promoted the diversified and prosperous development trend of the industry. On the other hand, it also intensifies the incentive competition in the baking market. Under the competitive pattern of new and old confrontation, Holiland, as a veteran Chinese baking brand established for 30 years, still maintains its position as a leader in the baking industry and has been ranked first in the list of Chinese baking brands for many consecutive years. Based on the 5T theory, this paper analyzes the long-term word-of-mouth marketing strategy of the brand Holiland, providing strategic reference and inspiration for other brands in China's baking industry to break out of the competition and establish a good reputation.

2. An Overview of 5T Theory

American word of mouth marketing master Andy Sernovitz put forward the 5T model in his classic book "Word of Mouth Marketing: How Smart Companies Get People Talking" [1]. In the book, he summarized the process of word of mouth marketing into five aspects: talkers, topics, tools, take part, and tracking, providing a clear theoretical analysis framework for analyzing word of mouth marketing strategies [1]. Among the five aspects, "talkers" refer to people who are willing to discuss the product or service of the enterprise. They can be consumers of the product or people who are interested in the product. "Topics" refer to the creation of hot topics and the stimulation of the interest of the talkers so that they can discuss the products or services of the enterprise. "Tools" refer to the supply of the most convenient communication channel for the talkers so that the word of mouth information can be promoted more efficiently. "Taking part" means that it is necessary for enterprises to take the initiative to participate in the discussion of the talkers, integrate into consumers, and timely understand consumers' thoughts [2]. "Tracking" refers to collecting and analyzing customer feedback and responding to feedback questions.

3. Holiland's Word-of-mouth Marketing Strategy Based on 5T Theory

Holiland was founded in Lanzhou in 1992 and then moved its headquarters to Beijing. It started with the production of novel-style art cakes and has developed into a large food franchise chain brand with fixed assets of hundreds of millions of yuan. Its core business consists of two parts. One is the bakery chain system, which mainly sells birthday cakes, bread, pastry, and other products. At present, it has nearly 1,000 directly-operated chain stores in more than 80 large and medium-sized cities in China and has established a huge chain operation system. The other is the packaging food manufacturing system, which mainly sells branded mooncakes and other packaged food. Holiland has invested in and established a first-class large-scale modern food industrial park in Beijing, Tianjin, and Shenyang, respectively, in accordance with the GMP standards of the international pharmaceutical industry. Each industry park includes a large-scale modern aseptic food factory. Through high investment in technology and production facilities and equipment, quality problems are strictly eliminated and the production of marketable high-quality products is ensured [3]. As an old domestic baking brand, the excellent performance of Holiland in the fierce market competition is inseparable from its successful word-of-mouth marketing. With the help of 5T theory, this paper makes an in-depth analysis of Holiland's word-of-mouth marketing strategy.

3.1. Talkers: Cultivation of the Target Market and Gen Z Talkers

Having a large audience is the starting point for word-of-mouth marketing. The 5T theory holds that enterprises should first target specific consumer groups according to the segmented target market, and then select targeted objects, namely talkers, as the initial infected people and spreaders of the viral spread of the topic [4]. According to the user portraits of Holiland Weibo followers monitored by Meihua data, from the age level, the majority of Holiland Weibo followers are 19-24 years old; In terms of gender, male users account for 26.9%, while female users account for 73.1%. It can be seen that the female "Gen Z" group is the main target consumer group of Holiland. Since they prefer self-pleasing consumption and social consumption, Holiland has designed products that pay equal attention to appearance level and quality, thus cultivating a large number of active talkers.

Firstly, self-pleasing consumption specifically refers to Gen Z's enthusiasm for paying for the appearance level economy, paying attention to the sense of experience and ritual, and pursuing both material and spiritual satisfaction. In recent years, Holiland has successively launched new products with novel styles and beautiful appearances, such as small chicken, Hokkaido cake, and magic wand, which rapidly meet the mental needs of young consumers and expand the brand's popularity. Among

all the products, the "Black Swan" cake with great artistic appreciation value is representative and won the name "Hermes in the cake industry". In addition, Holiland conducts strict training for new employees in the aspects of speech, dress code, professional skills, and so on, so as to establish a beautiful, warm, and sincere service image. The posts about Holiland's tall and handsome deliverymen have also gone viral online, sparking a wave of discussion on social media platforms.

Secondly, social consumption is mainly reflected in the sharing and altruism of Gen Z's consumer culture. Because Gen Z consumers have a similar class situation, similar access to resources, similar shopping experience, and similar age level, they are willing to provide consumption resources and information to others without any profit-driven purposes, so as to win mutual profit returns of information, resources, emotions, and values during the exchange and strengthen the personal relationship status and self-organization identity psychology [5]. At the same time, as the first generation of digital natives, Gen Z grew up in the era of rapid development and evolution of the Internet and they have a strong desire to share online. Their willingness to share good things or fun experiences online influences the spending decisions of online friends and people around them, thus unintentionally contributing to the growth of UGC content for brands. Through frequent development of co-branded products with animation IP and fashion culture, Holiland constantly attracts new consumers from different cultures, arouses consumers' identity, triggers their social communication, and participates in the public opinion of Holiland products.

3.2. Topics: Creation of Hot Topics Under Crossover Collaborations

Crossover collaboration is a hot topic maker of Holiland. Through the strong alliance between time-honored brands and other brands, the commonality and the best positioning of both sides can be found and the degree of correlation can be improved. The most important purpose is to increase the topic's popularity through crossover collaborations and arouse users' attention, spontaneous discussion, and communication with innovation, nostalgia, and other factors. This can not only increase the loyalty of existing fans, but also attract potential target users, thereby converting consumers of the other brands into its own consumers, so as to achieve a win-win situation for both partners [6]. Based on this, Holiland continues to deeply bind and cooperate with high-value IP to innovate the product taste and shape, and to seize people's feelings and trust for well-known IP to drive sales, thus triggering topic discussion. The most popular case of the crossover collaboration between Holiland and Harry Potter can be taken as an example. Harry Potter is a traffic IP with a large and loyal fan base. Holiland launched two joint products on Harry Potter's 42nd birthday. It carefully selected the classic scenes in the Harry Potter movies, organically integrated the core of the top IP with the carving of the appearance design, and finely reproduced the "Hagrid's Cake", which caused the majority of Harry Potter fans to scramble to buy. Social media platforms have been flooded with the sharing of "Hogwarts gifts". In addition, "Hagrid's Cake" also adopts a similar means of hunger marketing and is only sold in offline stores, which arouses the envy of consumers in some cities without offline stores and further enhances the popularity of the topic. Through this joint marketing, the Baidu search index of Holiland increased by 140% on September 20, 2022 compared to the previous day, and the popularity continues to this day. Through the use of hot topics, the word of mouth information is spread faster and wider, providing a guarantee for Holiland's word of mouth marketing.

3.3. Tools: Establishment of New Media Matrix for Efficient Promotion

Compared with TV and other media with similar multimedia functions, the interactive function of new media makes it more interactive. Through the embedding of artificial intelligence and other technologies, the audience can better feel the convenience brought by multimedia for information transmission in new media [7]. Therefore, new media has become a powerful tool for word-of-mouth

information dissemination. By November 2022, it has attracted 107,000 fans on RedBook, 139,000 fans on TikTok, and 1,517,000 fans on Weibo. It can be seen that Holiland attaches great importance to the construction of fans on new media platforms. Not only that, but the creation of an all-media platform matrix also needs to carry out the refinement of functions, according to the communication characteristics of different platforms, to create different marketing models [8]. Holiland makes different marketing plans on different social media platforms according to the platform attributes. TikTok is the main platform for live-streaming marketing. Holiland carried out its boss Luo Cheng's IP marketing on TikTok to create traffic data for the brand. By releasing interesting short videos with the office as the scene, Luo Cheng's image of an introverted boss and a cake craftsman has been marketed and this helps him accumulate a large number of fans on TikTok. At present, Luo Cheng's TikTok account has more than 2,145,000 followers and the video has been liked 15.428 million times, which makes him a top Internet celebrity. This not only increases customer stickiness but also provides good traffic in reverse. As a lifestyle-sharing platform, RedBook is a key marketing platform with young women as its main audience. With the help of KOL celebrity effect and KOC circle communication, Holiland brand packaging is done on the RedBook platform. This improves consumers' familiarity with the brand and increases consumers' trust in the brand, so as to influence consumer decisions and promote the purchase. Weibo is a platform to promote the heat of public opinion. Through super topics and new product promotion in the official account with the lucky draw of "like", "forward", and "comment", the popularity of topics is increased, more brand followers and discussants are attracted, and the speed of consumers in understanding the product information is accelerated.

3.4. Taking Part: Emotional Connection Enhancement Through Interaction Management

Research shows that "customer engagement has a positive effect on the perceived value of emotions, which in turn positively affects customer loyalty. Under the background of retail industry upgrading, the three dimensions of customer participation (preliminary preparation, information sharing, and interpersonal interaction) will affect the emotional perception value of customers, among which interpersonal interaction has the greatest impact [9]". In other words, increasing customer engagement helps increase the emotional connection between customers and the brand, which in turn strengthens customer loyalty. For example, during this year's Halloween, Holiland launched a PK campaign on Weibo, encouraging customers to share original photos of themselves being dressed up with the Holiland Halloween series pastry products and participate in the topic to win a 100 yuan purchasing card. Such interesting interactions can not only enhance customer satisfaction but also act as free publicity for the brand to a certain extent, stimulating the purchase interest of potential customers.

"Holiland's offline stores are mainly spacious and bright, and the design style integrates popular IP characters and animations, which is close to social trends and in line with the consumption preferences of young consumer groups. Moreover, most of Holiland's stores are located in large commercial districts or around residential buildings and office buildings with a large number of people [10]. For example, Shanghai Metro City Pink theme store, Shanghai Hongqiao Tiandi LAB theme store, Chengdu Kuanzhai Alley 1992 theme store, etc. These visually youthful and decorated stores are internet-famous, attracting a large number of young consumers to visit the store to take photos. Holiland takes full advantage of its location and unique store decoration to increase customer arrival and engagement. Moreover, through offline store check-in, store staff can understand customers' real evaluation of product packaging design and taste experience through face-to-face communication, thereby further narrowing the distance between the brand and consumers as well as improving consumers' evaluation of brand products and services. In addition, Holiland also carried out pop-up activities in cities where there are no directly operated chain stores, which not only filled the needs of consumers in cities without Holiland stores, but also deepened the emotional connection

between these consumers and Holiland. It has, enhanced customer stickiness, cultivated more loyal customers, and helped maintain brand reputation.

3.5. Tracking: Customer Feedback Collection and New Products Launching

The final part of word-of-mouth marketing is tracking. After the empirical analysis of scholars, it is concluded that "the customer loyalty of the youth group is affected by customer satisfaction and it has a positive and significant impact. Customer satisfaction and customer trust have a greater positive impact on customer loyalty after coupling interaction [11]. Holiland pays attention to the customer's shopping experience and responds to customer feedback on social media about product quality and logistics. Due to the impact of COVID-19, logistic companies in some areas can only delay delivery. Holiland appeases its customers by attaching thank you cards and hit products. This thoughtful consideration and sincere after-sales service have won customers' trust, increased their satisfaction, and enhanced their loyalty. In addition, Holiland is sensitive to market information and adjusts its products quickly. According to the statistics released by the official Weibo account of Holiland, Holiland has released a total of 40 series of products since 2021, and 5 series of new products were released in July 2022 alone. It accelerates the release of new products, incorporates the potential needs of users identified in feedback information into the product delivery process, and continuously meets new consumers' needs, thereby stabilizing and supporting the spread and development of good word of mouth.

4. Conclusion

Based on the 5T theory, this paper makes an in-depth analysis of Holiland's word-of-mouth marketing strategy and summarizes the following five conclusions on marketing for reference: first, there is a need to deeply cultivate the target market and take Gen Z as the talkers. Second, hot topics can be created through crossover collaborations. Thirdly, a new media matrix should be constructed to improve promotion efficiency. Fourthly, it is essential to pay attention to interactive management and enhance the emotional connection between the brand and customers. Finally, companies are supposed to collect and analyze customer feedback information and launch new products according to their potential demands.

References

- [1] Sernovitz, A.: *Word of Mouth Marketing: How Smart Companies Get People Talking* (2006).
- [2] Huang, Z., Li, Y.Y., Fu, T.Y.: *Research on marketing strategy of Holly products. International Public Relations* (13), 115-117 (2022). doi:10.16645/j.cnki.cn11-5281/c.2022.13.070.
- [3] Ren, S.Y., Xin, X.Y.: *Analysis of word-of-mouth marketing strategy of Internet celebrity products based on 5T theory: Taking "Vitality Forest" as an example. Modern Marketing (Late Edition)* (06), 67-69 (2022). doi:10.19932/j.cnki.22-1256/F.2022.06.067.
- [4] Jia, Z., Wei, Z.R.: *Analysis of the mechanism of customer participation affecting customer loyalty from the perspective of perceived value. Journal of Business Economics* (08), 73-77 (2022).
- [5] Su, B.W., Zhao, S.P., Hu, Q.L.: *The Effect of Customer Satisfaction on Customer Loyalty in Food and Beverage Delivery: Taking Customer Trust as a Moderating Variable. Journal of Anqing Normal University (Social Science Edition)* (01), 43-49 (2022). doi:10.13757/j.cnki.cn34-1329/c.2022.01.007.
- [6] Ao, C.B.: *The diverse characteristics, practical causes and subcultural significance of Generation Z consumption philosophy. Chinese Youth Studies* (06), 100-106 (2021). doi:10.19633/j.cnki.11-2579/d.2021.0092.
- [7] Chen, Y.: *Word-of-mouth marketing research based on 5T theory: A case study of Nintendo brand. Research on Communicable Capacity* (20), 125-126 (2020).
- [8] Li, X.Y.: *Cross-border marketing of time-honored brands. Value Engineering* (09), 66-69 (2020). doi:10.14018/j.cnki.cn13-1085/n.2020.09.029.
- [9] He, J.P.: *Analysis of word-of-mouth marketing strategy of domestic movies based on 5T theory: Taking "Nezha: The Devil Child Descends" as an example. China Film Market* (10), 21-25 (2019).

- [10] Wang, Y., Zhang, A.P., Zhang, R.C.: *Discussion on the marketing model of Holly in Shenyang. Business Culture* (11), 23-24 (2018).
- [11] Ding, M.Q.: *Research on the characteristics of new media communication from the perspective of 5W theory in communication. Today Media* (03), 32-34 (2015).