

# MICRO-INFLUENCERS, KOCS AND PRIVATE POOLS

THE HOLY GRAIL OF CHINA MARKETING IN 2020



# MICRO-INFLUENCERS, KOCS AND PRIVATE POOLS

# THE HOLY GRAIL OF CHINA MARKETING IN 2020

by Ashley Galina Dudarenok Folke Engholm

#### 2 MICRO-INFLUENCERS, KOCS AND PRIVATE POOLS

Ashley Galina Dudarenok is the founder of Alarice and ChoZan.

Alarice - your China digital marketing agency

#### Experts in China digital marketing strategy and execution.

If you want to know the best approach before diving into the competitive, dynamic, Chinese digital market, we can help with a detailed, well-researched strategy. We can then put that strategy into action to:

- · boost your chances of business success in China
- communicate effectively with your brand's clearly identified target customers
- · focus on the right marketing channels
- avoid common mistakes made by foreign brands in China
- build brand recognition, enhance brand awareness, strengthen your brand image and boost interactions
- · localize messages and visuals
- establish goal-specific social marketing campaigns
- arrange fruitful KOL collaborations

You can also use the strategy as a guide for your in-house team. Learn more at www.alarice.com.hk.

ChoZan - your business school for digital China.

Custom-made corporate training, tailored consultations, expert calls and video masterclasses to help you advance your marketing career. Learn more at www.chozan.co.

Folke Engholm is the founder of Viral Access.

He has assisted companies getting into the Chinese market since 1998. He finished his MBA at Beijing's Tsinghua University in 2004 and has been based in Shenzhen, China since 2006.

#### Viral Access

Viral Access was founded in 2015 and has grown into a leading full service social communication company with a focus on micro-KOL marketing. It's an AI-driven tech company with its own proprietary soft- ware that makes it possible to effectively work with micro-KOLs and KOCs at scale achieving awareness, engagement, and conversions.

Viral Access has offices in Shenzhen, Taipei, Kuala Lumpur and Hong Kong with a workforce of over 120 people. Learn more at www.viralaccess.asia.

# **Contents**

CONTENTS 3

Introduction	4
Chapter 1 Who Are KOLs, Micro-KOLs and KOCs?	6
Chapter 2 Why You Need to Work With Micro-influencers in China	18
Chapter 3 A Simple Guide to Key Opinion Consumers	29
Chapter 4 5 Predictions for How Micro-influencers Will Evolve in 2020	36
Chapter 5 How to Get Your Own Micro-KOLs and KOCs in 2020	44
Chapter 6 How to Get Results with KOC Collaborations	49
Chapter 7 What are Private Pools and Why Do You Need Them?	55
Chapter 8 5 Steps to Build Successful Private Pools in China	60
Chapter 9 8 Things Marketers Must Know About the Changing China of 2020	67
Conclusion	77
Resources	79

# Introduction

This book is about marketing, communica-L tion, branding in China and how to be smart about it. The game is the same. It's still about grabbing the right eyeballs but the playing field and your toolbox have changed dramatically.

In this book, we're going to take a deep look at some of today's most powerful communication partners - small key opinion leaders and key opinion consumers. That's micro-KOLs and KOCs for short. Once you understand who these influencers are and what they do, you'll be able to leverage their talents to elevate your marketing game. You'll also be able to create a significant splash without the high costs.

#### Why Should You Listen to Us?

In the past nine years, ChoZan and Alarice have worked with over 300 brands helping them tap into China. Since 2016, our signature Chinese social media masterclasses have been taught across Asia, Europe and the Middle East and we specialize in detailed digital marketing strategy plans for China that set brands on the path to success. Viral Access, with its network of over 12 million micro-KOLs, has assisted hundreds of companies to amplify their social communication and succeed in China and Southeast Asia. You're in safe hands.

To find out more about Viral Access's AI and data-driven micro-KOL and key opinion consumer (KOC) solutions, check them out at www.viralaccess.asia.

Alarice's China digital marketing research and strategy team gives you a thorough framework that will allow you to start on the right foot and grow your business in mainland China. We help you to establish goal-specific social marketing campaigns, develop fruitful collaborations with Chinese influencers (KOLs) and localize messages that will reach your target audience through Chinese social media. Get all the details about Alarice's social media marketing agency services at www.alarice.com.hk.

# Who Are KOLs, Micro-KOLs and KOCs?

Since the beginning of time, people have relied on good storytellers. Word of mouth has always been information's primary pathway and people with a gift for storytelling have always been able to capture audiences. Nothing is as powerful as a pep talk from the right person.

We're no longer sitting around campfires. We gather on social media platforms where every-body has a voice and those with the toughest hustle, the best content and winning stories gain the most attention and followers. And there are lots of people watching and looking for good

content. More than 3 billion people share things regularly in the hunt for recognition and China has more people online than any other country.

In China, the advancement of mobile tech, e-commerce, social media and China's highly integrated payment systems mean that people there rely on their mobile phones and make online purchases more than ever. According to research from China's National Bureau of Statistics, in 2019, online purchases of consumer products reached 8.5239 trillion RMB. That's 20.7% of the country's total market. The Covid-19 pandemic and measures to prevent its transmission pushed these trends even further.

People who've mastered the art of social communication can now communicate to a very large, attentive crowd. A rare few are able to attract more than 5,000 followers. This adds up to over tens of millions of people in total. These are the people we call influencers and key opinion leaders (KOL). In China, they're usually called KOLs.

#### **How Many Followers Do They Have?**

Defining micro-KOLs by their audience size can be tricky. Numbers differ depending on who you're talking to and how they define micro and

#### MICRO-INFLUENCERS. KOCS AND PRIVATE POOLS

nano. For us, the China sweet spot is around 27,000 followers on Weibo and someone whose articles on WeChat are read by several thousand readers. Those are the numbers of followers that would, on average, yield the highest ROI in terms of engagement.

But the easiest way to identify micro-KOLs is that they don't have an agent and aren't tied up to a company or platform. As soon as this starts to happen, they are already becoming "too commercial".

Weibo is the platform with the most micro-KOLs and also where most micro-KOL campaigns take place. Numbers are lower for WeChat because it's a more private, personal platform with a smaller reach whereas Weibo is a more public platform with a wider reach. It's like the difference between Facebook, where people connect with friends and family, and Twitter, where people broadcast to whoever is online.

The definition of a micro-KOL is also not only about followers. It's about understanding how their followers react to specific content. This content acts as a way to categorize an influencer and their audience, which is crucial when working with micro-KOLs on campaigns.

#### The Pros and Cons of Different Types of Influencers Now, with that out of the way, let's look at the

differences in the various types of influencers to illuminate how, when, and for what purposes they are best used in campaigns.

#### Celebrities

Brands have used celebrity endorsements as a central pillar of their marketing strategies for decades. Most celebrities come from the movie. sports, modelling or music industries and established their careers before joining social media. They have millions of followers and are wellknown outside of the digital world.

#### Pros:

- 1) Cooperating with a popular, well-liked celebrity can be a great way to spread awareness and generate sales.
- 2) Nothing brings glamour to a brand quite like a good celebrity endorsement.
- 3) Logistically speaking, it's also easier to work directly with one person and their team than with lots of different individuals.

#### Cons:

1) It's a risk to put all your eggs in one basket. If

there's a PR crisis involving the celebrity or they make contract demands that a brand can't fulfill. companies can be left high and dry. Just as financial advisors don't advise people to buy a single stock, a portfolio approach also minimizes risk and maximizes positive outcomes with influencers.

- 2) Being able to communicate in a targeted way is critical for any successful marketing campaign. Celebrities with their vast fan bases usually don't just have one specific audience group. This makes it challenging to communicate your message to the right people. Your communication could be directed at a lot of closed eyes and deaf ears.
- 3) There's a trust issue with celebrity endorsements. When a celebrity is connected with lots of brands or when large amounts of money are part of the equation, people question the credibility of any claims that are made. This kind of noise blocks messages from reaching end consumers intact.
- 4) There's a hefty price tag. Working with celebrities is expensive and you must be ready to pay a premium for a famous name and face. If the fit isn't right for your brand, it could be challenging

to see a positive return on that investment.

#### Key Opinion Leaders (KOLs), Influencers and Famous Bloggers

KOLs - usually called influencers in the West are online and social media stars. Because they became famous using social media and digital channels, they're not as recognized outside of those platforms.

KOLs are vloggers, e-sports professionals, singers, musicians, comedians, commentators, livestreamers, makeup artists, fashion lovers, travel enthusiasts, foodies, fitness instructors or anyone who's been able to master digital and social channels. They attract large fan bases ranging in size from hundreds of thousands to millions.

#### Pros:

- 1) KOLs also reach large numbers of people but when compared to celebrities, a KOL's fans are more interested in them as a personality or because they share the KOL's interests than is the case with a celebrity. This means they can reach specific target audiences more easily than celebrities.
- 2) Because they've carved out a niche and have fewer fans compared to celebrities, they have

higher engagement from their followers and communicate with them in a more direct way. This is why they're seen as more trustworthy, especially on topics related to their interests.

#### Cons:

- 1) Many KOLs also come with a hefty price tag, so making sure they're a good fit for your brand is crucial.
- 2) It may be hard finding enough high quality KOLs who communicate to your specific audience making it a challenge to scale.

#### Micro-KOLs

Most of us today know of a few micro-KOLs. They're usually just regular people who've managed to attract a small but dedicated following or people who post to their wide circle of friends. The fact that they are just like you and me is part of their recipe for success. People relate to them and also trust them. This gives their messages high impact.

#### Pros:

- 1) They have a close relationship with their fans which results in higher engagement.
- 2) They're seen as trustworthy and authentic.

- 3) Micro-KOLs are very diversified and can focus on very niche interests. This means you can be very targeted in your communication strategy using them as messengers. You need to have an always-on strategy, repeatedly reminding your end consumer of your existence. This makes you a top of mind brand when someone starts to plan a purchase and acts as a trigger just before making a purchasing decision. Micro-KOLs provide a pathway to the people most likely to be your end consumers.
- 4) They're way more affordable than KOLs and celebrities.

#### Cons:

- 1) If you want to make a big splash, you have to work with hundreds if not thousands for every campaign. That makes this approach very labour intensive.
- 2) It's time-consuming to find, assess, match, contact and manage these micro-KOLs.

#### **Key Opinion Consumers (KOCs)**

KOCs are a type of micro or nano-KOL. In China, KOCs come in two different flavours.

1) Sometimes called nano-influencers in the West, if you've ever made a purchase and then posted about it on a social media platform, you've been a KOC. In the hunt for authenticity and trustworthy sources of recommendations, brands and marketers are now turning toward you and me.

"But I don't have any followers," you think. "I only have 300 friends on my small personal account." That's still a lot of people, and if brands can mobilize lots of KOCs for one specific brand, the output can be potent.

2) KOCs can also be brand employees or micro-KOL partners who use their personal social media accounts to distribute coupons and discounts, handle complaints and returns and distribute information about new products, services or campaigns.

#### Pros:

- 1) Since KOCs are already brand fans and consumers, they're by far the most authentic voices and trustworthy brand ambassador you can have.
- 2) Their engagement ratios are very high. Think of one of your social media accounts. If you have 300 friends, you likely have posts that have gotten 30 likes and some comments. That puts

your engagement rate around the 10% mark. For celebrities, it's not uncommon to have an engagement rate as low as 0.4%. Although the total numbers are smaller, on a percentage basis, this makes you 25X better at engaging with your friends and the people who see your posts than a celebrity.

#### Cons:

- 1) The cons are the same challenges as for micro-KOLs but worse. Unless you work in partnership and appoint them to work for your brand in a fairly transparent way, as some businesses do in mainland China, finding and working with KOCs in an intentional way is very difficult. Accounts on third party platforms are required and it's almost impossible to find good KOCs without good technical tools and staff.
- 2) It requires a lot of KOCs to really scale up and big data solutions are needed if you want to have a significant impact.

#### Summary:

Type of Influencer	Pros	Cons
Celebrities Movie stars, TV stars, famous singers, famous athletes, prominent business people, very big internet stars, etc.	great way to spread awareness and generate sales brings glamousir     logistically easier to work directly with one person/team	risky to put all your eggs in one basket in case of PR crisis or other issues     challenging to communicate your message to the right people and a highly targeted audience     there are credibility issues     when a celebrity is connected with lots of brands and when large amounts of money are part of the equation     expensive and can be challenging to see a return on the investment

Type of Influencer	Pros	Cons
Key Opinion Leaders - KOLs Key opinion leaders, influencers and famous bioggers, Vloggers and online and social media stars such as: e-sports professionals, singers, musicians, comedians, commentators, livestreamers, make	can reach specific target audiences more easily than celebrities     they have higher engagement from their followers, communicate with them in a more direct way and are seen as more trustworthy	can also come with a hefty price tag so a good fit is crucial can be hard finding high quality KOLs who communicate to your specific audience

Type of Influencer	Pros	Cons
Micro-KOLs Regular people who've managed to attract a small but dedicated following or people who post to their wide circle of friends	have a close relationship with their fans and friends and high engagement.     seen as trustworthy and authentic.     very diversified, very niche and and can reach highly targeted audiences     much more affordable than KOLs and celebrities.	to have the desired effect means working with hundreds or thousands of micro-KOLs fo every campaign making it tect and labour intensive.     ime-consuming to find, assess match, contact and manage a large number of micro-KOLs.

Type of Influencer	Pros	Cons
Key Opinion Consumers - KOCs Regular people who post about products, services and brands OR Brand employees, partners or avatars who use their personal social media accounts to distribute coupons and discounts, distribute information or handle customer service issues	brand fans and consumers who are authentic and trustworthy small audelnoes but very high engagement rates	unless they are transparently employees or partners, finding and working with KOGs is very difficult without a third-party platform, technical tools and staff to assist     it requires a lot of KOGs and big data solutions to scale up and have a significant impact

As we can see, each category of influencer has its advantages and disadvantages and we've moved well beyond the days when a celebrity endorsement, available exclusively to those with

the biggest budgets, was the only option. We've also moved beyond the days when it was the best option. Even prominent KOLS, particularly in China where so many have their own brands and are building their own empires, aren't always a good option because for many brands they're essentially the competition.

Having said that, to use more affordable, more effective micro-KOLs and KOCs to maximum effect requires specialized tools and expertise. It needs to be done on a large scale and requires a partnership with marketing firms with the tech and know-how.

Viral Access doesn't merely provide a database of names. We use technology to enable targeted mass communication, improved engagement, a closer relationship with your customers and increased conversions, all in a cost effective manner. If you're interested in using micro-KOLs and KOCs for your brand please contact us at hello@viralaccess.asia

# CHAPTER 2

# Why You Need to Work With Micro-influencers in China

rarketing is as tricky as it's ever been. New technologies, social media platforms consistently adding new features, changes in consumer habits, new business models, fierce competition, ad-blocking software and greater pressure for instant results all add to the challenge.

Marketers need to step up their game and go from being talkers to listeners putting clients and their needs first. To do this, you need to be responsive and move away from old one-way communication models to two-way and multiway communication.

Moving from talker to listener and engager is essential because that's how you'll get attention and start to understand your customer.

Marketers and product developers tend to focus on technical details like quality, price, features and more. The problem with this approach is that humans are emotionally driven. Given two similar products or services, people will often choose the one they feel the strongest emotional bond with. Brands need to start conversations with their fans and customers if they want to build this bond and micro-KOLs can help them to do just that.

Uproar PR reported that 72% of consumers prefer content from micro social media influencers. with 68% making purchases based on their posts. In China, this number is even higher.

#### Social Media is at the Heart of China's Daily Life

Social media, especially WeChat and Weibo, play a huge role in daily life. In China, people can do everything from buying groceries and arranging for them to be delivered to paying their monthly bills through social media.

The coronavirus crisis in China put social media and e-commerce in an even more central position in everyone's life as people had to spend so much time indoors. Social media became their primary connection to friends, the best way to get necessities and a way to work with colleagues they couldn't see in person.

Everything in China is connected to social media and everything is social commerce in one way or another. This is where influencers and micro-KOLs live. You need to be there with them.

#### You Need to Make Your Marketing Money Count

Brands everywhere need to be smarter about how they use their marketing money. Some estimate that 30% or more of marketing budgets are wasted. That's time and effort that isn't yielding any tangible results. Spending money well and following a sound strategy are the cure.

If you look at it from a cost per thousand impressions (CPM) point of view, micro-KOLs hit a homerun. Here's a CPM comparison based on research by Viral Access:

Channels	Reach (views)	Price (USD)	CPM (USD)
TV ads	200,000	20,000	100
OOH*	500,000	20,000	40
Celebrity endorsements	10,000,000	300,000	30
Micro-KOLs	30,000	200	7
*out of home advertising: billboards	posters etc.		

With small influencers, like micro and nano-KOLs and KOCs, their small fan bases makes it less likely that they're hugely inflating their follower numbers by using bots and fake followers. KOLs that are in a rush to get recognition and bigger brand deals often pad their fan bases with shuijun (literally "water army", fake followers) and game the system in other ways. Navigating through this minefield of artificial numbers to find legitimate influencers requires experience and technical tools.

This is also why money spent on bloggers and livestreamers known for sales isn't always the wisest investment. Stories of consistent, huge retail figures can be misleading. Influencers often sign agreements guaranteeing brands a certain amount of sales. Their service fee often matches this amount. On top of this, they receive a commission of around 20% on all sales. This seems like a great deal for brands as they have guaranteed sales to big audiences and are introduced to lots of new customers.

What often happens in reality, however, is that bot accounts are used to create the "huge audience", the blogger's service fee is used to purchase the guaranteed sales amount and they later return a large portion of the purchases. The remaining products usually find their way to group buying or flash sales platforms. Unfortunately, these buyers aren't likely to make repeat purchases and in the end there are losses in terms of sales, brand image and labor and there's little exposure to real human customers.

We predict that China will soon move toward a cost per engagement (CPE) model and leave behind the CPM model, which only measures views and can be easily manipulated.

Brands also have to keep in mind that the costs for advertising and customer acquisition on China's social media and digital platforms are high. They're so high that even big international brands with deep pockets use KOLs and private pools in China.

Your Brand, Reputation and Quality Are Your

#### **Calling Cards**

Competing on price is impossible. In China, someone can always produce a similar product and sell it for less. Branding, quality and reputation are everything. A long-term, sustainable strategy in China has branding, quality and reliability at its centre. The best way to make your brand known in China is through social media and collaborations with influencers who have a bond of trust with their audiences.

#### **KOLs and Micro-KOLs Are a Direct Line to Your Target Audience**

Micro-KOLs are creative resources. Collaborate with them to come up with promotional concepts. Few people know the industry as well as they do and nobody knows better what will engage customers and fans.

KOLs and micro-KOLs with real influence in China gain fans and followers because of their expertise, knowledge, skills, personality and content. There's a shared interest that has brought their fans and followers on board. Cooking, fitness, being a parent, pet care, comedic musings on daily life, smartphones, organic food, sneakers, anime, beauty, fashion and cars are just some examples of the kinds of content that KOLs have created followings and communities around. Some micro-KOLs have built their small. dedicated followings around even more niche subtopics.

This means that no matter what your product or service is, there's an audience out there for it and there are influencers who are in touch with that audience. With the amount of spam and constant ads, these KOLs can help your brand cut through the noise and reach your audience.

With advances in big data and AI and some social media marketing know-how, finding and selecting influencers who have the right audiences for you is achievable.

#### **Key Performance Indicators (KPIs) are Easier to** Measure

If you buy billboards or online ads, it's hard to know if they're reaching the right people and if there's any tangible result from people seeing those ads. With micro-KOLs and private pools however, it's much clearer who's seeing your promotional content, learning about your brand and it's very easy to gauge reactions.

If these influencers distribute discount codes, brands can easily track them or even implement an affiliate program with high performing influencers who act as sales ambassadors.

#### You Can Do Product and Market Testing

Micro-KOLs can collect instant data about products that you're planning to launch. Size, fit, colour and price are just some of the features that you can get a better understanding of by asking micro-KOLs and their followers.

Once the product is real, giving fan communities a sneak peek and giving micro-KOLs early versions of products to use on a trial basis in return for feedback can ensure that you don't release something that isn't up to standard.

#### **Case Study**

#### **Daniel Wellington**

In 2011, a small Swedish watch brand called Daniel Wellington was launched. There wasn't anything exceptional about their watches which were plain with white dials in two sizes with ten leather and nylon straps in different colours. The watches, which had the same quartz movements as most of the watches in the low-end space, were never said to have superior quality to watches in the low-end space. However, they wanted to price it as a midlevel, "preppy" brand for fashion-oriented people.

One of the brand's central business philosophies was to put full focus on its e-commerce platform. There they could control the content and have the best margins. The rest would follow, they thought.

The second pillar was to reject all traditional marketing channels and only communicate with the public through social media and influencers. They felt they would get the fastest and highest ROI this way.

The owner, Filip Tysander, reached out and a full entry strategy for Daniel Wellington in China and Southeast Asia was designed.

At the time, no one thought it was possible for a foreign brand to enter China without working with a huge local third party like Tmall, JD.com or VIP.com. It was thought that Chinese consumers would never buy directly from a foreign website and traffic was also seen as a huge hurdle. But the brand didn't back down and proceeded with a full focus on social media communication and influencer marketing, directing all the attention to its website.

With Viral Access's help, twelve months and 14,000 micro-KOLs later, Daniel Wellington had

# made a big splash. It created a buzz few other brands could match. Measuring the brand awareness of Swedish brands, it was more recog-

nized than IKEA, H&M, Ericsson and Volvo.

After laying the groundwork, it became the fastest growing accessory brand in China and one of the bestselling watch brands in the industry. It's still popular in China today. The same strategy and results were later achieved in the rest of southeast Asia and Japan. In 2017, Daniel Wellington sold twice as many watches as Rolex.

#### The takeaways are:

- Working with micro-KOLs effectively means working with them at scale.
- Lay the groundwork first and the rest will follow.
- Place branding at the centre and focus on your e-commerce platform.

For any brand that wants to be part of the next evolution of digital marketing in China, micro-KOLs and KOCs are crucial. The costs of traditional digital marketing are increasing and ways of doing business are also changing. Customers and fans are no longer passive viewers and buyers of products. They're increasingly co-creators and promoters of products. Brands

#### MICRO-INFLUENCERS, KOCS AND PRIVATE POOLS

that ignore these trends will have to suffer the consequences.

China market research and strategy guidance from Alarice will provide you with a healthy framework to start and grow your business in mainland China. Whether you're considering entering the China market or already have an established presence there, we'll give you valuable insights and intelligence about your market potential, competitive benchmarking, as well as the potential risks. Contact us at enquiry@alarice.com.hk to schedule a consultation.

#### CHAPTER 3

# A Simple Guide to Key Opinion **Consumers**

ey opinion consumers (KOCs) in China are A hot topic among marketers. Consumers are keen to make good investments and spend their money wisely so they make decisions based on recommendations and reviews from those who've already made similar purchases. This is especially so in China. People search for reviews from customers and reliable influencers. They're looking for content that's truly authentic and not commercially influenced. They're also looking for discounts, promotions, new products and excellent, fast customer service.

This is why KOCs play an important role in Chinese social media and e-commerce and also why they come in 2 different varieties. Some KOCs are people who've made a purchase and then posted about it on social media while others are brand employees or KOL partners who use social media accounts to perform customer service tasks for a brand. They distribute coupons, post information about new products, services or campaigns and some even handle complaints and product returns for brands.

The ones we discuss in this chapter are genuine brand fans who've made purchases and posted about them. You'll find KOCs on most of the major platforms like WeChat, Xiaohongshu, Taobao and others.

#### **Filtering Out Fakes**

As influencer marketing has grown in popularity, more and more people want to become influencers and competition for brand collaborations has grown increasingly fierce. One source has estimated that as many as 40% of all active social media accounts in China are fake. Just like in the West, in order to increase their earning potential and keep up with the competition, many influencers have turned to purchasing fake traffic to boost their follower count or engagement numbers.

Obviously, this offers little value for brands. It's as useful as speaking to an auditorium with 10,000 seats filled by cardboard cutouts. So what are some signs of fake accounts?

#### **Fake Influencers**

One obvious indicator is an empty profile, or a profile without any original content. There are only reshares of other people's content. Another dead giveaway is if a user follows far more people than his or her number of followers. Some more subtle tells include odd ratios between the number of posts and followers. Most people won't follow you if you don't post anything. Similarly, a user is likely fake if their posts are timestamped to approximately the same time every day, especially if it's at an odd hour in the middle of the night. Finally, with advanced data crawling, you can determine the last time a user has logged online. If it hasn't been recently, there's a good chance they're fake.

#### **Fake Traffic, Views and Engagements**

Fake traffic can be even more misleading and difficult to identify. Accounts that like or comment on influencer posts with just an emoji, one word or simple repeated phrases are usually fake. In an effort to conceal fake traffic, influencers, or their agents, often wait for a few real likes or comments to trickle in before unleashing the bots. Even some comments that appear to be real and spontaneous may be generated by bots. These are usually pre-set messages soliciting something from the influencer or promoting some other product with an attached link.

One last thing you can do is double check content that is more than one month old. Normally platforms clean out fake engagement around this time. So compare the average engagement on some recent posts with the engagement on 3-10 older posts and see how they compare.

A few companies in China, like Viral Access, have built tools to help brands evaluate influencers based on their true metrics, but if you're selecting influencers on your own, scan their profile for fakes before starting a collaboration.

#### **Finding KOCs With Platform Search Engines and Automated Tools**

Most brands can't support huge social media teams to search for, filter through and manage a large volume of influencers. This is why an automated or semi-automated approach is extremely helpful to find KOCs.

The first step is to establish a standard. For ex-

ample, your target may be females on Weibo from 1st-tier cities who promote clothing and accessories, and have mentioned the keywords (in Chinese): "handbag", "sustainable" and "Patagonia".

If you're doing it yourself without specialized data tools, your best bet is to search platforms by hashtag or topic. Then check through your initial batch of influencers to find other similar influencers. Birds of a feather, flock together. Put their key profile information into an Excel file to keep track of promising people. If you use the services of companies like Viral Access or if you use third-party tools to manage influencer search engines, you can search by keyword and filter by platform, region, gender, follower count and influencer category.

#### Make Contact

The next step is outreach. Since you will need to contact lots of people, it's best to use an email template and third-party tools like MailChimp to contact influencers. You may also need to use third party tools to send messages on social media platforms.

The key here is not to spam influencers. Communicate your offer directly and up front. Tell

them about your brand, your product and how you'd like to cooperate. Also let them know if you'll be sending them free products to trial or demo. When you get a response, continue the discussion directly.

Our experience shows that for every 10 influencers we reach out to, 2 respond and 1 ultimately decides to launch a collaboration. Numbers will vary by brand and compensation level, but the point is you have to cast a wide net. Using readily available tech tools can help you find and connect with influencers at a greater scale and speed.

For brands that don't plan on doing influencer marketing at scale or don't have the budget to purchase digital tools, standardization and iteration is the best alternative to automation. If your team repeats the same approach every day, improving as they go, they will get faster, smarter and results will get better.

If you want to become a mini-expert on China's influencers, bloggers and KOLs, you can take Alarice's Chinese KOL video course online. The course will teach you how to effectively work with Chinese influencers, which platforms are the most important, four types of Chinese bloggers, how to avoid accounts with fake followers, case studies, best practices and more.

You can find our certificate course at: https://chinamarketingmasterclass.com/p/kol Use code ASHLEY15 for a 15% discount.

#### CHAPTER 4

# 5 Predictions for How Micro-influencers Will Evolve in 2020

A cross the world, Covid-19 has created a new normal for how people go about their daily lives and the toll it has taken in some countries and communities is staggering.

A by-product of this unexpected shock has been that, more than ever before, people are relying on digital tools to keep their businesses running, get their news, order food and groceries, stream TV shows and movies, and stay connected to friends and family. Even after the world collectively overcomes the coronavirus, and we will, we will continue to use digital services at a higher rate than before the pandemic.

Creating a plan for digital marketing is now imperative for all brands, whether they like it or not. Against the backdrop of digital trends in China, especially in the wake of Covid-19, below are 5 themes that will define influencer marketing in 2020.

#### 1 A Shift in What it Means To Be Authentic

Users are already growing tired of blatantly branded and over-produced KOL content. KOLs previously seen as relatable, regular people are increasingly billboards for whatever brands want them to be. That's why working with micro-KOLs and mobilizing KOCs is even more important if you want to stay ahead of the curve.

People will gradually assume that KOL content is branded or idealized. That doesn't necessarily diminish a KOL's value in terms of helping customers discover new products, learn how to use the products, or simply curate beautiful content. But it isn't authentic. Authenticity will be the driving appeal of KOCs, the normal people whom you trust because you know them or because they've actually spent their own money

to buy the products they promote. Think about how often you've read product reviews before purchasing something on Amazon, or the last time you bought something after a friend recommended it. That's the power of KOCs at work!

Any company with a list of previous customers already has a list of KOCs. Loyalty and members clubs are a perfect place to start. Activate them as your brand content curators.

Finding new KOCs at scale may require tech tools, keyword searches or social listening to identify people already interested in your brand who you could convert to KOCs. Or you may already have a mailing list of customers who you could ask to create social content for you. What we're suggesting isn't entirely new. Referral codes and coupons have been around forever. But actually getting KOCs to post on their social media feeds, in their own words not yours, is definitely authentic.

#### 2 Private Traffic Management

Consider how the conversations you see on public social media platforms, like Twitter, Facebook, Instagram and Weibo, differ from your private conversations on social media. As we all know, public posts can be a messy mix of nega-

tivity, clickbait, scams and more. People sometimes forget themselves or play a role on publicly visible social media posts. But in private, people are much more normal, relaxed, and far more trusting.

That's why more and more brands in China are encouraging their influencers, KOLs and KOCs, to share content in private spheres like WeChat Moments pages or WeChat group chats.

Many brands even have their own social media teams engage directly with customers in these private spheres. When interaction with customers changes from one-way communication to two-way communication, customers can learn more about products and build trust with the people promoting them. At the same time, brands can also gather valuable feedback from their customers. A WeChat group chat can hold a maximum of 500 people. Some Chinese brands are known to manage over 100 of these groups!

Another advantage of private traffic is that brands can talk away from all the noise of social media. With access to an unlimited stream of content, an Instagram user's attention span is less than 7 seconds. Within a private chat, brands can have conversations with customers that last for minutes.

#### 3 Livestreaming is the New TV

Barred from leaving their houses, people began recreating their daily routines in the digital realm. For interactions and news updates, people flocked to their existing digital communities. Working out, social gatherings with friends, watching movies and recreating human connections with colleagues and businesses connections.

In China, music festivals, product launches, cooking tutorials and home workouts were livestreamed. Similarly, companies are turning to livestreaming to sell products like clothing, cosmetics and electronics, cars and even real estate. This trend is likely to continue even when measures on group gatherings ease and people can socialize more in real life. People will increasingly connect with the world through livestreaming.

However, beware of fake sales or inflated sales numbers as some influencers will buy items and then return and refund them later and some also use bots to inflate the number of viewers.

#### 4 The Online and Offline Worlds are Blending

In 2018, all the hype was about online-to-offline (O2O). For example, I order a car through an app, and it appears at my front door. In 2019, people in the Chinese tech community began talking about online-merge-offline (OMO). The idea is that the divisions between online and offline worlds are increasingly blurred. This trend will continue in 2020.

Take for example retail stores that have installed digital monitors with influencers livestreaming their thoughts on which products to buy and how best to use them. There are salespeople livestreaming directly from offline stores. There are also physical spaces designed primarily for customers to create and share content, not to actually buy things because the buying happens online.

## **5 Brands will Begin to Incubate Their Own Influencers**

Influencers, especially the good ones, don't come cheap. And whether we like it or not, they will become the celebrities of the future. But just like successful sports franchises that nurture talent from start to stardom, brands will also begin to invest resources into transforming high-potential KOCs, or their own employees, into influencers.

Brands are also developing their own virtual influencers. There are avatars like the very realistic

#### 42 MICRO-INFLUENCERS, KOCS AND PRIVATE POOLS

looking Lil Miquela, a CGI influencer developed by an American tech marketing team, who sports top brands and even appears in photos alongside real people or melded into photos of real locations. Japanese virtual idol and Youtuber Kizuna AI and Chinese virtual singing sensation Luo Tianyi are clearly illustrations, but this seems to make them even more interesting and endearing to their fans.

As the volume of social media content continues to increase, digital tools and marketing agencies can predict with growing accuracy which content will go viral. For example, content on Douyin, known as Tiktok outside of China, that is visually attractive, builds empathy, is useful, cute, funny, or very impressive has a higher probability of gaining traction. And brands won't need all their influencers to become famous. They will only need a few to have a highly targeted following. The returns will still be enormous.

This strategy is already very common with Chinese cosmetic and fashion companies, but in the near future it will also expand to other niche communities like coffee baristas, cigar lovers and home improvement enthusiasts.

Brands that aren't gearing up for these kinds of

#### 5 PREDICTIONS FOR HOW MICRO-INFLUENCERS WILL EVOLVE 43

changes now will find themselves even further behind when these take full effect in the future. Don't be left out.

If you want to increase your knowledge of China's top two social media platforms, WeChat and Weibo, take our certificate video courses online. You'll learn how each works, how they can be used for social media marketing, what online payment options are integrated with them and more. Go to

https://chinamarketingmasterclass.com/p/wechat and

https://chinamarketingmasterclass.com/p/weibo Use our special code ASHLEY15 for a 15% discount.

#### CHAPTER 5

# **How to Get Your Own Micro-KOLs** and KOCs in 2020

**7**hat should you be looking for when you're building your roster of micro-KOLs and KOCs? Here are some of the most important things to look for.

#### Relatability

Chinese shoppers look for people on social media that they can relate to. A 2018 study by marketing consulting firm Westwin and AC Nielsen found that Chinese cross-border shoppers rely heavily on WeChat, Weibo and other social media sites for guidance on their purchasing decisions. KOL recommendations were the most

influential factor in their purchasing decisions. 67% of people took them into account before buying. Customers respect micro-KOL and KOC reviews for their relatability. They appreciate the level of detail about their experience of a product, service, or brand. They understand that bigger KOLs are often in commercial partnerships with a variety of brands.

#### **Trustworthiness**

What makes micro-KOLs and KOCs distinct is their credibility. They are fellow customers so people are more willing to trust their opinions, reviews and feedback. They are also usually honest about a service or product's drawbacks.

#### **Case Study**

When it comes to the power of KOCs, it's almost impossible not to mention Perfect Diary. Established in 2016, Perfect Diary used to be dismissed as cheap and untrendy. However, the company has since transformed its marketing strategy, by capitalizing on local trends and preferences. As a result, it's currently one of the top makeup brands in the Chinese market and has been ranked number one on Tmall in the beauty category. It's beating out bigger brands like Estee Lauder, MAC, and Lancome.

#### How Did it Do It?

#### It Used Social Networks and KOCs.

Perfect Diary uses social media to effectively reach potential consumers. Aside from promoting on normal social platforms like Weibo and WeChat, the company also leverages the community advantages of Xiaohongshu and Bilibili to reach young customers. As an early adopter, the company collaborates with a huge number of KOCs on those platforms and appears to be popular simply because everyone is talking about it.

#### It Developed Virtual KOCs and Private Traffic.

Private traffic is a group of people that the brand has direct contact with that it interacts with regularly. This is often done in brand managed group chats on social media networks.

Perfect Diary leveraged WeChat groups to assemble private traffic while combining it with KOC marketing. When a customer buys their product, they'll receive a card featuring a special offer. To redeem the offer, the customer has to connect with the "personal" WeChat account of "Xiao Wan Zi", an avatar created by the company to be their KOC, act as a brand ambassador, friend, beauty consultant and real-time customer service representative. She helps Perfect Diary to build closer relationships with their consumers, ultimately making communication and brand messaging more effective and efficient.

Now highly regarded as a major force in retail, Perfect Diary opened its first offline experience store in Guangzhou. Currently, it has 40 physical stores in China, which act as showrooms for customers to sample products and pick up their merchandise. They can make orders in the brand's WeChat groups. To maintain its dominance, the company continues upgrading its strategy by co-branding with the Discovery Channel, the British Museum, the New York Metropolitan Museum of Art, and National Geographic. Perfect Diary also plans to open a new private pool, which will be managed by a new KOC avatar called "Xiao Mei Zi".

Start now and don't be afraid to start small. Begin to find your most vocal fans and supporters and establish relationships with them. Then when you want to scale up, bring on the partners and tech solutions you need to amplify your reach and impact.

Viral Access is an AI and data-driven social communication company that helps you tell your story through social. We pair your brand with relevant micro and nano influencers that help you increase awareness, engagement and conversion. We have the systems and team in place to support large scale communications throughout Asia. To learn more about AI-driven social marketing, send us an email at hello@viralaccess.asia.

#### CHAPTER 6

# **How to Get** Results with KOC **Collaborations**

Tt's important for brands to understand what Litheir goals and expectations are before engaging with KOCs. Brands working with KOCs are normally looking for high conversions and authentic reviews. Here are some examples of brands that accomplished these goals well.

#### Conversions

Brands working with KOCs can expect a higher conversion rate. For example, drone manufacturer DJI shared videos about their employee's real-life experiences on video platform Kuaishou. With trending hashtags such as #shortvideo, the result of the campaign yielded 400 new users for the business. Girlcult, an affordable cosmetics company, focussed on targeting users under 25 years old by working with influencers to create reviews, tutorials and box opening videos on Bilibili, Douvin, and Xiaohongshu. The campaign resulted in a 90% increase in sales on Tmall.

#### **Honest Reviews**

Besides expecting conversions, brands can expect honest reviews from KOCs. KOCs are mostly independent reviewers, who are neutral and do not have biases towards any parties, so they usually give honest, genuine reviews. On top of that, they intend to use a brand's products themselves when they purchase them and have the same needs and intentions as any other regular consumers.

HomeFacialPro (HFP), a Chinese beauty and skincare brand, successfully combined its own core brand culture with content marketing, KOL and KOC marketing by featuring customer reviews from celebrities, KOLs, and KOCs. Throughout the campaign, the company built relationships with 1,428 different official account holders and posted 6,247 different content posts. On top of that, the brand understood that gaining customer trust was vital. By presenting user-generated content such as product reviews, testimonials, and social media posts from customers, HFP successfully earned the trust of the customers who visit their stores, eventually making the brand the 7th best-selling beauty and skincare brand on Singles Day in 2018.

#### 5 Ways to Work With KOCs

A KOC's biggest advantage is that they communicate directly with their audience and share their thoughts and experiences. To maximize this advantage and wisely invest your money, It's essential to understand the China market's uniqueness and adapt KOC marketing to it.

Here are some ways that brands can do this when cooperating with KOCs.

#### 1 Creating Buzz

There's nothing that creates a buzz like a big group of people dedicated to their cause. KOCs are by nature already dedicated to your product. Activating and mobilizing them at scale is a very powerful tool to launch a new product, service or brand into any market.

#### 2 Use Links to Drive Traffic

Brands can insert direct links to their website

or product page to make it easy for prospects to find out about a product's price, benefits, and features and then make purchases. KOCs can then share these links in their profiles, blogs or stories.

HomeFacialPro (HFP) leveraged KOCs and links to notify its customers of new products, upcoming offline events, and the latest promotions. The company inserts links in their official account and in their messages to their customers. When people click the links, they can read about the product and check customer reviews, ingredients, and also place an order.

#### 3 Personal Shopping Malls

Since KOCs are trusted for their recommendations, many of them build their own digital shops on e-commerce websites such as Shopee and Taobao. People call them "personal shopping malls". They might include the products they have tried and really love, or even second-hand clothes or free makeup samples they received to share their tastes and preferences with people.

If this is the case, brands can provide products for KOCs to try out and recommend through their personal shopping malls. They can share the revenue and get paid by commission.

#### **4 Livestreaming Sales**

It's no secret that livestreaming commerce is huge in China. The practice has been around on WeChat, Tmall, and Taobao for years and its success has prompted other Chinese social platforms to add the feature. Xiaohongshu, Douyin, Pinduoduo, and Kuaishou are adding livestreaming commerce features that can link to Taobao and Tmall. While effective, keep in mind, as we mentioned in Chapter 2, that the astronomical sales results that make the headlines are often inflated.

For niche brands and high-value products, KOCs can offer exclusive discounts on Taobao or give promo codes in their livestreaming sessions.

#### **5 Private Group Buying**

KOCs' trustworthiness has made them a powerful force when it comes to sales. This can be seen in group buying trends. KOCs with strong sales results get noticed by brands and often cooperate with them to conduct regular private group buying. People that are interested in certain KOC's recommendations can join private groups. With the close interaction and communication in the group, where people all share a common interest, KOCs become group buying leaders, stimulate sales and guide the group members to follow the latest campaigns and promotions.

Understanding micro-KOLs and KOCs and following the tips we've mentioned above can help you to efficiently communicate with the market and build a complete communication ecosystem for your brand in China.

If you're wondering how to improve your engagement in China through social media or want to hone your digital presence in China, contact Alarice at enquiry@alarice.com.hk to schedule a consultation. We can get to the heart of your problem quickly and save you tons of money that would have been spent on dead end endeavors. Get in touch and ask us anything you're curious about when it comes to digital marketing in China.

#### CHAPTER 7

# What are Private **Pools and Why Do** You Need Them?

rivate pools, or private traffic, are customers T that brands communicate with directly or through KOCs in private forums. These can be group chats for brand fans only, message boards for VIP members, online communities for members of brand clubs and more. Private traffic can use other ways to communicate but in China, it's often through group chat functions and mini programs on WeChat. On other platforms, it's usually special messages to account followers and brand membership holders. WeChat and Taobao are two of the most popular platforms for private pools.

Private traffic is exclusively owned by a brand or individual. Newsletter email databases and brand club memberships function in a similar way in the West. Traffic generated in this way can be reused and directed for free. This traffic can also be monetized through advertising strategies.

As competition in e-commerce has increased, the difficulty and costs of acquiring customers has continued to increase. Traffic has become increasingly expensive. This is why brands need to develop private pools.

Here are the 3 top benefits of private pools.

#### 1 They're Cost-effective.

Brands need to pay to get exposure to traffic on all the big platforms. Based on data from Analysys, the customer acquisition cost on Tmall increased by 60% from 2015 to 2017 while JD increased by 164% during the same period. They both exceed 250 RMB now.

Customer acquisition costs for private traffic is much lower and once users are in private pools, communicating with them is faster and easier. You have your own free promotional channel that you can use to talk directly with customers and fans. The more users a brand can connect with through private channels, the lower future marketing costs.

#### 2 They Allow a Closer, Different Relationship With Customers

In the past, before launching a new product, companies needed to conduct extensive market research to meet market demand. Now, with private pools, companies can determine demand and get feedback directly from consumers more easily.

When a brand establishes emotional links and interacts with customers, the customer relationship becomes more stable and loyal. Connecting in a personal way and seeking feedback and input changes the communication from one-way broadcasting to a two-way collaborative conversation.

#### 3 They Improve Brand Image and Conversion Rates

A brand must be perceived as trustworthy and reliable. It's harder to be perceived this way when a brand is behind a wall and hard to communicate with. When there is a relatable person that people feel they can rely on for information and quick customer service, even if that person is represented by an avatar, their feelings of trust and loyalty increase and a bond is built. This also leads to favourable word of mouth when current customers recommend the brand's private community to their friends.

Using traditional models, it's hard for a brand to connect with users who have purchased a particular product. However, by using private traffic pools, brands can connect with customers in this kind of granular way.

In a private pool, customers can benefit from customer service, talk to other customers and enhance their brand knowledge. This cumulative effect is 100 times more effective than a brand's own education efforts.

#### The Challenge

There is a downside to private pools, however. They are hard to build and maintain and they can't be built overnight. It's a long term project that demands expertise and a significant investment of time and energy.

As you read, you can see more and more clearly where the trends are headed in terms of digital marketing and social media in China. Platforms that control access to hundreds of millions of consumers want to be compensated for that access. On top of that consumers in China's saturated market are tiring of the constant barrage of marketing messages and are looking for something different from standard promotions from big KOLs. Brands that get out ahead of the pack will be the winners in the long run.

Influencer marketing has become one of the most important, measurable digital channels for brand owners today and it's critical to use it effectively. Consumers trust recommendations from people, even those they don't know, over brand content. Working with micro-KOLs can build consumer trust, increase authenticity, increase engagement and drive traffic and sales. To find out more, send us an email at hello@ viralaccess asia

#### Chapter 8

# 5 Steps to Build Successful Private Pools in China

**S**o, how does one build a private pool in China? We're glad you asked. Here's a step by step checklist.

## 1 Open Accounts on China's Major Social Media and E-commerce Platforms

This is where private pools are gathered and managed in China. It's also where Chinese consumers live and spend a lot of time. You won't be able to do much without an established presence on social media platforms like WeChat, Weibo, RED, Douyin and others. A presence on e-commerce sites like Tmall, Taobao or JD.com is also an advantage.

#### 2 Establish a Customer Acquisition Model for Your Private Traffic

The first step is to attract consumers and get them to join your private pools. This can be done through wide communication on social media platforms, e-commerce, advertising, official websites and promotions at offline stores that encourage customers to download your WeChat mini program, join your fan forum, become a brand member or register in your VIP club.

E-commerce platforms in China are important sources of traffic that can be added to a brand's private pool and most platforms allow brands to have access to their customers and their audience's anonymized data.

Many companies with online stores used to believe that offline stores conflict with e-commerce in terms of traffic. This isn't the case and, living in a post Covid-19 world, an online presence is no longer an option. It's a necessity. Furthermore, if your online and offline channels aren't already highly integrated, make it a priority now. It's a mindset you'll need when you enter the China market. Traffic can be easily diverted back and forth between the two environments. They should compliment each other, rather than conflict.

#### 3 Design Promotion Campaigns and Incentive Systems Specifically for Private Pools

Usually, brands are the starting point of communication, producing content like posters, H5 interactive pages, quizzes, games and more. They then distribute them to a wide general audience.

In the case of private pools, employees, fans and members help to distribute the communication to each other and to a general audience.

Marketing for a general audience can start from within the private pool, with positive word of mouth and recommendations from KOCs and the sharing of brand promotions. Make sure you cultivate KOCs who are in high-quality communication circles.

# 4 Set Up a Long-term Maintenance System For Your Private Domain Pools and Traffic

It takes time to build a high quality private pool and it takes time and effort to maintain it as well. It's not a short term fix that leads to immediate results either. You'll need staff to manage online communities, stay in positive communication with the members of the pool and you'll need a clearly designed strategy for these special customers and fans to remind them that they are special to you. You need to keep them interest-

ed and informed and build a relationship with them that is not built solely on promotions and sales. Don't be afraid to collaborate with them on products or seek their advice.

## 5 Set Up a Specific Sales Channel or a Streamlined Sales Process for Those in Your Private Pool.

The core of private domain traffic monetization is interaction and trust. Once this is established, set up clear sales channels or an optimized sales process for your private traffic. This could include pre-sales and pre-ordering privileges, special discounts, product personalization services and more. This is especially so in a post Covid-19 world. With the disruption of regular commerce and so many other societal disruptions, brands that had already established private pools and that had direct contact with their customers were the least affected and quickest to recover.

Going forward, in a world where in-person activities will carry risk for some time, brands need a virtual connection with their customers so the sooner you build this connection, the better.

#### **Case Studies**

#### Yonghui Superstore

The Yonghui Superstore chain is another example. It's a fresh food retail leader with its own

supply chain and logistics unit. According to some reports, Yonghui Cloud has established about 500 WeChat groups that include around 130,000 people. About 30% of their daily customers are in these groups, where they get discounts and coupons.

According to data provided by Yonghui, they used virtual red envelopes in WeChat that friends could share and KOL promotions to achieve more than 60,000 daily orders with 50% coming from their WeChat mini program.

#### Xiaomi

When a Xiaomi mobile phone is released, there's no need to publicize it. Xiaomi releases information to their Mi Fan tribe and news spreads fast among them stirring buzz and excitement. The brand is in constant communication with its fans online and often seeks feedback from them. The brand's management of its private pool has led to an atmosphere of goodwill, trust and enthusiasm.

From very early on, the brand believed that its fans and customers were its best resource for product design and services. According to author Salim Ismail, who has written about Xiaomi's unique corporate culture, employees are required to spend at least 30 minutes a day interacting with customers on internet forums and social media. The brand also holds special events and product launches for its fans and has elaborate Apple-style product launches.

It has brought them a huge cohort of raving fans not only in China but in other big markets like India where it dominates the low-cost phone market.

#### Teenie Weenie

During the epidemic, clothing brand Teenie Weenie closed 80% of its 1,300 stores. To keep in touch with customers, they quickly launched a WeChat mini program, mobilizing all employees to become promoters, contact customers and start organizing WeChat groups. Data showed that this quick action meant that of the mini program sales that resulted, private domain traffic created by employees contributed 80%.

The brand managed to make quick work of what is usually a long term project by wisely utilizing the time of its many employees who suddenly weren't needed on shop floors. Going forward, it will need to find a way to actively maintain and manage its private traffic at a high standard to keep this momentum going.

The advantages of private pools should be clear by now. Even if you can't start building your private pool immediately, you understand the necessary steps to build a highly engaged private pool that will benefit your brand. Why wait?

Building private pools can take a lot of time and effort when you're new to the game and don't have the experience or the specialized tools needed to do it at scale. Viral Access has the experience, the tools and the people to speed up the process, improve your pool's quality and drive your long-term marketing and sales goals in a cost effective way. To learn more about AI-driven social marketing, send us an email at hello@viralaccess.asia.

#### CHAPTER 9

# 8 Things Marketers Must Know About the Changing China of 2020

The world won't soon forget 2020. It's a year that will be forever connected with China, massive change and the world's battle against a virus. It's a year that was unlike any other in terms of the whole world having to respond to the same situation over and over again. And it's a world where habits changed quickly and dramatically.

When habits change so suddenly across a whole country and the world and when those changes involve people staying home as much as possible, schools closing and other aspects of society and industry coming to a halt, commerce is going to be strongly affected. But what effects has it had in China? What other trends were already happening in the country's social media, e-commerce, retail and marketing worlds that continued or became stronger during this time? Let's take a look.

#### 1 Chinese Brands Are Cool Now

There's a word in China that sums up a popular movement there: Guochao. Literally, it translates as "country trend" but the meaning is more like "Trendy China".

Local brands and modes of cultural expression are seeing the kind of support that has them challenging international brands and trends. Buying Chinese brands and posting images of them on social media has taken off among China's young and fashionable. According to iResearch, during 2019's 618 shopping festival on June 18th, domestic brands accounted for 60% of the more than 100 brands whose turnover exceeded 100 million yuan on Tmall.

New manufacturing, which leverages technology and enables highly personalized, niche expression is reshaping Chinese brands which have continuously improved their competitiveness. As this has happened, demand for domestic products has grown. Blind worship of foreign products is a thing of the past.

The Chinese Consumer Trends 2019 report points out that 78.2% of consumers often purchase domestic products. This has led to what some call a "national tide" where Chinese people are expressing their pride in the country's technological progress, creative expression, history and industrial backbone.

People are also finding new ways of weaving traditional Chinese culture into modern trends, fashion and art. Cultural icons like the Palace Museum and Peking opera have become popular backdrops and themes in social media photos for example.

#### 2 Livestreaming is Everywhere

Live broadcasting is a big trend in China. It laid a strong foundation in the 4G era. In the 5G era, as livestreaming becomes even more seamless, it will surely continue its ascent.

With the Covid-19 pandemic, it's also become a worldwide trend because travelling for work, having large gatherings and meeting in person became harder than ever. Broadcasting ourselves in various forms has become part of the world's new normal.

However, even before Covid, livestreaming was part of China's social media and e-commerce normal and it's safe to say that China is the world's most active livestreaming market. You may have read about some of the country's phenomenal livestreaming sales figures. While these can make a retailer's mouth water, it's important to remember, as we explained in Chapter 2, that many of those astounding sales records are misleading. Don't expect those kinds of results from your livestreaming e-commerce and don't expect big results immediately.

Livestreaming is very easy to do without sophisticated equipment and is optimized for creation and delivery via mobile phone, which is how most people in China are accessing the internet. If you aren't already livestreaming, start now.

# 3 KOLs are Moving Upstream

We're now at a time when several shifts are happening at the same time. The path from being a successful, famous KOL to being the founder of one's own brand is now familiar. This means that brands that used to work with these influencers know that given time and enough success, their ambassadors will soon be their direct competition. It also means consumers are beginning to see some of the more successful KOLs as being in service to the many brands they represent as they work their way up the ladder. This has begun to erode their position as reliable sources of information and recommendations.

Brands are now paying closer attention to the status of influencers in marketing. This means that they're trying to cultivate KOLs as long-term brand partners. Brands are working harder to find tight matches between influencers and target consumers and then work with certain KOLS repeatedly. Some brands are even incubating their own in-house KOLs. For example, Estée Lauder has announced that in 2020, it will spend 75% of its marketing budget on influencers. According to digital marketing agency Mediakix, in 2020, global influencer marketing spending will reach 10 billion US dollars.

# 4 Data Synchronization is More Crucial Than Ever

There are many channels to get traffic, but brands often ignore data synchronization issues.

By integrating data from all its channels, a brand can get a fuller, more accurate picture of its customers and make better decisions.

In addition, websites, apps, platform accounts and all digital channels should be controlled by the brand. The data from each channel should then be gathered by a centralized platform for analysis. Consumers should be acquainted with and registered on several digital channels as well as offline channels. The data from each channel should be easily available to the others for smooth integration.

This is one of the hallmarks of New Retail and omnichannel commerce. It's also a key feature of online to offline (O2O) and online-merge-offline (OMO) principles. Any brand that's merging its channels and data in these ways is a brand that's ready for the future.

# 5 The Increasing Importance of Channels and Platforms Serving 3rd, 4th and 5th Tier Cities

This process had started before the epidemic but once the Covid-19 crisis hit, it sped up dramatically. Lower tier cities, and the platforms and channels that serve them, started gaining importance. With so much time spent indoors during quarantine, online consumers in lower tier cities became even more active and valuable. Douyin, Kuaishou and Weibo all saw more users from these areas and began offering new types of content as a result. For example, Kuaishou, Douyin and Bilibili greatly expanded their educational subject matter.

Consumers from this market have more free time, like to bargain, are price sensitive, are seeking novelty and are willing to show off and share. This has opened up horizons for brands at all levels and consumers in these areas are observing each other and stimulating many brands.

# **6 Traditional Businesses are Migrating Online**

The epidemic kicked the process of moving online into overdrive. Any business that didn't already have a full-fledged internet presence had to get online or beef up their digital offerings fast. Some businesses also had to pivot their services or business model in order to survive.

Chinese skincare brand Lin Qingxuan is an example. Before the epidemic, the brand's founder, Sun Laichun frowned on e-commerce. The business depended on its offline physical stores. After Covid-19, they had to close 157 stores and Sun Laichun had to start thinking about change. So on February 14, 2020, the founder went into battle in person and did the first live broadcast of his life selling products on Tmall. Sales not only rebounded but were reportedly up 45% for that month from the year before.

The epidemic has been an invisible force pushing many traditional enterprises to embrace digitization. With so many new consumers online, enterprises should seize this opportunity to increase their brand's online exposure and turn short-term rescues into long-term business models.

# 7 Companies Are Realizing the Importance of Acquiring Customers Online and the Best Ways to Do It

Traditional customer acquisition models are becoming more and more constricted while costs are going higher and higher.

Traditional channels are constrained by external factors such as physical stores and their locations, offline traffic, one-on-one sales services and more. The costs in the traditional model often outweigh the benefits. It's impossible to reach potential customers efficiently and consistently.

While online customer acquisition is much

more efficient with the added benefit of data. online costs are increasing too. It takes significant investment to reach and keep customers on big e-commerce platforms in China. This is why KOLs are key. It's also why micro-KOLs and KOCs are gaining such prominence. They allow brands to connect with consumers in personal, direct ways online that effectively use the social aspects of platforms and save substantial costs.

# 8 Physical Stores are Places to Provide Experiences, Not Places to Sell Things

The physical experiences customers can have in stores can't be replaced by online retail. Today's consumer requirements for physical stores have been elevated from product satisfaction to emotional satisfaction. Businesses need to create unique consumption scenarios to bring consumers a completely different experience from online shopping.

Brands need to realize that people go to physical stores not to buy things, but for experiences. Stores that see themselves merely as locations where transactions occur are bound to lose.

Offline commerce needs to meet the social needs of customers who integrate shopping, entertainment, leisure, food, and travel. Physical stores need to activate the senses, provide personalized

services and greatly enhance the shopping experience with unique activities.

There, you have it. Eight trends to watch out for.

Many of them aren't just happening in China. For example, local brands are becoming cool everywhere as people support businesses in their area or only have access to local products as a result of Covid-19 measures. Other trends will spread from China to other places in time and some trends are specific to China and its digital environment. Even if you never plan to enter the China market, it's wise to assess these trends and see how they're progressing in your region. If you do plan on entering the China market, these are critical shifts you need to prepare for. Getting on board early will definitely position you at the head of the pack.

A China market research and strategy from Alarice can set you on the right path quickly. Get the market intelligence that you need to boost your performance in China. Contact us at enquiry@alarice.com.hk to schedule a consultation.

# **Conclusion**

Trust. At a time when trust in many aspects of daily life has been shaken, it's more important to people than ever. It's also what's driving some of the online changes and trends we're seeing now in China and elsewhere.

Trust doesn't appear out of nowhere. It builds over time through close, reliable relationships and performance. This is embedded in the nature of micro-KOLs and KOCs and this is why they're valuable partners for brands to build their own trusting relationship with and collaborate with long term.

Micro-KOLs and KOCs have the ability to cut through the noise in a market flooded with marketing messages without incurring the high customer acquisition costs that traditional and digital marketing usually incur. But it's not an easy task. There's a lot of due diligence that goes into it and managing so many influencers at scale takes experience and technology specially designed for the job. It's also not a short term or quick fix solution either but it pays dividends in the long run.

It's also a move that many brands will be taking in China and other places and soon, just like working with influencers, one day, it will be a requirement, not an option. Why not start now, get ahead of the pack and learn all the ins and outs before your competitors show up. We're here to help.

Now let's go get them!

# Resources

# China's Top 2 Social Networks WeChat

We chat is like Facebook in terms of personal accounts, connecting with others and messaging but like an alternate internet when functions like WeChat Pay, mini programs, e-commerce, taxi hailing, appointment booking and many more are taken into account. Because it's less of a public network, it's good for smaller KOLs and micro-KOLs. This is also where many brands work with KOCs or have their own KOCs who talk with customers in WeChat groups. It's also good for CRM.

#### Weiho

Weibo is like Twitter but with more users, more content and, as a result, a faster pace than Twitter. It's where people share funny, odd or topical content and discuss social issues and trending topics. Because of it's very public, dynamic nature, it's where you find most of China's celebrities and big KOLs. It's best for advertising, raising brand awareness and for doing creative campaigns with KOLs.

\*\*\*

#### **Douyin**

Known in the West as TikTok, the app features short videos set to music and has livestreaming functions as well. It's very popular with young people. Douyin is good for creative campaigns, livestream sales, KOL collaborations, micro-KOL collaborations and more.

#### Bilibili

Bilibili is an interactive livestreaming app that features comments that flow across the screen while people are streaming their content. It's for younger audiences and features a lot of anime and gaming related content. There are a lot of micro and mid-level KOLs on the platform.

#### Kuaishou

Launched in 2011, Kuaishou first gained popularity in lower tier cities and is used by hundreds of millions of people to document their daily activities or post funny, entertaining content. It also has made huge inroads in livestreaming sales.

\*\*\*

# China's Top Community and Social Commerce Apps/Sites Red

Red is one of the largest and fastest-growing social e-commerce platforms in China. It started out as a site for people to share cross-border shopping advice. Now users share product recommendations and lifestyle tips and global brands have accounts on the site. It has plenty of KOLs with strong reputations who work with brands. It also has advertising options.

#### Weitao

Weitao is a content community that belongs to the Alibaba ecosystem. Consumers can get the latest insights about brands and products and directly purchase them on Taobao or Tmall. Through Weitao, merchants get the opportunity to effectively communicate directly with consumers and build fans. It is ideal for KOCs and KOLs.

#### Keep

Keep is an app that offers online courses to help people achieve their fitness goals and exercise at anytime and anywhere. It also has social and e-commerce attributes where people can find relatable interest communities and products related to exercise and health. It's a good option for health and fitness related brands to do KOL collaborations.

### Mafengwo

Mafengwo is a social-travel platform used by young Chinese consumers. It features user-generated tourism information and reservation services, including entertainment, transportation, hotels, tourist attractions and catering, covering over 60,000 travel destinations globally for self-guided travelers. Travel guides can be helpful in steering customers your way.

\*\*\*

# China's Top News, Search and Information Apps Toutiao

Toutiao's algorithms provide highly personalized news and information feeds to its users. This includes news, music, movies, games and shopping. The biggest differences between the Toutiao and other platforms is its huge traffic and powerful AI, resulting in accurate target audience and high conversion rates.

#### Baidu

"China's Google" provides a wide range of online services including mapping solutions, cloud storage, online discussion, knowledge sharing, image/video management and more, but it's best known for its search engine, which is the most accessed web content search tool in China covering 95% of Chinese netizens, or, more than 700 million internet users. Over 856,000 firms are using Baidu as their major platform for advertisement, making it one of the most popular marketing tools in the Chinese market.

#### **Zhihu**

Zhihu is a Chinese-language Q&A platform, similar to Quora, where questions are created, answered, edited and organized by its community of users. It's China's largest Q&A platform with over 1 million registered users. Zhihu is committed to building a reputable knowledge platform which enables it to attract a user base with better education backgrounds and brands from Samsonite and BMW, to establish official accounts.

#### A List of MCNs in China

MCN stands for multi-channel network. They're influencer incubators and networks. MCNs work with social media platforms to attract new followers and provide the platform with influencers and content. There are a few in the West that dominate certain platforms and one that was even bought by YouTube early on to help it enhance the quality of the platform's content. There are thousands in China. Here are some of the top MCNs in China.

### **Antipodal Talent**

Website: www.antipodal.com Key Contact: Grant Gulovsen Email: info@antipodal.com Based in: Chicago, Beijing

Services: KOL and Internet Celebrity Talent Management, KOL Marketing Strategy, KOL Live Streaming Campaign

Management.

Platforms: Weibo, WeChat, Yizhibo, Youku, Huajiao, Inke,

Miaopai, Taobao, Tencent TV, etc.

Industries served: Consumer Electronics, Cosmetics, Fashion, Food & Beverage, Mobile Apps and Mobile Games.

#### AsiaKOL

Website: <a href="www.asiakol.com">www.asiakol.com</a>
Key Contact: Jeacy Wu
Email: <a href="mailto:contact@asiakol.com">contact@asiakol.com</a>
Based in: Shanghai, Taipei

Services: KOL Research, KOL Management, KOL Marketing Campaigns, KOL Marketing Strategy, KOL Database, etc. Platforms: Weibo, WeChat, Meipai, Yizhibo and other live

streaming platforms.

Industries served: Beauty, Travel, Fashion, Childcare, Technology, Food.

## Beauty Q (快美妆)

Website: http://www.kuaimeizhuang.com/#/index

Key contact: 13917231294

Email: fangzhi@kuaimeizhuang.com (方智) Based in: Shenzhen, Beijing, Shanghai, Hangzhou

Services: KOL incubator, KOL e-commerce, KOL marketing Platforms: Taobao, Weibo, Bilibili, Tiktok, Xiaohongshu,

Yizhibo, Toutiao, Kuaishou, Meipai

Industries served: MCN Nurture, Advertisement, 'Payed

Knowledge'

# Dayu Media (大禹)

Website: http://www.dayukeji.com/shangwu.html

Key contact: 0512-81886188

Based in: Suzhou City, Jiangsu Province

Services: MCN Media, ACG, KOL Promotion, IP(intellectual

property) collaboration

Platforms: Tik Tok, Kuaishou, Weibo, QQ, WeChat

Industries served: Beauty, Media Promotion, Animation,

Gaming

Ergeng (二更)

Website: <a href="https://www.ergengtv.com/">https://www.ergengtv.com/</a>

Key contact:+86 15267008822 Email: help@ergengtv.com

Based in: Hangzhou

Services: KOL Livestreaming, KOL Marketing Campaigns,

**KOL Marketing Strategy** 

Platforms: WeChat, Weibo, Youku

Industries served: FMCG, Fashion, Food, Beauty, Vehicles

Hive Media(蜂群文化)

Website: http://www.hivemedia.cn/business

Key contact: 3001239811 (叶家俊) / 0755 8529 5625 (in gen-

eral)

Email: 278140596@qq.com (深圳总部-媒体公关/品牌合作负

责人 余海春)

Based in: Shenzhen

Services: KOL Marketing Campaign, Brand Design, Product Promotion, Online Marketing Campaign, Offline Arrange-

ments, Video Production and Promotion

 $Platforms: Weibo, WeChat, TikTok, Toutiao\ , Kuaishou, Mei-\\$ 

pai, Yizhibo

 $Industries\ served: Video\ Production, Gaming, Music, E-Com-$ 

merce, Fashion, Food, Beauty, Celebrities, Comics

iconKOL

Website: <a href="www.iconkol.com">www.iconkol.com</a>
Email: info@iconkol.com

Based in: Shanghai, Hong Kong

Services: KOL Search, Customized KOL Marketing Cam-

paign, KOL Database, etc.

KOLSTORE (领库)

Website: <u>www.kolstore.com</u> Email: kol@microdreams.com Based in: Beijing

Services: KOL Search, KOL Database, etc.

Platforms: WeChat and Weibo.

Industries served: Entertainment, Film and Television, Fashion, Music, Games, Technology, Finance, Sports, O2O,

eCommerce, FMCG, etc.

Louis Communication 楼氏传播

Website: www.loushijt.com Email: lscb-hr@loushiniubi.com Services: KOL Management

Platforms: Weibo, WeChat, Meipai.

**Papitube** 

Website: https://www.weibo.com/u/5932557435?is\_hot=1

Email: schz@papitube.com

Based in: Beijing

Services: KOL Marketing Campaign, KOL Marketing Strategy

Platforms: Weibo, Douyin, Bilibili

Industries served: Beauty, FMCG, Tourism

**ParkLu** 

Website: <a href="www.parklu.com">www.parklu.com</a>
Key Contact: Kim Leitzes
Email: sales@parklu.com

Services: Self-service and full-service options with a ParkLU subscription include KOL Research, KOL Campaign Management, KOL Content Strategy, KOL Database, Brand Ambassador Recruitment and Management, Top-tier and Mid-tier KOL Engagement, KOL network coverage for Mainland Chi-

na, Hong Kong and overseas Chinese KOLs.

Platforms: WeChat, Weibo, Youku, Meipai, Yizhibo, Inke,

Xiaohongshu, Meilimeizhuang, Nice, Instagram.

Industries served: Fashion, Beauty, Maternity and Infant

Care, Travel & Hospitality, Health & Fitness.

PRAD 媒界

Website: <a href="https://www.myprad.com">www.myprad.com</a>
Key contact: Zhao Guo

Email: zhaoguo@sootoo.com

Based in: Beijing, Shanghai, Guangzhou, Shenzhen, Zheng-

zhou

Services: KOL Search, KOL Contact, KOL Database, Internet

Celebrities recommendations, etc.

Platforms: WeChat, Inke, Huajiao and Yizhibo.

Industries served: Advertising, PR, etc.

Robin8

Website: <u>www.robin8.net</u> Email: info@robin8.com

Based in: Shanghai, Berlin, New York Services: KOL Search, KOL Database, etc.

Platforms: Weibo, WeChat, Zhihu, Miaopai, Meipai.

Ruhan (如涿)

Website: http://www.ruhnn.com/

Email: media@ruhnn.com Based in: Hangzhou

Services: KOL Incubator, KOL e-commerce, KOL marketing

Platforms: Weibo, Douyin, Kuaishou, Bilibili Industries served: Beauty, Fashion, FMCG

**Socially Powerful** 

Website: www.sociallypowerfulmedia.com

Key Contact: James Hacking

Email: james.hacking@sociallypowerful.com

Services: KOL Research, KOL Management, KOL Marketing

Campaign, KOL Marketing Strategy, KOL Database, etc.

Platforms: Weibo, WeChat, RenRen, QZone, YouKu, Tudou, etc. Industries served: Sports, Gaming, Fashion, Travel, Luxury,

Automotive, FMCG, etc.

Weinian (微念科技)

Website: https://www.weinian.com.cn/ Key contact: 0571-58120059 / 0571-86656680

Based in: Hangzhou

Services: IP Nurturing (Brand Building), Video Production, Ad-

vertisements, Logistics, E-commerce

Platforms: Taobao, Weibo, Bilibili, Tiktok, Xiaohongshu, Yizhibo, Toutiao, Kuaishou, Meipai, UC, Facebook, You-

Tube, CCTV, Tudou

Industries served: Intellectual Properties, Food, Beauty

A List of Major Chinese KOL Agencies

Listed in alphabetical order.

1. Antipodal Talent

Website:

www.antipodal.com

Key Contact: Grant Gulovsen

2. AisaKOL

Website: www.asiakol.com

Key Contact: Jeacy Wu

3. iconKOL

Website: www.iconkol.com

Email: info@iconkol.com

4. KOLSTORE 领库

Website: www.kolstore.com

Email:

kol@microdreams.com

5. Louis Communication

楼氏传播

Website: <a href="www.loushijt.com">www.loushijt.com</a> Email: lscb-hr@loushiniubi.

com

6. 媒界 PRAD

Website: www.myprad.com

Key contact: Zhao Guo

Email: zhaoguo@sootoo.com

7. ParkLU

Website: <a href="www.parklu.com">www.parklu.com</a> Key Contact: Kim Leitzes Email: sales@parklu.com

8. Robin 8

o. NODIII o

Website: <a href="www.robin8.net">www.robin8.net</a>
Email: info@robin8.com

9. Socially Powerful

Website: www.sociallypow-

erfulmedia.com

Key Contact: James Hacking

11. Viral Access

Website: https://www.viral-

access.asia/

Email: hello@viralaccess.asia

10. Toutiao Kol

Website: www.toutiaokol.

com

Email: toutiaokol@foxmail.

com

## Don't forget our Digital China book series:



This extended and updated edition, expands the analysis of the booming social media scene in China, where two tech companies, Alibaba and Tencent, and two social media giants, WeChat and Weibo, rule the roost. You'll learn about:

- How to Harness China's Most Influential Social Media Apps and Platforms
- How WeChat and Weibo Work
- The Most Effective Social Media Campaigns for WeChat and Weibo



Want to know more about influencer marketing in the world's largest and fastest growing online market? This is the second book in our series guiding you through China's digital space. You'll learn about:

- The Most Influential KOL Platforms and How They Work
- How to Find and Select the Right Influencer
- The Ins and Outs of Effective KOL Campaigns
- KOLs in action: Revealing Case Studies



A behind the scenes look at how, in only a few short years, Alibaba CEO Jack Ma's vision of "The New Retail", where 800 million consumers take for granted a world of convenience unimagined anywhere else, has become a reality. You'll discover:

- Why New Retail is about ecosystems and habitats, not channels and e-commerce
- A deep dive on the New Retail models and ecosystems of Alibaba, JD, Tencent and others
- How New Retail is going global and why you should adopt it



Chinese consumers are on everyone's mind. Who are they? What do they want and need? This indispensable guide is for anyone who wants to understand how people in China make their purchases and what leads them to make their purchasing decisions.





If you've ever thought about expanding your business into China but hesitated, this is the book for you. There are plenty of cross-border e-commerce options available without having to set up a branch office or hire a large group of local staff. It's a great solution for brands of all sizes.





When travel begins to open up again, and you want to know how to attract Chinese tourists to your location, shop or brand, this is the book for you. Find out who China's outbound tourists are, where they're going, what they're buying and why.





If you're a B2B company operating in China, this book is for you. Find out how to set yourself apart in the B2B space through the power of digital marketing and online platforms.



## 1. China Digital Marketing Strategy

If you need an effective strategy for Chinese social media or want to adjust your digital presence in post Covid-19 China, we can help you. For more information, contact us at info@chozan.co.

### 2. Chinese Social Media Marketing Consultations

If your marketing team has urgent questions about Chinese consumers in post Covid-19 China or needs to hone your strategy or execution in China, contact us at natalia@chozan.co to schedule vour consultation.

#### 3. CMC - The China Marketing Circle

A private Whatsapp / WeChat group that delivers curated news, updates, trends and case studies related to digital marketing in China. If your team needs inspiration for your next campaign, your copywriting or guidance for future content, join our CMC corporate plan to sign up 10 to 100 people from your team to re-



ceive our CMC insights and monthly consultations. For more information, send an email to natalia@alarice.com.hk

If you're an individual user scan the QR code below for more information or send an email to cmc@chozan.co mentioning this book for an extended free trial of 1 month.

### 4. Chinese Digital Marketing Training

Does your marketing team need training to get up to speed on Chinese social media? We can help. For more information, contact us at info@chozan.co.

## 5. Chinese Digital Marketing Online Video Course



A certificate course for marketers to advance vour career and improve vour skills and knowledge about digital marketing in China. You can do it all from home. Scan the QR code below for more information and use the code ASHLEY15 to get 15% off.

#### 6. Keynote Speeches

For dynamic, energy-filled, keynote speeches related to Chinese consumers, e-commerce, social media marketing and more, Ashley fits the bill. For more information, contact us at natalia@ chozan.co.

If you have any questions, please get in touch with me directly at ashley@chozan.co or call (+852) 3709-2259. Let's go get them all.

Ashlev

### Copyright © 2020 Alarice International

All rights reserved. This book or any portion thereof may not be reproduced or used in any manner whatsoever without the express written permission of the publisher except for the use of brief quotations in the press or book reviews.

First printing, 2020 10F, Iuki Tower, 5 O'Brien Road, Wan Chai Hong Kong

Although the authors and publisher have made every effort to ensure that the information in this book was correct at press time, they do not assume and hereby disclaim any liability to any party for any loss, damage, or disruption caused by errors or omissions, whether such errors or omissions result from negligence, accident or any other cause.

The publisher has made every effort to ensure that URLs for external websites referred to in this book are correct and active at the time of going to press. However, the publisher has no responsibility for the websites and can make no guarantee that a site will remain live or that the content is or will remain appropriate.

Every effort has been made to trace all copyright holders but if any have been inadvertently overlooked, the publisher will be pleased to include any necessary credits in any subsequent reprint or edition.

We all know that influencers, key opinion leaders (KOLs) and social media personalities of all kinds serve important roles in marketing on digital platforms. However, the crucial role that micro-KOLs and key opinion consumers play in China's complex social media world is sometimes forgotten. In this book you'll learn:

- · Who Are KOLs, Micro-KOLs and KOCs
- · How to Work With Micro-influencers in China
- · How to Recruit or Build Your Own KOC in 2020

"Ashley is a great connaisseuse of the newest and latest digital trends in Greater China. Her passion for the China market is contagious and she combines that passion with professionalism and on-the-ground knowledge in an unprecedented way."

— Tiziana Tini, Professor at Glion Institute

"Folke's passionate entrepreneurial drive, unrestricted customer focus and personal commitment to his clients' missions are unique."

— Falk Haarig, Paul Hewitt GmbH



Ashley Dudarenok is a serial entrepreneur, global keynote speaker, bestselling author, vlogger and podcaster. As a marketer and social media agency head with more than 14 years of professional experience in Greater China, she's seen the transformation of China's online world firsthand. Her specialties are China market entry, Chinese consumers, social media marketing and New Retail.









Born and raised in Stockholm, currently based in Shenzhen, Folke Engholm is a result-driven entrepreneur with broad experience in management, sales, business development and social media marketing. In 2013, Folke founded Viral Access, Asia's leading micro-KOL company, which has over 12 million micro-influencers in its network.