

INSTITUTO UNIVERSITÁRIO DE LISBOA

# Commercial Development plan of W company Chinese traditional Hanfu clothing

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MSc in Business Administration

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Department of Marketing, Operations and General Management

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Resumo

Com o rápido desenvolvimento das forças produtivas sociais, os padrões de vida do povo

chinês foram rapidamente melhorados, permitindo à população chinesa procurar maior prazer

espiritual e cultural. Com o apoio de políticas nacionais e ambiente económico, muitas marcas

Hanfu foram estabelecidas e a indústria cresceu gradualmente para uma escala de mercado

de 10 biliões de RMB na última década.

A marca W Hanfu, uma empresa recém-criada em Xangai, segue o posicionamento

"Hanfu que qualquer um pode usar". Os seus principais produtos são acessórios Hanfu e os

seus canais de marketing são principalmente on-line e off-line. No entanto, face a uma

concorrência de mercado cada vez mais forte, a marca precisa urgentemente de ajustar a sua

estratégia para se destacar entre as variadas marcas de Hanfu.

Beneficiando da aplicação de um questionário, este trabalho analisa a estratégia de

marketing da W Hanfu a partir dos aspetos de mercado-alvo, posicionamento de marca,

produto e preço.

As conclusões da pesquisa efetuada podem ajudar a marca W a resolver os problemas

de marketing Hanfu existentes, melhorar a estratégia de marketing, ajudar a marca a crescer

e a desenvolver-se ainda mais no mercado Hanfu. Este trabalho contribui igualmente como

um valor de referência importante para outras empresas Hanfu para formular estratégias de

marketing, e ter significado positivo para promover a cultura tradicional chinesa e melhorar a

autoconfiança cultural.

Palavras-Chave: marca Hanfu; Plano de negócios; Cultura tradicional

JEL Classification: M1; O22

ii

**Abstract** 

With the rapid development and maturity of social productive forces, the living standards of

Chinese people have been rapidly improved, and they have turned to pursue higher spiritual

and cultural enjoyment. With the support of national policies and economic environment, many

Hanfu brands have been established successively, and the industry has gradually grown into

an emerging industry with a market scale of 10 billion yuan in the past decade.

W Hanfu brand, a newly established company in Shanghai, follows the brand positioning

of "Hanfu that anyone can wear". Its main products are Hanfu and Hanfu peripheral products,

which belong to the middle and low-end, and its marketing channels are mainly online and

offline. However, facing the increasingly fierce market competition, W Hanfu brand urgently

needs to adjust its strategy in order to stand out among many Hanfu brands.

Profiting from a questionnaire survey, this project analyzes the marketing strategy of W

Hanfu from the aspects of target market, brand positioning, product and price, and finds out

the main problems.

The above project conclusions can help W brand solve the existing Hanfu marketing

problems, improve the brand's existing Hanfu marketing strategy, help the brand to further

grow and develop in the Hanfu market, and also have important reference value for other

Hanfu companies to formulate marketing strategies, and have positive significance for

promoting traditional Chinese culture and improving cultural self-confidence.

Keywords: Hanfu brand; Business plan; Traditional culture

JEL Classification: M1; O22

iii

#### **Table of Contents**

A	CKNOWLED	DGEMENTS	I
RI	ESUMO		II
A	BSTRACT		III
LI	ST OF TABI	ES	VI
LI	ST OF FIGU	RES	VII
1.	INTRO	DUCTION	1
2.	LITERA	TURE REVIEW	3
	2.1. IN	NTRODUCTION	3
	2.1.1.	Overview and History of Hanfu clothing	3
	2.1.2.	Cultural renaissance and identity: rising popularity of Hanfu in contemporary China	3
	2.2. C	ONSUMER BEHAVIOR THEORIES	4
	2.2.1.	Theory of Planned Behavior	4
	2.2.2.	Social Identity Theory	5
	2.2.3.	Application to Fashion and Traditional Clothing	6
	2.3. S	OCIAL FACTORS THAT EXPLAIN THE RISE OF HANFU MOVEMENT	7
	2.3.1.	Influence of media and pop culture	7
	2.3.2.	Affiliation and community belonging	<i>7</i>
	2.3.3.	Cultural authenticity	8
	2.4. C	USTOMER ACQUISITION AND RETENTION	8
3.	METHO	ODOLOGY	10
4.	COMM	IERCIAL DEVELOPMENT PLAN	11
	4.1. E	XECUTIVE SUMMARY	11
	4.2. E	XTERNAL SITUATIONAL ANALYSIS	11
	4.2.1.	PESTE Analysis	11
	4.2.2.	Sector Analysis	15
	4.2.3.	Competitor Analysis	16
	4.2.4.	Porter's Five Forces Analysis	18
	4.2.5.	Consumer Analysis	22
	4.3. In	NTERNAL SITUATIONAL ANALYSIS	26
	4.3.1.	Characterization of the company	26
	4.3.2.	Mission, vision and values	27
	4.3.3.	Analysis of human resources of W Hanfu brand	28
	4.3.4.	Analysis of marketing ability of W Hanfu brand	29

	4.4.	SWOT ANALYSIS	. 30		
	4.5.	COMMERCIAL DEVELOPMENT PLAN OBJECTIVES	. 31		
	4.6.	COMMERCIAL STRATEGY:MARKETING,SALES AND BUSINESS	. 32		
	4.7.	Marketing-Mix	. 34		
	4.7.1.	Product	. 34		
	4.7.2	Price	. 36		
	4.7.3.	Place	. 37		
	4.7.4	Promotion	. 39		
	4.7.5.	Loyalty and Retention Plan	41		
	4.8.	IMPLEMENTATION	. 42		
	4.8.1.	Schedule	. 42		
	4.8.2.	Budget	45		
	4.8.3	Control and assessment	46		
5.	CON	CLUSIONS	. 47		
BIE	BIBLIOGRAPHICAL REFERENCES				
ΑP	PENDIC	ES	. 53		
ΑP	PENDIX	A – SURVEY	. 53		

### **List of Tables**

Table 4.1 Data analysis of Hanfu brand competitors in 2020	18
Table 4.2 2018-2020 Hanfu brand competitors output value table	22
Table 4.3 Questionnaire	24
Table 4.4 W company's target market	33
Table 4.5 W Hanfu brand product display	35
Table 4.6 Whole Year Promotion Plan	42
Table 4.7 Brand annual budget	45
Table 4.8 Revenues	45
Table 4.9 Control and assessment	46

## **List of Figures**

Figure 1.1 Technology roadmap	2
Figure 2.1 Theory of Planned Behavior	5
Figure 2.2 Traditional hanfu	6
Figure 2.3 Modern hanfu	6
Figure 4.1 Market size and forecast of chinese Hanfu from 2014 to 2025	16
Figure 4.2 Scene distribution of chinese people wearing Hanfu in 2022	16
Figure 4.3 Porter's Five Forces model diagram	21
Figure 4.4 Market size of China's new Hanfu industry in 2019-2023	23
Figure 4.5 Age distribution of target consumers of China's new Hanfu in 2022	24
Figure 4.6 W Hanfu brand quality statistics	25
Figure 4.7 Understand W Hanfu brand channel statistics	26
Figure 4.8 SWOT analysis	31
Figure 4.9 Hanfu consumer age distribution map	33
Figure 4.10 W Proportion of sales of various products of Hanfu brand	35
Figure 4.11 Hanfu consumers' acceptance of each price range	37
Figure 4.12 The channels for consumers to purchase W Hanfu brand	39
Figure 4.13 W Hanfu brand promotion analysis	41

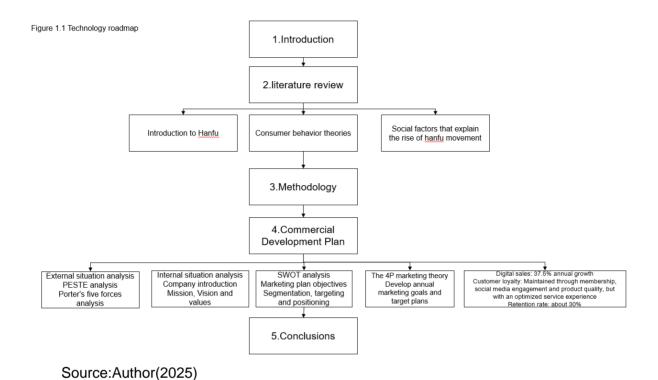
#### 1. Introduction

Nowadays, with the rapid development and maturity of social productive forces, the living standards of our people have been rapidly improved, and the needs of the people in the material life level have been basically met, and they hope to get more advanced enjoyment on the spiritual and cultural level. The traditional culture represented by Hanfu, benefiting from the support of national policies and economic environment, gradually appeared in the daily life of the people and continued to develop and grow into a new economic industry with a certain market scale.

Hanfu culture and its related surrounding industries, as the new representative of traditional cultural industry, occupy an important position in the economic development. In recent years, as the traditional culture industry has been attached great importance by the state, many people begin to pay attention to the traditional culture industry, especially Hanfu, which gradually enters the public's vision and is loved by some people. They start to study Hanfu culture and become its disseminators, and Hanfu has become a representative symbol of traditional culture and gradually accepted by people. The number of Hanfu fans is also increasing, especially attracting many highly educated young people, who are beginning to pay attention to the connotation of Hanfu culture. Some young people spread the idea of reviving traditional culture and clothing, and actively participate in various Hanfu cultural industries. They wear Hanfu to work, study and participate in various activities, which they regard as their own hobby, and influence people around them to contact and understand Hanfu. This gentle way of publicity has also been recognized by the public, and they have positively affected the people around them with their own actions, so that some people are willing to try and understand Hanfu culture. Hanfu culture has become a new cultural phenomenon.

This thesis studies the marketing strategy of W Hanfu brand based on positioning theory. As a reflection of Chinese traditional culture, Hanfu has not been widely valued and recognized before, but in recent years, with the increasing attention and recognition of Chinese people, Hanfu brand market began to rise gradually, and showed a rapid growth trend. The main core of W Hanfu brand company's income comes from online channels such as Taobao and Tiktok. Customer loyalty is maintained through membership system, interactive strategy and questionnaire feedback, but service experience needs to be optimized. The company report shows that more than 30% of old customers will buy brand products again, 40% of new customers are attracted by "online + offline" marketing model, 30% are recommended by old customers, and the retention rate is about 30%, relying on re-purchase and word-of-mouth

recommendation, which can be improved by personalized customization and after-sales service in the future.



#### 2. Literature Review

#### 2.1. Introduction

#### 2.1.1. Overview and History of Hanfu clothing

Jin (2021) proposed that the term "Hanfu" first originated from the "Book of Han," initially referring to the clothing and culture of the Han Dynasty. With the passage of time and the evolution of dynasties, Hanfu gradually came to be defined as the traditional attire of the Han ethnic group. The development of Hanfu can be traced back to the ancient period of China, and the development history is synchronized with the development of Chinese civilization, which is one of the very important parts of Chinese traditional culture. As the carrier of traditional culture, Hanfu in each period carries the social, economic and cultural characteristics of that era. Hanfu has also influenced the whole Han culture circle through cultural transmission, and the national costumes of Asian countries such as Japan, Korea, South Korea and Vietnam all have or learn from the characteristics of Hanfu.

Wang and Zhang (2024) believe that Hanfu culture has experienced a process from silence to revival in contemporary development. Especially in the early 21st century, with the rapid development of the Internet and the efficient dissemination of information, Hanfu culture has gradually attracted wide attention in China and even the international community.

## 2.1.2. Cultural renaissance and identity: rising popularity of Hanfu in contemporary China

Chang (2023) believes that clothing culture, as an important part of excellent traditional Chinese culture, shows the unique spiritual temperament of the Chinese nation and carries rich cultural connotations, among which Hanfu culture is the most dazzling. During traditional festivals, the associations often cooperate with tourist attractions to organize traditional celebration activities or sacrificial ceremonies, etc., or they will cooperate with schools and commercial organizations to hold activities such as Hanfu runway shows, traditional song and dance performances and skills, or academic discussions. This kind of party activities make Hanfu culture have offline communication and exchange channels, so that many ordinary people have the opportunity to contact and participate in these activities, feel the charm of Hanfu culture.

Ke et al. (2024) believes that with the continuous development of new media technologies such as video and audio, media interaction and VR, the communication forms of Hanfu culture have become more and more abundant in recent years. Hanfu culture has been "out of the

circle" from some groups of minority hobbies, Hanfu display, Hanfu wear gradually to the public, affecting the aesthetic and fashion of the society, Hanfu wear gradually popular, more and more young people began to wear Hanfu and carry out activities in daily life, people's understanding and acceptance of Hanfu is getting higher and higher, and the consumer group of Hanfu is also expanding.

#### 2.2. Consumer Behavior Theories

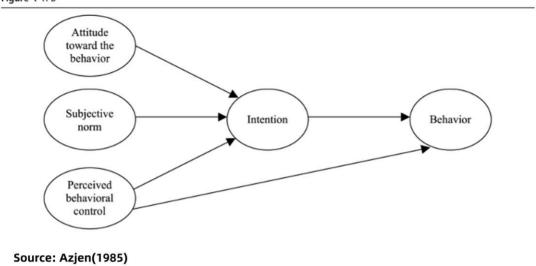
#### 2.2.1. Theory of Planned Behavior

Fishbein and Ajzen (1975) put forward a new theory, rational behavior theory, which has an important influence on the study of behavioral decision making. This theory is based on the assumption that individual behavior is under complete autonomous control, and behavioral intention, which is influenced by attitudes and subjective norms, is considered to be the direct determinant of individual behavior. But in reality individuals are often influenced by a variety of factors such as time, money and ability. In order to further improve the theoretical model, Ajzen(1985) added a new variable of perceived behavior control and proposed the theory of planned behavior, pointing out that individual behavior is affected by intention, which is determined by behavioral attitude, subjective norms and perceived behavior control, and there is a mutual influence relationship between these elements .(see Figure 2.1)

Xu (2021) believes that in the process of company development, we need to effectively apply the theory of consumer planned behavior, and we should fully clarify this theory in the use stage, such as the actual field and scope of application. The company should also look for its own customer groups in the consumer planning behavior, according to the actual situation of Hanfu brand positioning to make overall arrangements, such a way can not only ensure that the brand marketing is more effective, but also promote the promotion of brand economic benefits. However, it should be noted that in this process, brands need to recognize and realize whether consumers buy impulsively or their real needs, and the former must not be

planned into the theory of planned behavior.

Figure 1 TPB



#### 2.2.2. Social Identity Theory

Hogg (2016) once said that social identity theory is an interactionist social psychological theory that studies the role of self-concept and its related cognitive processes and social beliefs in group processes and inter-group relations. It was first introduced in the 1970s as a description of inter-group relations and gained significant development in the early 1980s as a general description of group processes and the nature of social groups.

Ellemers and Haslam (2012) argued that social identity theory is a "grand" theory. Its central premise is that in many social situations, people see themselves and others as members of a group, rather than as unique individuals. This theory holds that social identification is the foundational behavior between groups and that it is qualitatively different from interpersonal behavior. It is a true social theory of psychology in that it focuses on social context as a key determinant of self-definition and behavior.

Satrapa et al. (1992) argued that social identity theory is important for Hanfu research because people usually know that they wear clothes to acknowledge that they are part of a group. The project emphasizes that through the analysis of the relationship between Hanfu and identity, we can see how the symbolic dimension of identity is marked by the visual expression of clothing. Özdil (2021) proposes an approach to ethnic symbolism that helps identify the symbolic claims at the core of national identity, elaborating on the components of identity, such as gender, race, nationality, language, and religion.

#### 2.2.3. Application to Fashion and Traditional Clothing

Yin (2024) believes that Chinese Han clothing has many styles and unique characteristics. Hanfu designers should first increase the understanding of the connotation of Hanfu elements. and apply them to modern clothing design through decomposition and integration, so as to highlight the design sense and beauty of modern clothing. More importantly, in this process, it helps to make the application of Hanfu elements in modern clothing design more flexible, and the integration of Hanfu and fashion not only has a strong classical atmosphere, but also is more convenient, even in daily life wearing will not have the slightest pressure. The horse skirt, represented by the horse skirt, was a more common type of dress under the Hanfu of the Ming Dynasty (see Figure 2.2). Today, the horse skirt and fashion mix has become a new trend, not only classical flavor, but also more convenient, even in daily life, there will be no pressure. With a good momentum in 2023, it will occupy the first place in the New Year market around the Spring Festival in 2024. In the "Double 11" in 2023, more than 730,000 horse face dresses (see Figure 2.3) were sold on Taobao, which can cover 105 football fields, and the horse face dress was selected as "Taobao's Top 10 products of the Year in 2023". In the first two months of 2024, sales of horse-face dresses reached nearly 550 million yuan in Cao County, China alone.

Shuangxi et al. (2022) believed that each Chinese dynasty had its own unique cultural clothing, reflecting the social and cultural environment at that time, and now it is becoming a part of daily fashion.

Figure 2.2 Traditional hanfu

Source: Shandong Museum(1465)

Figure 2.3 Modern hanfu



Source: Taobao -Chonghui Hantang(2023)

#### 2.3. Social Factors that explain the rise of Hanfu movement

#### 2.3.1. Influence of media and pop culture

Dai (2024) point out that the development of new media digital technology can realize the multidimensional display of Hanfu culture. For example, human-computer interaction provides more diversified channels and forms for the spread of Hanfu culture. Virtual reality technology provides the audience with immersive cultural experience, enhances the cognition and understanding of Hanfu culture, and makes the economic cost of experience more acceptable to people. Short video platforms such as Douyin, XiaoHongshu and Bilibili will be used to release videos related to Hanfu culture, publicize deeper cultural background, and improve the exposure and dissemination effect of Hanfu culture.

Zhang and Cassany (2020) said that in 2020, the annual National Day celebration was placed on Bilibili, the most popular video-sharing platform for Chinese young people. Thousands of Hanfu fans gathered in front of the screen. The ceremony is made up of a wide variety of videos, ranging from individual participation to various forms of celebration such as traditional Chinese art, dance and music, combining Hanfu with other symbols of Chinese tradition. The virtual ceremony attracted coverage from Xinhua News Agency (2020), which commented that the event helped "carry forward Chinese tradition and national spirit" and provide cohesion for people.

#### 2.3.2. Affiliation and community belonging

DU (2023) indicates that Hanfu, as a representative of traditional Chinese clothing, carries rich historical and cultural connotations and is an important part of Chinese culture. Hanfu is not only a kind of clothing, but also a display of cultural inheritance and self-identification. It shows the ancient people's pursuit of beauty and extreme aesthetic standards, and also reflects the profound cultural connotation of Chinese culture. Hanfu is closely connected with traditional culture. It is not only a reflection of talent and appearance, but also contains rich elements of history, culture and craftsmanship. By wearing Hanfu, people can better understand and inherit traditional Chinese culture, such as traditional crafts and etiquette culture.

He (2024) emphasizes that traditional Chinese clothing, as an important element and content of Chinese culture, is one of the foundations of China's national and multi-ethnic culture, which carries the rich cultural connotation of China for five thousand years and contains the unique spiritual characteristics of Chinese civilization. It accurately shows the unique folk customs, profound moral concepts and Oriental aesthetics contained in the Chinese civilization

in the long history, and is one of the treasures of traditional Chinese culture worthy of our indepth exploration, development and transmission to the world.

#### 2.3.3. Cultural authenticity

Yue (2024) once said that Hanfu culture has a long history and its historical context can be traced back to ancient times. Through the Xia, Shang and West Zhou Dynasties, to the Spring and Autumn period and the Warring States period, Hanfu gradually formed its unique style and characteristics. During the Qin and Han Dynasties, Hanfu was basically formed and became the main form of clothing of the Chinese nation. Since then, with the evolution of history, Hanfu has gradually improved in continuous development, forming a rich variety of styles.

Chen (2022) said that Hanfu is the short for traditional Han clothing, also known as Hua Fu. Originating in the Han Dynasty in ancient China, it embodies the pursuit of order, etiquette, tradition and identity in ancient Chinese culture, and is one of the important symbols of traditional Chinese culture.

Fan (2024) believes that the rise of China promotes cultural identity. As an important part of traditional Chinese culture, Hanfu represents the unique charm and aesthetic concept of the Chinese nation. More and more young people begin to pay attention to and love Hanfu culture, they regard Hanfu as a symbol of identity and cultural pride, and express their personality and love for traditional culture by wearing Hanfu.

#### 2.4. Customer acquisition and retention

Weinstein (2018) said that Philip Kotler, the internationally renowned professor at Northwestern University, states that "the key to customer retention is customer satisfaction." Loyalty 2.0 builds on those options and stresses target marketing and technology, but has overwhelmed customers with email and direct mail. Differentiated marketing strategies are needed for the various user groups – first-time users, repeat customers, heavy users and former users.

According to Kumar and Rajan (2020), customer lifetime value (CLV) refers to the firm's estimation of the net worth of a customer over time. Gupta et al.(2006) argues that as modern economies become predominantly service-based, companies increasingly derive revenue from the creation and sustenance of long-term relationships with their customers. In such an environment, marketing serves the purpose of maximizing customer lifetime value (CLV) and customer equity, which is the sum of the lifetime values of the company's customers.

Christopher et al.(2013) pointed out that relationship marketing is the creation of stakeholder value, expanding the analysis of changes in marketing principles, from a crude focus on increasing market share to a strategy aimed at establishing long-term profitable relationships with target customers.

Niemi (2017) believes that the generation and cultivation of potential customers is the foundation of a company's profitability. At the same time, it is consistently reported as the biggest challenge facing companies across industries. According to Patrutiu-Baltes (2016), digital marketing plays an important role in the marketing strategy of any company, regardless of its industry, size or country of origin. Therefore, more than ever, in order to remain competitive, companies are forced to utilize this form of marketing, which essentially can bring huge benefits at low cost. The main form of digital marketing is inbound marketing, which represents a form of organic marketing based on a close relationship between a company and its prospects or customers, who voluntarily express interest in the company's products and are attracted and engaged by high-quality content marketing.

Chen (2024) believes that customer relationship management (CRM) is indispensable in any enterprise, and only through effective maintenance of customer relationship can customers be guaranteed to the maximum extent. With the continuous development of Internet technology, customer relationship management (CRM) is becoming more and more convenient. In the process of management, a lot of customer information will be generated. Enterprises should use their own customer information management system to effectively manage and analyze the customer-related information generated in the process of customer management, and find the most beneficial way to interact with customers through the analysis of customer information.

#### 3. Methodology

The main sources of the reviewed literature are thesis, journals, atlas, books, electronic literature and so on. The main sources of other data are Hanfu we-media platforms and the Internet. Based on the collection of literature materials, the literature on the marketing strategies of Hanfu companies and the marketing strategies of the clothing industry is searched, sorted and analyzed, so as to know the cutting-edge marketing dynamics of outstanding companies in the Hanfu industry, conduct project and analysis and summarize, and find suitable theories as the theoretical basis to build the theoretical framework of the full text project.

This thesis analyzes the external environment and internal environment of W Hanfu brand, including PEST analysis, five forces model analysis, etc., and then SWOT analysis, to sort out the advantages, disadvantages, opportunities and threats of W Hanfu brand. Through data and literature analysis, the market was segmented, business goals were set, market positioning was defined, and annual marketing plans and budget tables were formulated.

According to the relevant data of the industry and the influence of various factors, the questionnaire related questions are listed, and then the questionnaire is sent to the relevant practitioners in the Hanfu industry and consumers. According to the 208 valid questionnaire data collected, the current situation and reasons can be analyzed, the customer needs can be understood, and the next marketing plan of the brand can be determined. The questions set in the questionnaire, such as: purchase ratio of gender and age of W Hanfu brand to understand the target market of W Hanfu brand; In terms of product price, consumers can accept the price range, to understand which price range Hanfu demand is high and price acceptance is high; Through what purchase channel to buy W Hanfu brand, know the most popular channels among consumers and a series of questions. The questionnaire was created through the "Juanxing" on wechat platform. It adopts a convenient non-probabilistic method and uses descriptive statistics as an analysis technique. The questionnaire survey period is from July 26 to July 31, 2024.

#### 4. Commercial Development Plan

#### 4.1. Executive Summary

W Company Hanfu brand was established in June 2021, the main business is to sell Hanfu, carry out Hanfu culture promotion activities, the company's namessame brand "W Hanfu" is the main brand, committed to using modern textile technology to restore the traditional Chinese weaving process, so that everyone can wear Hanfu in daily life. On December 15 of the same year, W Company's first Hanfu physical store - "W Hanfu" brand physical store opened in Songjiang District, Shanghai, which is also the first Hanfu physical store in Shanghai. Hanfu physical stores can customize their own Hanfu for customers, or make different plans according to customer needs, such as: Hanfu outdoor activities, Hanfu catwalk, Hanfu annual meeting, etc., can also provide consumers with indoor or outdoor Hanfu art photo services, so W Hanfu is not only a window to sell products, but also a window to promote Hanfu cultural activities with Hanfu as the carrier. A rising star of emerging ethnic style fashion brands, W Hanfu is also available on Taobao, Jingdong and Tiktok. At present, Taobao has 250,000 followers, Tiktok has 500,000 followers, only 15 permanent employees, a few part-time employees

The company was established in a short time, and then it will improve its professional team, such as: Research and development, production, operation, marketing, customer service, after-sales, etc. Currently, the company's annual sales volume is about 6 million yuan. By 2025, the company aims to achieve an annual sales volume of 8 million yuan, 500,000 Taobao fans, 750,000 Tiktok fans, and successively register accounts on overseas shopping and social platform software to promote Hanfu. In addition to the physical store in Shanghai, there will be more physical stores in Jiangsu, Zhejiang, Anhui and other places.

Brand positioning is a significant factor affecting the company's sales. This thesis analyzes the positioning of W Hanfu brand, including brand positioning analysis, PESTE analysis, SWOT analysis, etc., and uses the analysis results to find the existing problems of W Hanfu brand and seek solutions.

#### 4.2. External Situational Analysis

4.2.1. PESTE Analysis
4.2.1.1. Political and Legal Context

Xiaodie et al. (2020) realized that as the essence of reviving traditional culture and carrying forward national spirit, the revival of Hanfu with its development would play a positive role in promoting the development of national culture and enhancing national cohesion.

Since the 18th National Congress, the General Secretary has repeatedly talked about Chinese traditional culture, culture is the continuation of a country and the spirit of the nation, only with cultural confidence can truly carry forward the excellent traditional Chinese culture. At the opening ceremony of the Universiade in 2023, Hanfu also occupied the C position on the occasion of the distinctive costumes of various ethnic groups.

The report to the 19th National Congress clearly pointed out that we must improve the modern cultural industry system and market system, cultivate new forms of cultural business, and promote the creation, transformation and innovative development of fine traditional Chinese culture. The cultural industry has low energy consumption, great potential for income generation, employment promotion and high-quality development, which meets the development requirements of the new era . Stores (2020) believes that in recent years, the state has paid more and more attention to supporting excellent traditional culture. It has issued the Opinions on Implementing the Project of Inheritance and Development of Excellent Traditional Chinese Culture and other relevant policies to promote the revival of traditional culture. The Central Committee of the League has also led the holding of traditional cultural activities such as "Chinese Costume Day", aiming to share Chinese clothing and exchange Chinese culture at home and abroad. Further promote the development of Hanfu market.

#### 4.2.1.2. Economic Context

With the continuous hot demand of the Hanfu market, the Hanfu field is also good for capital, and the development of the Hanfu industry is expected. The growing scale of the downstream trading industry has also brought a steady stream of development momentum to the Hanfu industry. According to the Annual Development Report of China's Cultural Industry 2019, the operating income of China's cultural industry soared from 2.340,300 yuan in 2014 to 81.050,400 yuan in 2018, with an average annual real growth rate of about twice the GDP growth rate. In 2022, the market size of China's Hanfu has increased to 12.54 billion yuan.

The unit price of Hanfu purchased by Hanfu consumers is mainly between 100-500 yuan, which is suitable for most consumers such as students; Among them, the proportion of consumers who buy Hanfu with a unit price of 100-300 yuan is about 42.8%, and the proportion of consumers with 300-500 yuan is 40.5%. Overall, the scale of China's Hanfu market continues to rise and expand, reaching 14.47 billion yuan in 2023, and the scale of China's

Hanfu market is expected to reach 24.18 billion yuan in 2027. The number of global Hanfu cultural associations also increased from 1,300 in 2017 to 2,000 in 2019.

#### 4.2.1.3. Socio-Cultural Context

Liu (2015) said that the quality of the social environment is closely related to the quality of the development of the enterprise, and the combination of the marketing strategy of the enterprise and social environmental factors can better cope with the challenges of fierce market competition in the Hanfu industry.

The post-90s, post-00s and other types of people have gradually become the main consumer of Hanfu industry, most of them are women in their teens to 30s, including college students, white-collar workers, fashion lovers, etc. They love the pursuit of beauty, like traditional culture, national style and fashion, and their love for traditional culture and the pursuit of individuality have promoted the rapid development of the Hanfu market. Not only China's Jiangsu, Zhejiang, Shanghai, which has always been an important base of textile and garment cities, Henan, Xi 'an and other places in the Hanfu market also once exploded. Hanfu cultural industry chain covers a wide range of fields, with clothing design and production, Hanfu culture research and other forward-related industries; Wedding photography, video games and other backward related industries, as well as other related industries such as tourism development and sinology education.

W company's Hanfu is not only a kind of clothing, but also a kind of culture. In addition to traditional festivals, performances and other activities, it has gradually entered various scenes in daily life. The fashion of W company Hanfu is manifested in all aspects of clothing shape, face structure, color, texture, pattern, etc., which brings new visual pleasure to millions of fashion consumers, ADAPTS to the fast-paced market and lifestyle, and strengthens the self-confidence of the Chinese nation and the spiritual precipitation of traditional art.

#### 4.2.1.4. Technological Context

With the popularity of fashion concepts, a large number of new technologies have been applied to the Hanfu industry. On the basis of the current development of science and technology, technology enables VR, big data, cloud computing, 5G, etc., and gradually extends from first-tier cities to other cities, and the popularization of Hanfu industry makes technical support.

Hanfu industry has introduced ERP(Enterprise Resource Planning), OA(Office Automation), EAP(EmployeeAssistanceProgram) and other systems to improve the construction link of information management and improve the efficiency of the industry.

3D cutting software is a form of computer-aided virtual garment design system, which integrates the advantages of three-dimensional cutting and plane plate making. Liu and Chang (2022) believes that compared to three-dimensional cutting, it can save fabric, be more efficient, save time and resources, and meet industry needs. 3D virtual design is an advanced technology that extends and develops under the 3D cutting method. It has strong foresight of the times, market promotion and exploitability.

W Hanfu mainly uses modern textile science and technology to restore traditional Chinese manufacturing process and better show the culture and beauty of Hanfu. The real raw materials of these crafts are expensive, the process is extremely complex, and in history, they are used by the royal family, and today they can be described as artistic treasures. W Hanfu brand in order to inherit, the first thought is to popularize, so that more people understand the beauty of traditional Chinese manufacturing technology, understand the story behind.

The vigorous development of modern emerging science and technology has promoted the wide publicity of Hanfu. The use of 3D printing technology can produce exquisite and low-cost Hanfu accessories, the use of 5G and AR technology can make traditional Chinese cultural works more vivid, and the use of digital technology can recover unearthed clothing, providing historical basis for the design and production of Hanfu.

#### 4.2.1.5. Environmental Context

"Hanfu" is a kind of cultural symbol that has attracted much attention in recent years, and it has unique cultural representation. As an emerging and trendtop humanistic culture, it has attracted the attention and pursuit of many young people. At the same time, it also has an incomparable historical accumulation and national culture, which contains the accumulation of wisdom of the Chinese nation. Under the background of the concept of "cultural confidence" and the era of "cultural power", W Hanfu brand is also committed to constantly promoting "Hanfu culture" as an excellent cultural treasure of the Chinese nation so that more people are familiar with and inherit our traditional culture.

#### 4.2.2. Sector Analysis

According to iiMedia Research (2022-2023) data (Figure 4.1), from 2015 to 2021, the market size of China's Hanfu has achieved a surge from 190 million yuan to 10.16 billion yuan, and it is expected that the market size of China's Hanfu will reach 19.11 billion yuan in 2025. From the above data, it can be seen that the current Hanfu market is still small, less than 2% of the retail sales of apparel goods in China's units above the quota in 2021 (997.46 billion yuan), and there is still a large upward space to promote the Hanfu industry to continue to heat up, and the industry potential is immeasurable.

According to iiMedia Research (2022-2023) data (Figure 4.2), in 2022, more than 50% of the respondents will wear Hanfu in Hanfu activities, art photo shoots, special scenes and traditional festivals, 19.6% of the respondents will wear Hanfu in daily life, and 6.2% of the respondents have not worn Hanfu. As can be seen from the above data, it can promote the daily and convenient improvement of Hanfu, make Hanfu become a part of daily clothing, make wearing Hanfu become a fashion, and vigorously promote the development of Hanfu and traditional culture.

In recent years, more than 70% of consumers buy Hanfu through online shopping platforms such as Taobao and Xianyu, and about 49.8% of consumers buy Hanfu from offline Hanfu physical stores. The types of Hanfu on the online platform are rich and the prices are affordable, while the offline physical stores give Hanfu consumers a better experience. Now with the continuous development of Hanfu industry, Hanfu photo, Hanfu rental, Hanfu experience hall will also become an indispensable part of the industry, helping Hanfu brand to enhance brand awareness. Cross-border IP cooperation between Hanfu brands and museums, games, movies and TV dramas or comics, as well as holding offline activities, may become an important way for Hanfu brands to break the original user circle and enhance brand awareness.

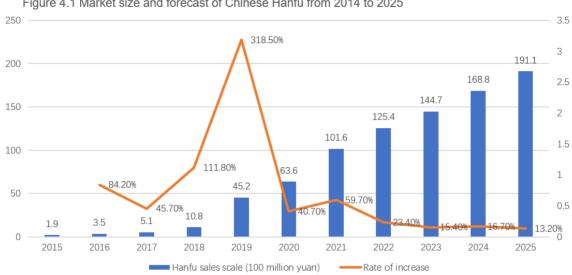


Figure 4.1 Market size and forecast of Chinese Hanfu from 2014 to 2025

Source: Ilmedia Data Center (2023)

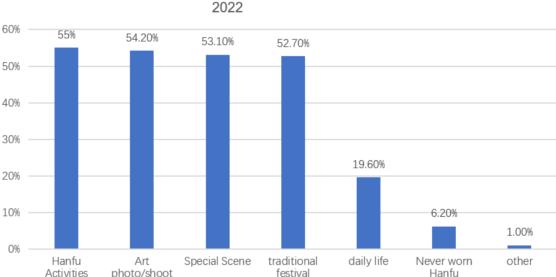


Figure 4.2 Distribution of scenes of Chinese people wearing Hanfu in

Source: Ilmedia Data Center (2023)

#### 4.2.3. Competitor Analysis

Wang and Huang (2021) realize that there are many types of clothing in the contemporary clothing market, each with its own characteristics. The project also mentioned that Hanfu should not only compete with various clothing systems in the market, but also compete with similar enterprises in the market.

W Hanfu brand is a medium-sized brand in the current market, and has formed a relatively fierce competitive relationship with other well-known brands in the market, such as Shisan Yu and Zhong Ling Ji. In terms of market positioning, W Hanfu brand mainly focuses on attracting those groups who have a certain understanding of and strong interest in Hanfu culture. Wearing Hanfu shows the unique traditional culture of China. Therefore, how to make W Hanfu brand break out in the market is particularly important to analyze and evaluate the market competition pattern. It will also provide a series of important references for W Hanfu company's market strategy. By analyzing the market competition pattern, understanding the market trend and the needs and psychology of target customers, analyzing the advantages and disadvantages of competitors, will allow to better define the company's strategic Positioning, effectively improving brand competitiveness and attracting more customers.

In terms of market share, W Hanfu brand has been established for a short time and currently has a low market share in China, so it has not yet formed a large share in the market. According to the competitor data provided by Su(2022) (see Table 4.1), there is a certain gap between the strong competitors such as Shisan Yu and Chonghui Hantang. They already have a certain popularity and market share in the market, and it is easier to attract target customers.

Chonghui Hantang has a complete range of clothing, with 30 offline physical stores and stores on various popular online platforms in China; Shisan Yu is mainly because of its founder's network red with goods effect, can bring huge traffic to the store, and can convert traffic into sales; Lanruoting is to establish a cost-effective brand image and reputation, and then cooperate with a large number of marketing to stimulate consumers to buy; Hanshang Hualian design innovation, good at manufacturing high sales Hanfu style, distinctive style to attract many consumers to buy.

In terms of brand positioning, W Hanfu brand is committed to showing Hanfu culture and traditional Chinese craftsmanship, and wants to take into account the cost performance, but there are high-end Hanfu brands such as Minghua Tang and Hanshang Hualian, and strong low-end Hanfu brands such as Zhongling Ji, Chonghui Hantang and Lanruoting, and high-end brands are famous for their rigorous attitude and high-quality production techniques. With professional Hanfu research, high-end clothing handmade, fabric research and development and recovery capabilities, to cater to Hanfu collectors, collectors love, and low-end brands because of high cost performance by the beginner Hanfu enthusiasts. In contrast, other competitors have already formed a relatively clear brand positioning, and there is a certain lack of market differentiation of W Hanfu brand.

In terms of financial status, W Hanfu brand is only a start-up company, with only about 15 permanent employees plus part-time staff, while Chonghui Hantang, Shisan Yu and other brands have research and development, production, operation, marketing, customer service,

after-sales and other teams, ranking firmly in the forefront of Hanfu enterprise sales rankings, strong.

From the perspective of promotion and marketing channels, W Hanfu brand currently mainly uses online platforms for brand publicity and promotion, plus an offline physical store, while other competitors have offline physical stores all over the country and online stores all over the network. There is a certain gap in the improvement of brand influence and market share.

To sum up, there are still many problems in the market competition pattern of W Hanfu brand. In view of the above analysis, W Hanfu brand needs to further strengthen the innovation of brand differentiation strategy, and develop more diversified marketing channels such as offline physical stores, so as to expand brand influence and enhance market share. At the same time, focus on the improvement of product quality and service to meet the needs and expectations of target customers, in order to increase market share and competitiveness.

Table 4.1Data analysis of Hanfu brand competitors in 2020

	T	1			
					Number of
	Maximum one-day	Annual output	Number of	Number of	Tiktok
Brand	sales	value	Taobao followers	Weibo followers	followers
Chonghui Hantang	3500(yuan)	98 million yuan	2.76million	350,000	400,000
Hanshang Hualian	11200(yuan)	127 million yuan	3.77million	400,000	2.9million
Shisan Yu	46000(yuan)	263 million yuan	3.62million	4.49million	1.56million
Lanruoting	600000(yuan)	138 million yuan	2.49million	420,000	109,000

Source: Su(2022)

#### 4.2.4. Porter's Five Forces Analysis

Porter (1989) said that Porter's Five Forces framework is a tool to analyze enterprise competition. It is used to determine the intensity of competition and thus the attractiveness of the industry in terms of profitability. Amelia et al. (2019) said that an "unattractive" industry is one in which the influence of these five forces reduces the overall profitability. The founder of the Five Forces theory was Michael E. Porter of Harvard University. The framework was first published in the Harvard Business Review in 1979.

The "Five forces model" proposed by Michael Porter believes that there are five competitive forces in the industry competition, and the five aspects are used to analyze the competitive environment, which determines what kind of competitive strategy an enterprise should adopt to meet the needs of the target market, so as to maximize the benefits and status. The reality of these five forces and their arrangement and combination determine the intensity of industry competition, and ultimately affect the direction and profit of capital, which can also

see where the enterprise is more competitive, and in which aspect it can invest more resources. This is known as Porter's Five Forces model (see Figure 4.3)

Industry rivalry: With China's emphasis on traditional culture, coupled with the spread of the Internet, the Hanfu culture industry has increased year by year, and the industry competition is fierce. As can be seen from Table 4.2, "Shisan Yu" ranked third in 2018 with an output value of 37.09 million yuan, second only to "Chong Hui Hantang" with an output value of 52.88 million yuan and "Hanshang Hualian" with an output value of 80.3 million yuan. In 2019, the output value of "Shisan Yu" was 246 million yuan, far more than the output value of "Chong Hui Hantang" of 163 million yuan, ranking second, second only to the output value of "Hanshang Hualian", and the output value gap was only 16.6070 million yuan. In 2020, "Shisan Yu" ranked first with an output value of 263 million yuan, far exceeding the other three brands.

"Shisan Yu" can in just a few years of output value far more than the other three brands of Hanfu brands, the main reason is that its founder's own network red belt goods effect. "Shisan Yu" founder Lian Yuxin, concurrently CEO, has a certain amount of fans and influence on the network. The founder's own net red effect has brought huge traffic and attention to the Taobao store of "Shisan Yu", and these traffic are finally converted into "Shisan Yu" sales. In addition to the advantages, the design style of "Shisan Yu" products also attracts many Hanfu consumers because of its beautiful design and rich color matching characteristics. It can be seen that the marketing strategy of "Shisan Yu" focuses on the use of network communication effect, Hanfu content marketing to guide traffic, and attract consumers to buy through product design.

"Lan Ruoting" marketing strategy focuses on the establishment of cost-effective brand image and reputation, with small profits and quick sales strategy showing obvious high sales, low price characteristics to stimulate consumers to buy. However, "Lan Ruoting" only takes Taobao store as the main sales channel, and the marketing channel is relatively simple.

The marketing strategy of "Chong Hui Hantang" is mainly to set up Hanfu physical stores in various cities in China so that many Hanfu enthusiasts and people who do not know Hanfu can experience wearing Hanfu on the ground, and attract Hanfu sellers to buy with mid-end prices, complete types, dignified design and other characteristics. There are more than 30 physical stores in China. But network marketing compared to "Shisan Yu" and "Hanshang Hualian" there is a big gap.

"Hanshang Hualian" product strategy focuses on design concept, each new product is designed around a theme, and each new product category includes Han clothing and Han elements and other accessories. In terms of network communication, and "Shisan Yu" are

mainly in the new media era network marketing as the first choice, but compared with "Shisan Yu" is the founder of the brand has brought huge traffic and attention, "Hanshang Hualian" although also popular with young people, but its heat mainly relies on the "Hanshang Hualian" brand, network attention is still not as good as "Shisan Yu".

Through the analysis of competitors, there is still a big gap in the online channel marketing of W Hanfu brand compared with competitors. It is necessary to learn to make use of network effects and publish more Hanfu wearing vlog and Hanfu shooting videos on brand accounts of various platforms, such as: Weibo, Tiktok and other platforms try on new products of W Hanfu brand, introduce and explain the clothes and hair accessories of this new product, knowledge of science history and literature. The video style is mainly lively and interesting and interesting scenes interpreted by models. We pay attention to the comments of fans, constantly cater to the preferences of current young people, and make the video more widely viewed and liked. Attracting more fans to pay attention to the brand, while bringing huge traffic to the brand, it also greatly improves product sales and brand influence. At present, online channels are the main purchase channels for Hanfu consumers, but some consumers still choose to buy Hanfu in physical stores. Considering the different consumption habits of consumers, W Hanfu brand should also use Hanfu physical stores as auxiliary sales channels, which is also the future development trend of Hanfu industry.

Threat of new entrants: With the increasing love and recognition of traditional culture in China, Hanfu, as one of the traditional Chinese costumes, is becoming more and more popular among young people. This market demand is large, the entry requirements are relatively low, and the replicability is strong, so the industry competition is fierce. In this competition, the competitors are mainly divided into three categories: the first category, strong financial strength, has been equipped with experienced sales and operation personnel clothing enterprises; Second, cross-industry competitors, such as the cultural industry and other Hanfu industry profits to enter the enterprise; Third, individual competitors who love Hanfu, many of whom already have visibility and fans on various platforms, rely on their own fan groups to convert traffic into sales. These three groups of people, as potential competitors of W Hanfu brand, have a certain impact on it.

Threat of substitutes: Nowadays, the competition of Hanfu enterprises is fierce, there are high-end Hanfu brands, each has its own advantages, high-end brands are famous for their rigorous attitude and high-quality production technology, catering to the love of Hanfu collectors and collectors, and low-end brands are loved by beginners Hanfu lovers because of their high cost performance. As fashion trends change, consumers may also choose other similar clothing styles as alternatives, such as modern Han-elements clothing or improved versions of traditional clothing. W brand should not only continuously improve the design and

production of clothing, pay attention to product quality, but also take into account the cost performance, so that consumers can choose W Hanfu brand among many Hanfu brands.

Bargaining power of suppliers: The price of raw materials will have a certain impact on the Hanfu industry, but the cost it occupies for the Hanfu industry is not too large, usually not more than 20%. Therefore, although raw material suppliers have a certain bargaining power, the impact on Hanfu enterprises is not large.

Because Hanfu production is similar to the garment industry, but it is more special, like some Hanfu styles will require relatively high-end skills or techniques, such as intangible cultural heritage skills, so the craftsmen with excellent restoration skills or the talents who have mastered the embroidery skills are relatively rare, and their bargaining power is higher.

Bargaining power of buyers: With the increasing speed and lower prices of Hanfu brand products on the market, consumers have more and more choices, and there are more and more channels of purchase. Consumers can not only buy in offline physical stores, but also through Taobao, Tiktok, etc., so consumers may compare prices online and offline for the same desired style. Then according to their own needs, consumers will be more inclined to choose which channel, faced with such a problem, W Hanfu brand should classify consumers, listen to consumers' opinions and evaluations, constantly improve their own clothing design and quality, and make a good reputation, in order to retain old customers and continue to attract new consumers.

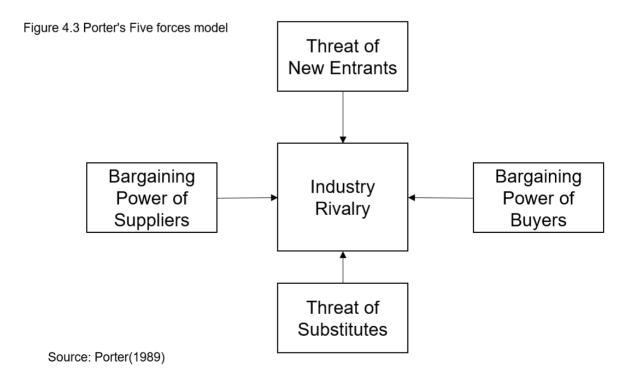


Table 4.2 2018-2020 Hanfu brand competitors output value table

Brand	Output value in 2018	Output value in 2019	Output value in 2020
Chonghui Hantang	52.88 million yuan	163.37 million yuan	97.94 million yuan
Hanshang Hualian	80.3 million yuan	263.04 million yuan	126.86 million yuan
Shisan Yu	37.09 million yuan	246.43 million yuan	263.35 million yuan
Lanruoting	32.49 million yuan	101.63 million yuan	137.9 million yuan

Source: Su(2022)

#### 4.2.5. Consumer Analysis

As shown in Figure 4.4, the market size of China's new Hanfu industry in 2019 reached 9.2 billion yuan, and by 2023, the industry market size reached 13 billion yuan, and the market size reached 10 billion yuan. From the once minority culture to the current new Hanfu tuyair, with the modern Hanfu design style and wearing habits more in line with modern needs and aesthetics, The whole industry has unlimited potential and gradually become the mainstream clothing type of the public, when the market will enter the era of 100 billion, so as to truly become a part of public life.

With the continuous improvement of Chinese people's sense of national cultural identity, people prefer to choose new Hanfu as their daily wear, showing the charm and confidence of Chinese culture through their own clothes. According to the data in Figure 4.5, among the target consumers of new Hanfu, the age distribution shows that consumers under the age of 35 account for 71.4%, among which consumers aged 18-25 account for 29.7%, accounting for nearly 30%. It can be seen that the main consumer group of new Hanfu is young people under the age of 35, the absolute core group, and the future consumption increase potential is huge.

Yang & Yang (2023) realized that with the booming development of Hanfu industry, the sales of Hanfu gradually changed into a new retail model: online + offline integration model.

W Hanfu brand attracts mainly young people, who generally pay more attention to the cost performance and practicality of products. The offline physical stores of the brand can match different packages for them, so that they can tailor their clothes. Professional stylists and collocation teachers will help customers choose suitable clothes styles, makeup and hairstyles. Through the physical store to change clothes, consumers can more truly feel the quality of the product, the upper body effect of the clothing and the added value brought by the personnel service, and truly integrate into the ancient scene atmosphere, which is highly personalized and can promote consumption. We can also provide photography services according to customer needs to help customers record the experience process, so that

consumers have a deeper understanding and feelings of the product, and enhance customer goodwill and satisfaction.

Nowadays, mobile phones have become a necessary social tool for young people, so the promotion channels of W Hanfu brand mainly focus on the operation of various online APP stores. Its advantages are relatively low cost, good effect and fast transmission speed. W brand can broadcast live or release photos and short videos with content through various APP platforms, such as Taobao, Tiktok, Weibo, etc., to promote Hanfu to more people, promote and publicize Hanfu knowledge, and answer questions from Hanfu fans online. The product is displayed in the way of plot, which is short and vivid, and easy to be accepted by young consumers, and is more in line with the current situation of people's fast pace of life and more fragmented time. Online stores will also regularly offer gifts, discounts and other ways, which can expand visibility and attract more target customer groups.

Figure 4.4 Market size of China's new <u>Hanfu</u> industry in 2019-2023

■ New Hanfu industry overall market size(Hundred millon yuan)

Source: IResearch China New Hanfu industry Development Report (2022)

Over 50 years old 4.10% 46-50 years old 4.50% 41-45 years old 9.40% 36-40 years old 10.60% 31-35 years old 20.10% 26-30 years old 20.10% 18-25 years old 29.70% Under 18 years old 1.50% 0.00% 5.00% 10.00% 15.00% 20.00% 25.00% 30.00% 35.00%

Figure 4.5 Age distribution of target consumers of China's new Hanfu in 2022

Source: IResearch China New Hanfu industry Development Report (2022)

#### (1) Statistical analysis of questionnaire object results

The following is the analysis of 208 valid questionnaires collected, and the results are listed in Table 4.3.

■ Consumer age ratio (%)

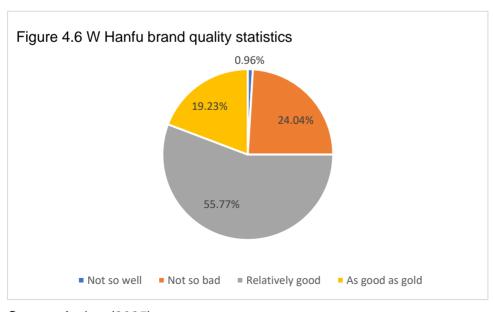
Table 4.3 Questionnaire					
Category	Options	Percent	Number of people		
	Female	80%	166		
Gender	Male	20%	42		
	Under 18 years old	15.00%	31		
٨٥٥	18-25 years old	59.87%	125		
Age	26-30 years old	19.60%	41		
	31-35 years old	3.53%	7		
	36-40 years old	2.00%	4		
	High school and below	15.32%	32		
Edward Carrel	Junior college	30.66%	64		
Educational level	Undergraduate course	45.88%	95		
	Master degree or above	8.14%	17		
Occupation	Company employee	21.48%	45		
	Pupil	67.18%	140		
Occupation	Government agency staff	9.28%	19		
	Freelance work	2.06%	4		
Salary	Less than 5000 yuan	50.48%	105		
range	5000-8000 yuan	37.02%	77		
	8000-10000 yuan	9.62%	20		

	More than 10,000 yuan	2.88%	6	
Source: Author (2025)				

As can be seen from Table 4.3, most respondents are young respondents, mainly aged 18-30, accounting for 94.47%, of which 15% are under 18, 59.87% are 18-25, and 19.60% are 26-30. In terms of gender, the number of women is significantly more than that of men, and women account for 80%, so the male market still has a large development market. In terms of academic qualifications, mainly concentrated in junior college and undergraduate, accounting for 76.54%, of which undergraduate accounted for 45.88%;The majority of occupations were students, accounting for 67.18%, and employees of companies and government agencies accounted for 30.76%. The salary range of respondents is mainly 5000-8000 yuan, accounting for 87.50%. It can be seen that the respondent groups facing W Hanfu brand, that is, the target market, are mostly female, aged between 18 and 30, with college and undergraduate degrees, and their occupations are mostly students, company employees and government personnel, with a monthly salary of about 8,000 yuan. The price range that this part of respondents can afford is between 100-500 yuan, and the price that W Hanfu brand targets to set is generally considered acceptable by respondents.

#### (2) Analysis of investigation results on product quality

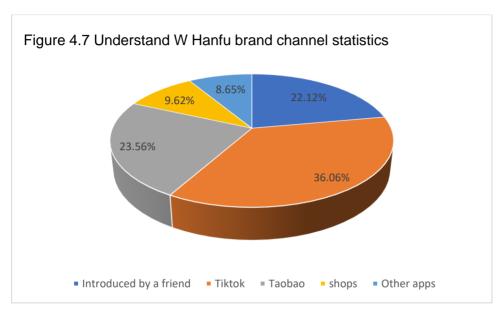
The results of the questionnaire survey show that 75% of respondents think that the product quality is good, of which 55.77% of respondents think that the product quality is relatively good. The overall product quality is at a medium level, so most respondents are satisfied with the product quality of the W Hanfu brand, as shown in Figure 4.6.



Source: Author (2025)

#### (3) Analysis of investigation results on channels

According to the results of the questionnaire survey, most respondents learned about W Hanfu brand through Tiktok, Taobao and other apps, accounting for 68.27%, as shown in Figure 4.7.



Source: Author (2025)

#### 4.3. Internal Situational Analysis

#### 4.3.1. Characterization of the company

Founded in June 2021, W Company's Hanfu brand mainly sells Hanfu in the mode of "online + offline", exclusively selling women's wear in Tang Dynasty, Song Dynasty and Ming Dynasty. It enables consumers to feel the dress culture of different dynasties, and also satisfies consumers' demand for daily wearing Hanfu. This strategy enriches the product diversity of W Hanfu brand. It also enhances the market competitiveness of the brand. W Hanfu brand price positioning in the middle end, the price of top (pair, cape, etc.) is generally about 300-500 yuan, pants and horse skirt between 200-300 yuan, accessories between 10-100 yuan,W Hanfu brand from its inception to the present, also has a relatively mature product line and production line and perfect supply chain, In Shanghai, there is also an offline physical store, consumers can more truly feel the quality of products, the upper body effect of clothing, a highly personalized ancient scene atmosphere, more to promote consumption. W Hanfu also provide photography services according to the needs of customers. Professional stylists and matching artists will help customers choose suitable clothes and makeup and hair styles, help customers record the experience process, and enhance customers' goodwill and satisfaction.

Since the establishment of W Hanfu brand is not long, in the aspect of network marketing in the new media era, W Hanfu brand has only 250,000 fans on Taobao and 500,000 fans on Tiktok. The number of fans, video views and likes on major network platforms are not high, which is far lower than that of competitors. Therefore, its popularity and publicity are not enough compared with other brands. The image and status of the brand still need to be improved, far less than other Hanfu companies that are firmly in the forefront of the sales rankings and have strong funds. In addition, although there is only one physical store, it also needs to bear the operating costs of physical stores.

The team of W Hanfu brand are all from the fashion design industry or Hanfu lovers, so they have a certain understanding of Hanfu and the fashion industry. They can design, cut and sew Hanfu based on the popular elements that young people like at present. Meanwhile, the team is a group of young people aged 20-30, without the traditional hierarchical concept, which makes the communication more smooth. Without cumbersome reporting processes and systems, there is more time and energy to focus on the product itself.

Due to the impact of the epidemic, in order to save costs, the staff is only about 15 permanent employees and part-time staff, part-time staff have a lot of inconvenience in management, large changes, employees do not have a sense of belonging resulting in a relatively high turnover rate, which will also cause waste of training costs, work handover and other problems.

# 4.3.2. Mission, vision and values

Mission - "Restore traditional culture, carry forward the national spirit, and make Hanfu that is everyday and can be worn by everyone."

Vision - Hope to see Hanfu truly as a traditional national costume, accepted and inherited by all people.

Values - The value of W Hanfu brand is mainly reflected in the inheritance and development of Hanfu culture.

- Cultural heritance: Hanfu brand is committed to inheriting and reviving Han culture, showing the traditional aesthetics and cultural characteristics of Han nationality through the design and production of clothing.
- Cultural confidence: In the context of the country's emphasis on cultural confidence, Hanfu brands spread Chinese rites, the way of harmony and the culture of peace to the world through the design and production of a Chinese-style clothing system.

 Historical and cultural values: The revival of Hanfu can promote the revival of Chinese culture as a whole and promote economic construction and the development of cultural tourism.

## 4.3.3. Analysis of human resources of W Hanfu brand

Kahrovićet et al. (2020) mentioned that human resource management (HRM) refers to planning, identifying, training, and retaining a skilled workforce. Karabašević et al. (2016) emphasized that it has become an important component of management activities, as its goal is to ensure sustainable development, achieve business objectives, and also to inspire employee motivation, meet employee needs, and retain capable talent. Jørgensen et al. (2007) argue that this means that human resource management achieves its impact through various mechanisms, such as recruitment, job design, learning and development support, and compensation and rewards.

Human resources are an important factor constituting the vitality of contemporary enterprises, and talents are the foundation of enterprise prosperity. At present, the human resources of W Hanfu brand are relatively tight, and it is necessary to introduce fresh and dynamic talents to create value for enterprises. At present, W Hanfu brand has 15 regular employees and part-time employees. The team employees are all from the fashion industry, design industry or Hanfu enthusiasts, and have a certain understanding of Hanfu and the fashion industry. They can design, cut and sew Hanfu by themselves based on the current popular elements. The age group of employees is consistent with the age group of target consumers, which can be closer to the interest and empathy points of target consumers in brand marketing, and can more accurately capture the clothing needs of target consumers. The company does not have the traditional hierarchical concept, the flat management makes the communication smoother, there is no cumbersome reporting process and system, and you can have more time and energy to focus on the product itself.

W Hanfu brand will carry out induction training and the latest skills training for new employees to help new employees effectively adapt to the new job. Create a free large-scale training content library for employees, and provide training courses including business skills improvement of various departments, so that employees can learn and improve. Rewards and praise are also given to superiors for nurturing their employees.

Due to the epidemic in 2020, in order to save costs, part-time workers are mostly employed. However, unlike regular employees, part-time workers also have many inconveniences in management. Sometimes, it is difficult to make a reasonable definition of the salary of part-time workers, because salaries are not fixed, work duplication and substitution are high, and

employees have no sense of belonging to the company. The high turnover rate also leads to the waste of training costs.

With the continuous and rapid development of Hanfu industry, W Hanfu Company still lacks a series of talents such as clothing design, new media operation and short video production personnel. For W Han brand, the talents it needs are not only professional, but also capable. It also needs compound talents with rich clothing knowledge, love and understanding of traditional culture, and most importantly, a certain understanding of the current popular we-media marketing. Therefore, the recruitment of employees of W Hanfu brand should not only be limited to the recruitment website, but also need to mobilize existing excellent employees and introduce talents through employee recommendation. And give enough attention to network marketing talent, try to retain excellent network marketing talent.

# 4.3.4. Analysis of marketing ability of W Hanfu brand

Clement (2020) proposed in May 2020, Statista announced that the total number of active social media users worldwide was 4.14 billion. Statista (2021) says the global social media advertising market will reach \$97.7 billion in 2020 and is expected to grow at a CAGR of 7.2% through 2025. As a result, these numbers show that social media is an important and expanding marketing tool.

As more and more brands and companies all over the world are using social network platforms for marketing and advertising purposes, it is crucial to look closer at its practical functioning as well. In China, mobile phones have become a necessary social tool for young people, who use different mobile software for social communication, shopping, entertainment, etc. Lee and Park (2020) studied the characteristics of social network marketing and its impact on purchase intention, and identified three most important factors: interaction, convenience and entertainment .The promotion channels of W Hanfu brand also gradually focus on online marketing, such as: Tiktok, Weibo, Taobao and other software have their own brand accounts to operate, so far, Tiktok has 500,000 followers, Taobao 250,000 followers and Weibo 200,000 followers.

The advantages of network marketing is relatively low cost, good effect, fast transmission speed. W Hanfu brand publishes photos and short videos of Hanfu clothing with content on its App account to display products in short videos, which are brief, vivid, humorous and easy to resonate with and interest. This subtle form of advertising is more acceptable to people and more in line with the current situation of fast pace of life and more fragmented time. W Hanfu brand also cooperates with Internet celebrity celebrities and models for online marketing. W

Hanfu brand's offline physical stores provide them with exquisite and fashionable Hanfu clothes, makeup styles and venues. Internet celebrities can take photos or videos in the venue and upload them to new media accounts such as Tiktok and Weibo to achieve the purpose of publicity and attract more attention and traffic for the brand. It can also greatly improve product sales and brand influence. In order to promote Hanfu to more people, W Hanfu brand uses accounts on Weibo, XiaoHongshu, fashion forum and other platforms to promote and publicize Hanfu knowledge, and answer questions from Hanfu enthusiasts online.

According to Erdogmus and Cicek (2012), customers view social networking platforms as a service channel, where they can engage with the businesses on real-time bases. As stated by Ariel and Avidar (2015) interactivity is an important element of the communication process that serves a relational maintenance strategy that contributes to relational outcomes. Huang et al. (2018) believes that consumers' perceived interactivity has a positive impact on their attitudes towards brand social network pages and emotional responses to brand communities.

Clothing products update fast, the fashion trend is ever-changing, for clothing enterprises, accurate grasp of consumer demand for clothing products is the key to marketing success. The Internet platform can realize the interactive communication between consumers and merchants, which is timely and efficient. On various popular online platforms, W Hanfu brand has its own account and brand store, so that consumers can not only talk with merchants, but also get the new products or promotion information released by the brand in the store in the first time. This convenient and efficient interaction will also increase consumer loyalty and trust in the brand.

# 4.4. SWOT Analysis

#### **Strenghts**

- Good interaction with customers
- Innovative products or services
- Relatively mature product line and complete supply chain
- Customized services to meet customer needs

#### Weaknesses

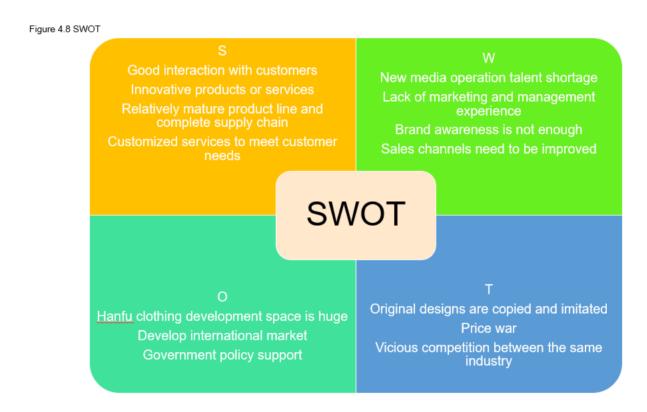
- New media operation talent shortage
- Lack of marketing and management experience
- Brand awareness is not enough
- Sales channels need to be improved

# **Opportunities**

- Hanfu clothing development space is huge
- Develop international market
- Government policy support

#### **Threats**

- Original designs are copied and imitated
- Price war
- Vicious competition between the same industry



Source: Author (2025)

# 4.5. Commercial Development Plan Objectives

In order to promote the effective implementation of the annual marketing strategy, the company needs to formulate clear marketing objectives and marketing work plans, and control the implementation of the annual plan. W Company's annual marketing plan is to double the output value and rank among the top five products with the highest sales volume. Clear objectives are the strategic core of the marketing plan, so the marketing plan focuses on the following objectives:

- Increase sales and output, thereby increasing profits
- Establish brand image and enhance brand value
- Revenue diversification
- Enhance the loyalty and trust of existing customers

# 4.6. Commercial Strategy: Marketing, Sales and Business

This chapter adopts STP analysis method to analyze W Hanfu brand. A systematic analysis is made from three aspects: Segmentation, targeting and positioning.

#### Segmentation

W Hanfu brand has a big problem in the definition of market segmentation. For example, consumers of all ages are promoted in the same way, which makes it difficult for Hanfu consumers to find the characteristics of W Hanfu. Therefore, the potential consumer group is divided into different segments through market segmentation in order to better meet their needs and preferences of segmented segments:

- (1) Age: most of them are young consumers, a small number of middle-aged consumers, and a small number of elderly consumers;
- (2) Gender: Mainly female Hanfu consumers;
- (3) Cultural interest: For consumers interested in traditional Chinese culture, such as history lovers;
- (4) Region: W Hanfu brand company in Shanghai region, there is a physical store offline, the area is relatively developed, such as the surrounding Jiangsu, Zhejiang and other economically developed cities, about 60% of consumers are also gathered in the domestic first and second tier cities.

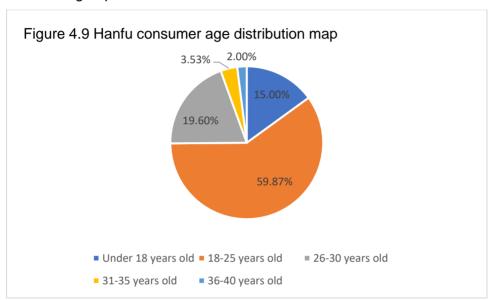
#### **Targeting**

According to the market objectives of W Company, the following conclusions can be drawn, as shown in Table 4.4.

Table 4.4 W company's target market

Market segmentation	Target market
Province (city)	Shanghai and Jiangsu, Zhejiang and so on
sex	female
age	15-40 years old
income	Middle and low income

According to the statistical results of the Hanfu questionnaire (see Figure 4.9), consumers aged 18-25 account for 59.87%, those under 18 account for 15%, and those aged 26-30 account for 19.6%. The market target of W Hanfu brand is also more inclined to young consumer groups.



Source: Author (2025)

#### **Positioning**

Market positioning is to make a brand stand out from the competition by shaping its unique image and value proposition in the target market. W Hanfu brand can be positioned in the following ways:

- (1) Emphasis on cultural connotation: Positioning the brand as a Hanfu brand that pays attention to traditional culture and has historical and cultural connotation, and promoting the close connection with traditional Chinese culture;
- (2) Personalized customization: Provide personalized customization services to meet the needs of different consumers for Hanfu, highlighting the unique customization ability and flexibility of W Hanfu brand;

Hanfu is not only a kind of clothing, but also an embodiment of traditional Chinese culture. The emphasis on cultural connotation is to inherit Hanfu culture and traditional culture. With

the continuous development of China, people pay more and more attention to traditional culture belonging to the Chinese people, so Hanfu has become a popular traditional cultural product. In order to attract more consumers, W Hanfu brand mixes Hanfu and fashion together, not only with a strong classical atmosphere, but also can be worn in daily life, which is deeply loved by consumers. In addition to closely linking Hanfu with traditional culture, W Hanfu brand will also provide consumers with personalized customized services to strengthen the brand experience, so that customers can customize Hanfu according to their own preferences and needs. Online stores and offline physical stores provide detailed size guides and style selection, and provide customers with Hanfu matching and care suggestions to help customers find the most suitable Hanfu for them. These two points are also the advantages of W Hanfu brand, enhance the brand's market competitiveness, but also will attract more and more consumers.

Through the analysis, W Hanfu brand can better understand the target market and formulate corresponding marketing strategies to meet the needs of different market segments, improve market competitiveness and promote brand development.

## **Customer Retention Strategies**

The W Hanfu Brand tracks customer feedback on products and services during operations to understand their needs. The company frequently organizes events to engage potential and new customers, aiming to create a lasting impression of the brand. Business managers are required to maintain a proactive, customer-centric mindset by initiating regular communication with clients. This includes understanding their actual order requirements, gauging new customers' interest in long-term collaboration, and preventing customer churn due to inadequate service.

After new customers receive their orders, business managers must confirm order acceptance through multiple communication channels and assess customer satisfaction with products and services. If customers are dissatisfied and file complaints, managers must allocate resources appropriately to address feedback effectively and resolve issues promptly.

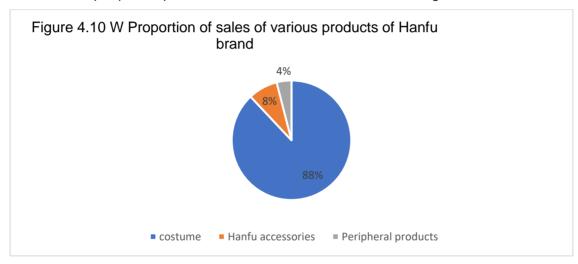
## 4.7. Marketing-Mix

#### 4.7.1. **Product**

The width of W company's product portfolio includes three product lines: clothing, Hanfu accessories and peripheral products. The total number of product items is 15, as shown in the table 4.5:

Table 4.5 W Hanfu brand product disp	olay	
Costume	Hanfu accessories	Peripheral products
Women's Hanfu (Tang Dynasty)	Shoes, socks	Mobile phone case
Women's Hanfu (Song Dynasty)	package	Adhesive tape
Women's Hanfu (Ming Dynasty)	barrette	Mug
Men's hanfu	Crown, hat, scarf	candles
Ancient wedding dress	bandeau	
	shawl	

The contribution of various product varieties of W Hanfu brand product line to the total sales and profits of W Company is quite different, of which clothing accounts for 88% and accessories and peripheral products account for 12%, as shown in Figure 4.10:



Source: Author (2025)

At present, W Hanfu brand mainly sells Hanfu restored and created with modern technology, including original Hanfu series, improved Hanfu series of Tang Dynasty, Song Dynasty and Ming Dynasty, Hanfu accessories and peripheral products, with a wide product coverage. In order to stand out in the market competition, meet the needs of customers and provide unique value. As a brand focusing on Hanfu clothing, it is committed to inheriting and promoting traditional Chinese culture, and providing customers with unique Hanfu products through innovative design and exquisite production techniques.

(1) Focus on Hanfu design innovation and product diversity. The company's design team studies traditional culture and combines traditional clothing elements with modern fashion elements to satisfy consumers of different ages and style preferences. The products of W Hanfu brand belong to the middle and low grade in the market, with good price and low price. With the fierce competition in the market and consumers' in-depth understanding of Hanfu culture, the company pays more and more attention to the changes in the demand for Hanfu, and produces more diversified and personalized products according to the needs of consumers, so as to win the recognition of consumers, so as to ensure the long-term and sustainable development of the company, occupy a larger market share.

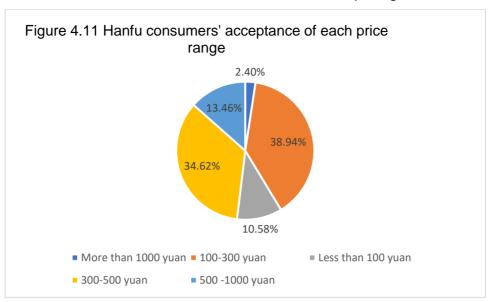
- (2) Focus on consumer experience. To provide consumers with personalized customized services, strengthen the brand experience, so that customers can customize Hanfu according to their own preferences and needs. Online stores and offline physical stores provide detailed size guides and style selection, and provide customers with Hanfu matching and care suggestions to help customers find the most suitable Hanfu for them.
- (3) Pay attention to product quality and production process. The use of modern textile technology to restore the traditional Chinese weaving process, reduce costs, to ensure that each Hanfu closer to the traditional process but also with comfort and applicability. W Hanfu brand has a relatively mature product line and production line and a complete supply chain, strictly control every link, and strive to make every piece of Hanfu fine, to ensure the consistency and reliability of product quality, so that customers trust W Hanfu brand products, enhance brand loyalty and reputation.

#### 4.7.2. Price

The price of W Hanfu brand Hanfu clothing is mainly about 300-500 yuan, and the price of Hanfu accessories and peripheral products is 10-100 yuan, which belongs to the low-end level in the entire Hanfu industry. For Hanfu company, product price is related to the company's profits, if only blindly fighting price war is not conducive to the company's long-term development, so the company in order to ensure the market competitiveness of products and brand value, should be based on the actual situation to develop a price strategy.

- (1) From the consumer's purchasing ability and consumer psychology consideration. According to the statistical results of the Hanfu questionnaire (as shown in Figure 4.11), the Hanfu priced at 100-300 yuan has the highest acceptance rate among consumers, accounting for 38.94%; The price of 300-500 yuan is close to it, accounting for 34.62%. The product price of W Hanfu brand is mostly 100-500 yuan, which is in line with the psychological price of consumers.
- (2) Flexible pricing and strategy adjustments based on market feedback and market competition. The market environment and consumer demand are changing, and the W Hanfu brand should pay close attention to the market dynamics, and make

corresponding adjustments according to the needs of pricing strategies, market feedback and sales data to evaluate the effect of pricing.



Source: Author (2025)

#### 4.7.3. Place

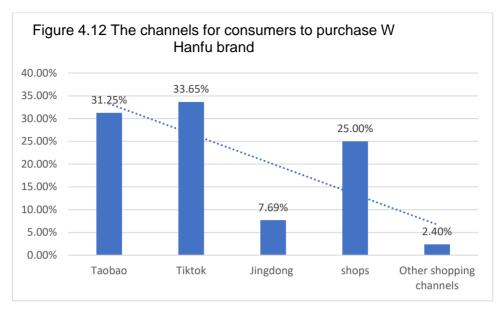
In the marketing strategy of W Hanfu brand, it is very important to choose the right channel to improve brand awareness and sales performance. Therefore, W Hanfu brand will carry out multiple exploration and innovation in channel strategy.

- (1) The promotion strategy of W Hanfu brand official website is one of the key points of X Hanfu brand marketing. W Hanfu brand should first establish and improve the official website of W Hanfu brand, and introduce the brand story of W Hanfu, the unique features of W Hanfu on its official website, and provide Hanfu related activity information, purchase channels and historical and cultural background knowledge.
- (2) Offline stores are an important way to realize product marketing. W Hanfu brand currently has an offline store in Shanghai, and will open Hanfu stores around the country in the future. W Hanfu brand can cooperate with the Hanfu community offline and jointly hold offline activities in nearby small and medium-sized shopping malls or scenic spots to attract popularity and create profits for the company. This way is different from the traditional platform advertising marketing model, which belongs to the active attraction of consumers. This model also pays more attention to the experience and feelings of consumers, can quickly accumulate brand reputation,

- improve visibility, but also with shopping malls, scenic spots to reach long-term cooperation, increase the qualification of the event planning link.
- (3) Expand online sales channels. With the continuous development of the Internet, online sales channels are becoming more and more abundant. According to the questionnaire survey of Hanfu (see Figure 4.12), more and more consumers are willing to shop on Taobao (31.25%), Tiktok (33.65%) and other software. If W Hanfu brand can make good use of these channels, it will be of great benefit to the development of the enterprise.

Online shopping has become a habit of young consumers, especially Taobao "double eleven" "double twelve" and other activities, can be regarded as the largest online promotion activities in China, very popular with young people. In addition, Tiktok Mall has also become a new sales channel, more convenient online shopping.

By establishing brand accounts and applying for official brand stores on Taobao and Tiktok, we can have zero-distance communication with more consumers, understand consumers' needs, constantly improve and upgrade products, answer consumers' questions timely and efficiently, and solve their concerns. W Hanfu brand publishes content Hanfu clothing photos and short videos on its App account to show products in short and vivid videos. W Hanfu brand also cooperates with Internet celebrities and models. W Hanfu brand line provides them with exquisite and fashionable Hanfu, makeup modeling and venues. Internet celebrities can take photos or videos in the venue, and then upload them to new media accounts such as Tiktok and Weibo. The scenes and clothes displayed in the videos are closer to daily life, reducing the meaning of advertising, and making people more acceptable or interested. This interest can gain the recognition of consumers, stimulate their desire to buy, and can attract more traffic for the brand, which can greatly improve product sales and brand influence.



#### 4.7.4. Promotion

Promotion refers to the company's existing products through different ways to spread to customers, let them know the product and the function of the product, and use some methods, such as price reduction, coupons, lucky draw, etc., to stimulate their consumption, and finally achieve turnover. The promotion methods of W Hanfu brand are respectively in the merchandise cabinet of the Tiktok platform and the official Taobao online store. For example, in the official online store, there are no threshold shopping vouchers, gift bags, gifts for participating in Station B activities, etc. According to the survey data statistics (see Figure 4.13), 73.08% of consumers think that the promotion activities of X Hanfu brand are few, and the preferential efforts are small. This is not good for the long-term development of the company. Then you can have the following suggestions about promotional activities:

(1) New media online promotion. The online store implements the general membership system, and sets different membership levels according to the frequency and amount of products purchased by consumers, and stipulates the discount intensity of different levels of members. The price in this way can be accepted by consumers, and at the same time, consumers with high-level members have superior production psychology, promote consumers to make repeated purchases, and increase consumers' repurchase rate of brand stores. In addition, we can exchange members' consumption points for gifts, send members' birthday gifts and other spiritual and material care for consumers to improve consumers' loyalty to the brand. Compared with attracting new

customers, maintaining old customers can save more costs for the company's marketing, thus bringing greater economic benefits. It is also one of the important purposes of the company's promotional activities to improve the loyalty of consumers to the company and increase the rate of re-purchase of consumers.

In recent years, short video content has become popular among young people, and the number of daily active users has exceeded 320 million. Create an enterprise account of W Hanfu brand on the Tiktok platform, and the enterprise account of Tiktok has various functions such as enterprise certification mark and video top position. As the main body of the release, the enterprise account is more authoritative and appealing. Through the enterprise account, it can not only release the product and disseminate the latest information of the product, but also play a role in expanding the brand influence. In addition, there are many online celebrity accounts on Tiktok, and these celebrity accounts have accumulated a large number of fans on Tiktok. They can reach a cooperative relationship with the operators of the accounts, insert product information into the videos, attract consumers' interest and make consumers buy, which is not easy to cause viewers' aversion. Insert purchase links in the videos, set limited coupons, etc. Let consumers not hesitate to place orders directly.

Of course, there are mainstream ways today: Weibo, xiao hong book, wechat and other platforms, each way has its own characteristics, W Hanfu brand should choose the right way, such as :W Hanfu brand can release promotional information and limited time seconds kill, limited time discount and other activities in their own small red book enterprise account and official store, you can invite xiao hong book network experts to enter the store to punch in the release experience, Use their own traffic to issue coupons, group purchase information, for brand stores drainage.

(2) Increase consumer engagement. W Hanfu brand has a Hanfu physical store in Shanghai, usually in addition to consumers can more truly feel the quality of products, the upper body effect of clothing, highly personalized ancient scene atmosphere, more to promote consumption. Stores can also carry out customized clothing projects, according to the needs of consumers and their own body characteristics, tailor-made unique Hanfu for consumers. In addition, the fabrics and accessories used in customized clothing are selected by the company's professional designers, so the quality of the fabric has a certain guarantee. In the future, for some consumers, we can directly communicate with consumers through the professional team of the brand, so that consumers can participate in the design and fabric selection. In the customization process, adjustments can be made according to the results of consumers' fittings to improve their participation in the whole process.

(3) Provide quality after-sales service: the brand provides good after-sales service to establish a good customer relationship. Ensure product quality and on-time delivery to consumers, while providing flexible return and exchange policies. Continuously improve the quality of products and services by actively responding to customer feedback and suggestions.

\*Relatively small \*The promotion can not reach the ideal plan \*Very large Source: Author (2025)

Figure 4.13 W Hanfu brand promotion analysis

## 4.7.5. Loyalty and Retention Plan

Objective: Increase customer loyalty to 40%, improve retention rate to 35%, optimize customer experience, and strengthen brand engagement.

- 1. Tiered Membership System
  - Bronze Membership (Spend ≥ ¥500):
    - o Basic discount (5%).
    - Birthday gifts.
    - Priority access to new products.
  - Silver Membership (Spend ≥ ¥2,000):
    - o Enhanced discount (8%).
    - o Free Hanfu styling consultations.
    - o Invitations to offline events.
  - Gold Membership (Spend ≥ ¥5,000):
    - Exclusive customization services (e.g., embroidered names).
    - o VIP customer service hotline.
    - Annual cultural experiences (e.g., traditional craft workshops).
- 2. After-Sales Service Optimization

- Hassle-Free Returns & Exchanges:
  - o 30-day no-questions-asked returns with free return shipping.
- Rapid Response Mechanism:
  - o Customer service team responds within 24 hours.
- 3. Personalized Customization & Data-Driven Strategies
  - Al Recommendation System:
    - Push personalized outfit suggestions based on browsing/purchase history (e.g., "You might like Ming-style Mamianqun (horse-face skirt) paired with Song-style Beizi (traditional jacket)").
  - Customization Services:
    - Offline "1-on-1 Design Workshops": Customers co-create Hanfu by selecting fabrics and colors (additional fee: ¥200–500).
    - Online 3D Virtual Fitting Tool: Adjust design details (e.g., sleeve patterns, skirt length) digitally.
  - CRM Tagging:
    - Display targeted products based on tags like "Ming Dynasty enthusiasts" or "student demographics."
- 4. Customer Segmentation & Tagging System
  - High-Value Customers (Recent, Frequent, High Spending):
    - o Offer exclusive customization services and VIP offline event invitations.
  - Dormant Customers (Remote, Low Frequency):
    - Trigger "Reactivation Gift Packs" (e.g., spend ¥200 to receive Hanfu-inspired hair accessories).

## 4.8. Implementation

#### 4.8.1. Schedule

Table 4.6 Whole Year Promotion Plan		
Month	Activity type	Activity content
Jan	Seminar	Analyze the market and make the company's annual promotion plan
Jan	Product activity	Cooperate with shopping malls to hold "New Year Hanfu" activities

Daily activities	Online stores release spring new product activities	
-	and product links	
Member activity	Redeem merchandise and event tickets through	
,	spending points	
Festival activity	Hold Lantern Festival activities and get store	
	coupons	
Daily activities	Improve the brand official website	
Customized	Online and offline customized services	
service	Offine and offine customized services	
Festival activity	Hold the "Goddess Hanfu Festival" activity	
Daily activities	Post videos or pictures of new products on the	
Daily activities	brand's official website	
Promotional	Taobao and Tiktok shops sell products at a discount	
activity	Taobao and Tiktok Shops seli products at a discount	
Product activity	Launch new summer products, launch new product	
Froduct activity	advertising	
Doily potivities	Cooperated with Internet celebrities and models to	
Daily activities	shoot short videos	
Mambar activity	Redeem merchandise and event tickets through	
Member activity	spending points	
Eastival activity	Thanksgiving Mother's Day campaign, up to 30% off	
restival activity	sales, send coupons	
	The official social account of the brand releases the	
Daily activities	activity information	
	Shooting the latest Hanfu advertising material	
Festival activity	Mid-year promotions, 50% off all events	
	Product advertising in Shanghai West Nanjing Road	
Doily potivities	subway station	
Daily activities	Post product videos or pictures on brand accounts	
	on Taobao and Tiktok	
Customized	Online and offline quaternized consists	
service	Online and offline customized services	
Product activity	Release the latest products	
Doily cotivities	Post videos or pictures of new products on the	
Daily activities	brand's official website	
	Member activity  Festival activity  Daily activities  Customized service  Festival activity  Daily activities  Promotional activity  Product activity  Daily activities  Member activity  Festival activity  Daily activities  Customized service	

		Maintain old customers, enjoy 30% discount	
		Update brand official website product information	
	Member activity	Redeem merchandise and event tickets through	
	Wember delivity	spending points	
		Cheer for the Olympic athletes, the store presents	
	Festival activity	product coupons	
		Summer products are 50% off clearance	
		Post product videos or pictures on brand accounts	
Aug	Daily activities	on Taobao and Tiktok	
		Shooting Hanfu advertising material	
	Product activity	Release new autumn products	
	Online and offline	Establish online interest community and offline	
	activities	community activities	
		Organize Hanfu activities in cooperation with	
	Daily activities	shopping malls	
Sep	Daily activities	Post product videos or pictures on brand accounts	
ОСР		on Taobao and Tiktok	
	Member activity	Redeem merchandise and event tickets through	
	Wember activity	spending points	
	Festival activity	Store to celebrate the National Day activities, giving	
	1 convar activity	small gifts	
	Product activity	Release new winter products	
Oct		Shooting Hanfu advertising material	
001		Post product videos or pictures on brand accounts	
	Daily activities	on Taobao and Tiktok	
		Cooperated with Internet celebrities and models to	
		shoot short videos	
	Festival activity	Participate in the Double 11 event and enjoy	
	1 convar activity	preferential prices for goods	
		Post product videos or pictures on brand accounts	
Nov	Daily activities	on Taobao and Tiktok	
1400	Daily dollvillos	Organize Hanfu activities in cooperation with	
		shopping malls	
	Customized	Online and offline customized services	
	service	Chang and Chang Gasternized Gervices	

		Post product videos or pictures on brand accounts
	Daily activities	on Taobao and Tiktok
		Cooperated with Internet celebrities and models to
Dec		shoot short videos
		Summarize the overall effect of the promotion
	Year-end meeting	program
		Plan activities for next year

# 4.8.2. Budget

Table 4.7 Bra	and annual budget		
Allocation	Allocation subdivision	Budget	Budget total
	Fashion designer	¥300,000.00	
Staff	Purchasing department	¥450,000.00	
allocation	Technical department	¥200,000.00	¥1,200,000.00
anocation	Photographer and stylist	¥150,000.00	
	Customer service department	¥100,000.00	
	Create brand official website	¥50,000.00	
Marketing	Promotion of marketing activities	¥100,000.00	
	Subway advertising	¥200,000.00	¥1,050,000.00
promotion	Social media promotion	¥600,000.00	7 1,000,000.00
	Network celebrity, model cooperation	¥100,000.00	
Resource	Platform cooperation	¥20,000.00	
allocation	Data cooperation	¥60,000.00	¥180,000.00
anocation	Event planning cooperation	¥100,000.00	
	Т	otal:	¥2,430,000.00

Source: Author (2025)

Table 4.8 Revenues				
Revenue Stream	Year 1	Year 2	Year 3	Total
Direct Online Sales	¥800,000	¥1,200,000	¥1,500,000	¥3,500,000

Retail Partnerships	¥400,000	¥600,000	¥800,000	¥1,800,000
Subscription Services	¥200,000	¥400,000	¥500,000	¥1,100,000
Limited	¥100,000	¥300,000	¥200,000	¥600,000
Editions/Events	4100,000	4000,000	1200,000	4000,000
Annual Total	¥1,500,000	¥2,500,000	¥3,000,000	¥6,500,000

# 4.8.3. Control and assessment

Table 4.9 Control and assessment		
Objectives	KPI	
	Number of fans of Taobao and Tiktok+20% Popular mobile APP brand search volume +25%	
Improve W Hanfu brand awareness and brand influence	Short video views and likes are growing by an average of 6% each month	
	Shanghai Hanfu store monthly customer flow +5%	
	The monthly visits to the brand's official website reached 200,000	
Total revenue (RMB)	About 6.5 million yuan	
Cost (RMB)	2.43 million yuan, the monthly cost is about 202,500 yuan	
Return on investment	40%	
Inventory turnover (old)	0.8	
Inventory turnover (new)	1.6	
Online channels: Taobao, Tiktok, etc	60%	
Offline shops	40%	
Attract new customers	Through the "online + offline" marketing model, it has attracted about 40% of new customers	
	30% recommended by old customers	
Maintain old customers	Make more than 30% of old customers buy brand products again	

Source: Author (2025)

#### 5. Conclusions

With the continuous development of today's society, all walks of life now pay more and more attention to Hanfu and traditional culture, and the competition in the Hanfu industry is becoming more and more fierce. Through the discussion and analysis of W Hanfu brand, the problems of W Hanfu brand mainly focus on: New media operation talent shortage, brand establishment time is short, awareness and brand publicity is not enough, sales channels need to be improved, there are many strong rivals and other problems. In the face of fierce competition in the market, the main goal of W Hanfu brand is to increase the sales volume and output value of the brand, establish brand image, enhance brand value, implement marketing objectives and promotion work, attract new customers for W Hanfu brand, and enhance the loyalty and trust of existing customers for the brand.

This thesis uses PEST analysis to analyze the market environment faced by W Hanfu brand from four aspects: politics, law, economy, society and technology. Through the analysis of 208 valid questionnaires and SWOT analysis, the current market situation and customer needs are clearly understood, and the advantages, disadvantages, opportunities and threats of W Hanfu brand are sorted out. This thesis discusses the future development direction of W Hanfu brand, uses the 4P marketing theory and the five forces model to analyze the shortcomings and disadvantages in the marketing strategy of the enterprise, and puts forward the improvement plan. This thesis not only introduces the current situation and existing problems of W Hanfu brand, but also analyzes the market segmentation, objectives and positioning of W Hanfu brand, and determines the next marketing and marketing plan of W Hanfu brand. Pay attention to the design innovation and product diversity of W Hanfu brand, constantly pay attention to product quality and production technology, use more channels to attract more network marketing talents, and open up more marketing channels.

Based on the above analysis, based on the current market status and segmentation of W Hanfu brand, combined with its market positioning and objectives, the annual promotion plan is formulated with a budget of ¥2,430,000.00. For example: Established the official website of the brand, launched subway advertisements, marketing activities and social media promotion, etc., increased the number of fans on Taobao and Tiktok (increased by 20%), short video views and likes are growing by an average of 6% each month, attracted new customers (attracted about 40% of new customers and 30% recommended by old customers), and maintained old customers (made more than 30% of old customers buy products repeatedly).

In summary, based on positioning theory, this study proposes a marketing strategy plan suitable for W Hanfu brand market through market analysis, competitor analysis and consumer demand analysis, and provides feasible suggestions for the future development of the brand.

Since the theoretical basis of this thesis is mostly derived from literature, there may be some factors that are not closely following the trend or are uncertain, and still need to be further improved. In my future work and practice, I will focus on marketing strategies such as experiential marketing and new media marketing, in order to make my modest contribution to the development of traditional cultural enterprises or Hanfu cultural enterprises.

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# Appendix A – Survey \* 1. Gender female male \* 2. Age Under 18 years old 18-25 years old 26-30 years old 31-35 years old 36-40 years old

# 3. Educational level

High school and below	
<ul><li>Junior college</li></ul>	
Oundergraduate course	
Master degree or above	е

*4. What is your occupation?
Company employee
O Pupil
Government agency staff
Freelance work
5. What is your salary range?
Less than 5000 yuan
◯ 5000-8000 yuan
<ul><li>8000-10000 yuan</li></ul>
More than 10,000 yuan
6. How long have you been interested in Hanfu?
O-1 year
1-3 years
3-5 years
More than 5 years

* 7. In which price range do you think you can accept for W Hanfu brand?
○ More than 1000 yuan
○ 100-300 yuan
Cless than 100 yuan
○ 300-500 yuan
◯ 500 -1000 yuan
8. Do you know the promotion of W Hanfu brand
○ Know
◯ Know part of
<ul> <li>Be ignorant of</li> </ul>
*9. What do you think of the quality of W Hanfu brand?
○ Not so well
◯ Not so bad
Relatively good
As good as gold

10.	Through what channel did you buy W company's Hanfu? [多选题]
	☐ Taobao
	Tiktok
	shops
	Other shopping channels
	Jingdong
11.	How did you learn about W Hanfu brand?
	◯ Introduced by a friend
	○ Tiktok
	shops
	Other apps
* 12	2. Do you think the promotion of W Hanfu brand is strong?
	Relatively small
	The promotion can not reach the ideal plan
	○ Very large

13. When do you often wear Hanfu? [多选题]
Everyday wear
Traditional festival
Participate in Hanfu organization activities
Attend a wedding
Other occasions
14. What kind of Hanfu material do you like? [多选题]
Cotton
Real silk
chiffon
☐ Imitation silk
Cotton and linen

# 15. What kind of Hanfu pattern do you like? [多选题]

Animal pattern

Plant pattern

Astronomical phenomenon pattern

Geometric pattern

Other patterns

# 16. What do you think of the service attitude of W Hanfu staff?

As good as gold

Relatively good

Can still be improved

Very bad

