Differentiated Brand Marketing Strategy for China's Conventional Aquatic Products

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Abstract The volume of production and marketing of China's conventional aquatic products is increasing. Compared with price of livestock and poultry products, price of conventional aquatic products is relatively low. Differentiated brand marketing for China's conventional aquatic products is a key approach for increasing market demand for conventional aquatic products and increasing value of conventional aquatic products. The differentiated brand marketing is an inevitable trend of market development and also a powerful arm for market competition. China's conventional aquatic products can take differentiated brand marketing strategies such as brand orientation, brand concept, brand culture, and place name brand, to better keep market competitive edge and increase economic benefits.

Key words Conventional aquatic products, Differentiated, Brand marketing

The volume of production and marketing of China's conventional aquatic products is increasing. Compared with price of livestock and poultry products, price of conventional aquatic products is relatively low. Differentiated brand marketing for China's conventional aquatic products is a key approach for increasing market demand for conventional aquatic products and increasing value of conventional aquatic products. As American marketing expert Philip Kotler said, facing intense market competition, a company must make effort to look for certain methods to differentiate their products, to win competitive edge[1]. Opinions of scholars point direction for China's conventional aquatic product operating enterprises to win competitive edge, *i. e.* adopting the differentiated brand marketing strategy. Facing present economic globalization and China's fishery development, China's conventional aquatic products should conduct differentiated brand marketing, to keep excellent market competitive edge and increase economic benefits.

1 Connotation of differentiated brand marketing strategy for China's aquatic products

1.1 Definition of China's conventional aquatic products

Aquatic products include all aquatic plant and animal products for commodity exchange. China's conventional aquatic products refer to those aquatic products with high output, low price and daily consumed by people. They are mainly four major Chinese carps, Crucian carp. Relative to famous and special aquatic products, conventional aquatic products include fresh ordinary aquatic products and those cooked and processed by aquatic products.

1.2 Definition of brand and differentiated brand marketing strategy

Brand is the "name, term, design, symbol, or any other feature that identifies one seller's product distinct from those of other sellers." Initially, livestock branding was adopted to differentiate one person's cattle from another's by means of a distinctive symbol burned into the animal's skin with a hot branding iron. Brands are used in business, marketing, and advertising. In modern times, the brand was firstly used by Procter & Gamble, the creator of P&G Company. They used the Ivory as brand to sell their soap. It included varieties of a white and mildly scented bar soap that became famous for its claim of purity and for floating in water. Over the years, the brand has been extended to other varieties and products. In the opinion of Guo Guoqing, brand is trade name specified by seller for his products, generally consisting of elements such as text, mark, symbol, pattern or color, used as identification of a seller or seller group, to differentiate his products with others, and brand includes 6 levels of meaning: feature, benefit, value, culture, individuality and user[2]. The everlasting meaning of brand lies in its value, culture and individuality, which constitute their essence. Marketing can be understood as a series of market-related activities undertaken by enterprises for satisfying demands of customers through exchange. Dr. Philip Kotler defines marketing as "the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures, and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services."[3] The differentiated marketing refers that enterprises decide to provide services for market segments at the same time, design different products, and make corresponding changes in channel, promotion and price to adapt to demands of market segments. Brand marketing is a series of activities for creating value acceptable for consumers, making basic design for brand in a down-to-earth manner, and always sticking to the principle for making evaluation[4]. These indicate that the fundamental function of brand is identification. The differentiated brand

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marketing is the process of strengthening, extracting and applying unique product identification, brand image, brand value and brand culture to other brands in the same market segment.

2 Analysis on current situation of differentiated brand marketing strategy for China's aquatic products

2.1 Production and sales of China's conventional aquatic products The gross output of China's aquatic products has reached 60 million tons, and conventional aquatic products account for more than 70%. Chongqing Municipality has subtropical monsoon climate, four distinct seasons, plentiful rainfall, abundant sunshine and heat resources, and is quite suitable for aquaculture. According to survey, with more than 20 years of high speed development, Chongqing Municipality had realized the gross output of aquatic products up to 251 000 tons and gross output of conventional aquatic products up to 171 000 tons. Market sale is mainly fresh fishes, up to 500 000 tons. Using the typical survey method, we carried out survey of conventional aquatic products in two largest and one county-level aquatic product market in January 2013 and August 2014. The results indicated that nearly all primary fresh aquatic products do not have brand and their price is relatively low; those with brands, such as "Changshou Lake" (or Longevity Lake) Carp, are not available at market, but are delivered to catering industry directly; in aquatic product catering restaurants or hotels, the price of carp is generally 27 yuan/kg, grass carp 24.6 yuan/kg, Crucian carp 30 yuan/kg, silver carp 13.6 yuan/kg, and variegated carp 17.6 yuan/kg. Excluding auxiliary materials, labor and rent costs, they can bring at least 3.0 yuan/kg profit for operators. If the business is outstanding and has scale effect, the profit will be higher.

2.2 Current situation of brand marketing of China's conventional aquatic products Despite high production and sales volume, China's conventional aquatic products have few brands. For example, brand of conventional fresh aquatic products of Chongqing Municipality just starts. With general rise of price of agricultural products, the price of conventional aquatic products also has slight rise. However, market date indicate that the growth rate of price of conventional aquatic products is far lower than other agricultural and livestock products. This is closely connected with lack of brands. If conventional aquatic products are processed with brands, it will bring considerable additional benefits. A typical successful case is Changshou Lake Carp. After registration of Changshou Lake brand in 1999, the annual output of Changshou Lake brand ecological fishes reached 2000 – 2500 tons, so the market prospect will be impressive. The brand development of catering aquatic products in Chongqing Municipality can be divided into two stages. (i) Before 2000, it is the period of traditional brands, relying on geographical and environmental factors and having outstanding regional characteristics. In this period, there are Tongnan Taian Fish, Dazu Youting Crucian Carp, and Qijiang Beidu Fish. (ii) After 2000, it is the period of new brands, including Zhouyufu, Yuwang Yufu, and Zhengtianfu Fish Manor Regular Chain.

2.3 Market trend of differentiated brand marketing strategy for China's conventional aquatic products At present, there are few brands of conventional aquatic products. Most fresh conventional aquatic products do not have their brands, and only few catering enterprises have their brands, but these brands are not fully in connotation and the differentiation is not outstanding. In the situation of intense market competition, it is required to implement differentiated brand marketing strategy. The differentiated brand marketing strategy is not mysterious. As long as details are focused, combining with proper dissemination and market planning skills, real brand of aquatic products is not out of reach. For Chongqing Municipality, creating differentiated brands is also unavoidable. Differentiated marketing strategy includes differentiated product, differentiated hardware environment, differentiated price, differentiated service, differentiated channel, and differentiated promotion, *etc.* At the macro level, conventional aquatic product market of Chongqing Municipality is only a small portion of Chongqing's catering market and a segmented market of catering market. On the surface, these market segments avoid some competitions and operating risks to a certain extent. However, in each market segment, due to regional characteristics of brands and lack of management and protection effort in brand assets, these brands become public resources to a great extent, so the competition in small range is unavoidable. In such market competition environment, it is required to gasp culture and connotation of brands, pour into brand culture and brand value, to form sharp contrast with other market segments and give prominence to brand characteristics.

3 Differentiated brand marketing strategy for China's conventional aquatic products

3.1 Differentiation in service and quality of China's conventional aquatic products Products and services are carrier and root of brands. To succeed in brand operation, enterprises must make painstaking effort in products and services. To realize excellent brand, the first is to guarantee product quality. Enterprises should make design and produce products according to demands of customers and make improvement according to opinions of customers, to grasp change of customers' quality requirements, to build quality image of their brand. For aquatic product catering brands of Chongqing Municipality, these include selection of raw materials, types of cooking methods, and diversity of taste, especially food sanitation, nutrition, and environmental protection, etc.

Services include pres-sale, sale, and after-sale services. In the condition of similar product quality, excellent services can improve satisfaction of customers and reduce or avoid risk of purchase. Catering enterprises should set up the awareness of customer first, optimize service measures, strengthen training of employees, and keep customers in flexible and people-oriented manner. Thus, it is required to differentiate products and services in the

condition of guaranteeing product and service quality, to store energy for brand differentiation.

3.2 Differentiation in brand orientation of China's conventional aquatic products Brand orientation is the first and key step of brand promotion. If an enterprise fails to orientate its brand and make clear value of its brand for customers, subsequent promotion activities will be difficult or deviated from the expectation. There are many brand orientation methods, such as product characteristics oriented, price oriented, customer (target market) oriented, competition oriented, emotion and psychology oriented, and benefit (customers' benefit) oriented. Enterprises can select one or two orientation methods according to their respective characteristics, or combine comprehensive aspects of all methods to orientate their brand. Since Chongqing's conventional aquatic products are directly sold to consumers and great favored by consumers all the time, brands of Chongqing's conventional aquatic products should be oriented towards the public, citizens and especially wage earners. Brand image should be kind, have affinity, and fully reflect hot, upright and frank, straightforward, and honest nature of Chongqing people. Ultimate purpose of setting up brand image is to promote sales, so making necessary consumption induction should not be neglected. After making clear brand orientation, enterprises should design kind and friendly name, brand logo with excellent visual effect, simple advertisement words, to strengthen value of brand for customers, and give out guidance of appeal for target customers.

3.3 Differentiation in concept of China's conventional aquatic products In the situation of products becoming increasingly similar, brand competition in fact is the competition of difference in key points of brands. To put differentiated brand marketing in concept, brand concept should be novel and powerful, and core description of brand concept should be profound and sharp. Only profound and sharp brand concept may attract attention of customers and make the brand stand out. Before coming up with new brand concept, we should find out unique characteristics to competitors, make clear consumption experience and habit of target consumption groups, and get to know differentiation in brand concept. As to conventional aquatic products, enterprises should firstly think about what concept to express and how to describe the concept. For example, the concept of "double-flavored fish", "ladies eating more fishes will be more beautiful, children eating more fishes will be more smart, and men eating more fishes will be more healthy". In the existing situation of well-developed information, it is not necessary to make brand concept mysterious, but should fully analyze and understand realities, and come up with core concept of the brand. Existence is the truth. If your brand survives, it must have shining point. The problem is finding and extracting the shining point.

3.4 Differentiation in culture of China's conventional aquatic products Brand culture is deposit of cultural characteristics in brand, is activity related to culture, and one of the most powerful means for promoting loyalty of customers. Brand manifests cultural characteristics, while culture enriches connotation of brand. With cultural support, a brand will go further, such as McDonald's fast food culture and Starbucks' coffee culture, *etc.* Nowadays, for most customers, psychological price takes up an essential place and cultural difference is becoming or has become a magic weapon influencing the repurchase rate. Therefore, with a series of differentiated cultural package, brand value can be rapidly maximized. Some brands promote marketing performance through integrating an event into their unique cultural connotation by the event marketing method. For example, most catering enterprises in Chongqing Municipality started from scratch. Their bosses have legend stories. Legend story adds enterprise development will make them venerable and attract customers to buy their products. We believe that it is acceptable to make proper processing according to brand background with laws and moral principles permit and not hurting a third party. However, it should stick to basic facts. Otherwise, once the facts are exposed, it will bring huge negative influence on enterprise image.

3.5 Fully use of place name in brand orientation of China's conventional aquatic products Place name has strong exclusive difference, so brands with place names will produce strong difference in thinking of customers. For example, when mentioning hot pot, people will think of Chongqing and Sichuan spicy hot pot. In this situation, those brands such as Youting Crucian Carp and Taian Fish with place names will have a great success in aquatic product market of Chongqing Municipality with well combination of resources and proper and effective marketing methods. For example, Tongnan Taian comes from famous brand effect of Taian Fish, and the pillar industry with Taian Fish as leader has brought rapid development of fish breeding and transportation in local areas. Also, Taian Fish has gradually entered into medium and large-sized cities, such as Beijing and Shanghai, and even foreign cities. In addition, it is recommended to attach importance to brand extension, so as to expand future market as much as possible.

3.6 Risk evasion in implementing differentiated brand marketing strategy for China's conventional aquatic products Differentiated brand marketing strategy for China's conventional aquatic products has many merits, but there are also risks due to high marketing cost. Implementing differentiated brand marketing strategy will bring rise of enterprise cost, which is not favorable for enterprise going after profit in short term. In certain region, enterprises or individuals using the same brand should get rid of prejudice and seek to common development, form economic resource alliance with common brand resources, and unify operating hardware, such as chain store decoration and style, to form difference in service and personnel quality, so as to maintain healthy growth of brands jointly. Also, each enterprise should cultivate leader image, to form powerful, bold and resolute leaders and high quality management and technical talents in the brand operation.

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the factors influencing the stable relationship between broiler processing enterprises and broiler raisers as well as the hierarchy of these factors. Studies have shown that enterprise characteristics (enterprise scale, enterprise level, attitudes and behaviors), cognitive characteristics (transaction cost cognition, cognition of contract's binding force, reputation mechanism cognition) and environmental characteristics (intermediary coordination) will affect the stability of cooperative relationship. The enterprises of larger scale and higher level will have greater business risks and market risks, have a more comprehensive understanding of transaction costs, contract's binding force and reputation mechanism, and pay more attention to stabilizing cooperative relationship to avoid risks.

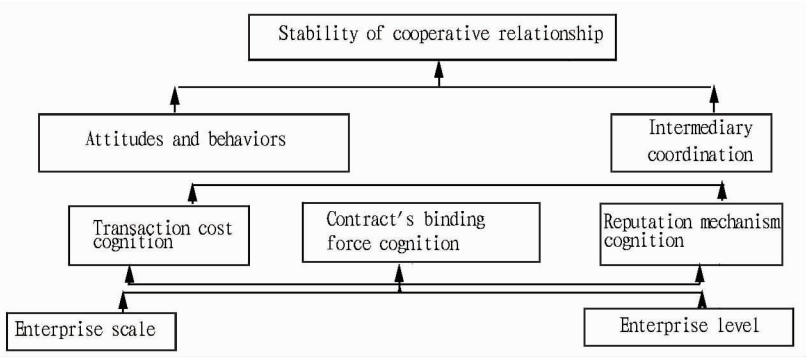

Fig. 3 The hierarchy of various influencing factors

5.2 Policy recommendations First, the government should provide preferential policies in capital, technology and information, encourage small enterprises to cooperate, and help large scale leading enterprises to expand the scale and improve the enterprise level; second, it is necessary to enhance training for business managers and decision-makers so that they fully understand the role of transaction costs, contract's binding force and reputation mechanism in stabilizing cooperative relationship; third, it is necessary to encourage enterprises to join the intermediary organizations, such as economic cooperatives, to give full play to the coordinating role of intermediary organizations.

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4 Conclusions

China's conventional aquatic products refer to those aquatic products with high output, low price and daily consumed by people. They are mainly four major Chinese carps, crucian carp. Relative to famous and special aquatic products, conventional aquatic products include fresh ordinary aquatic products and those cooked and processed by aquatic products. Current situation is not optimistic for differentiated brand marketing strategy of China's conventional aquatic products. Therefore, conforming to market development trend, it is recommended to realize differentiation in product and service quality, brand orientation, concept, culture, and place name when formulating differentiated brand marketing strategies for conventional aquatic products. Besides, it is required to evade risks in implementing the differentiated brand marketing strategies, to suit current economic globalization and China's fishery development, and better keep market competitive edge and increase economic benefits.

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