

Research on Propagation Mode under the Background of Community Economy

Xinyan Luo^{1,a,*}

¹*Institute of Foreign Language, Nanjing University of Science and Technology, 200 Xiaolingwei St., Jiangsu, China*

a.1225992261@qq.com

**corresponding author*

Keywords: economic community, celebrity effect, word of mouth communication, fan economy

Abstract: This article mainly introduces the community economy, its causes of emergence, and on what occasions it plays its role. Besides, it summarizes the characteristics of community economy. Combining with reality, citing three different examples of community economy, it aims to analyse and summarize the model of communication.

1. Introduction

With the continuous development of the Internet, virtual online communities have become a new form of social aggregation. These communities are increasingly exerting their commercial value, and the momentum of some economic phenomena exactly comes from these online communities. The rise of the Community Economy has not only had a profound impact on people's social behaviour and business logic, but also triggered changes in consumption, marketing concepts and business models. Apparently, Community Economy played a crucial role in our society and daily life, and the essay will mainly introduce three kinds of models-celebrity effect, fan economy, word-of-mouth communication which are applied and run well in the real life.

2. What is Community Economy?

Community economy is a new social- economic form which refers to users who share common interests, cognition, values, similar cultural backgrounds and based on common specialities and characteristics in the context of the Internet environment, disseminate information, communicate emotional and share culture and value through free connection of media, interest aggregation to generate value for products and brand, thus achieving its profits. It is a new economic form born in the Internet era. It lays stress on community while economy is secondary.

The Community economy is a formation based on the community, characterized by affection, self-organization, reproduction, and economic in scope. Users are considered as the core and their independent participation, communication and creativity will be stimulated to create a product-

oriented community, focusing on the unity of marketing and products. Through the creative community operations, the production and consumption of sustainable values in commodity and emotion are formed.

The mobile Internet generated the Community Economy. In the 1990s, the rise and development of the Internet made the connection between people become closer and more wide-ranging. The Internet eliminates the boundaries of the space, converging the meaning of the community and group, and gradually extends the real community to the virtual community, making it easier to connect people freely and aggregate interests. People have realized a wide range of free connections. With the popularity of the mobile Internet, everyone can become a producer and a communicator --- the threshold of value creation is greatly reduced. In this context, the community has gradually expanded into a brand-new form of economy.

On the virtual network platform, consumers have a strong sense of belonging and identity through spontaneous assembly and continuous interaction. People are eager to seek group identification and self-satisfaction: based on interests, hobbies, subcultures, sense of values and even the symbolic value of commodities etc. And then regroup and ultimately form a common sense of community through continuous emotional communication and mutual trust. The collective consciousness in the community has gradually emerged, resulting in a consistent consumption action, which means that a true consumer group is formed. As the function of the community continues to expand, the value of the community is highlighted, and the concept of the community gradually expands from the field of sociology to the economy, triggering discussions on the Community Economy and the business model of the community. The community's operators began to think about and explore how to realize business value and build business models from this highly adhesive relationship, and the Community economy came into being.

3. The Characteristic of the Community Economy during the Process of Propagation

3.1. External: Cohesive Force and Fissility

Community operators have much social capital and influence and have strong executive force and organizational capacity. They form strong cohesive forces within the community and form a strong driving force for communication. Due to the diversity of people's needs, the same individual can switch between different communities. There are multiple dimensions of association between the communities. It's easy for communication to present cross-border spread, showing snowball-like fission.

3.2. Internal: The Spread of Emotion and Value

Cultural exchange, emotional communication and value identification are the key to maintenance of community. The spread of emotional value is at the heart of community operations. Individuals in the community gather together due to the recognition of the human values embodied by a certain brand and a leader, actively participate interactive activities, and actively contribute their wisdom and creativity.

3.3. Core Logic: Self-Organizational Communication and Collaboration

Self-organization is an important feature of the community, namely, the system and process of spontaneous organization and collaboration among individuals. The products that community members participate in during the process of producing and creating are not only limited to information products, but also expand to more types of physical commodities, promoting new ideas, products and services to emerge.

4. The Characteristic of The Community Economy During the Process of Propagation

4.1. Internet, such as Post Bar, Weibo, Facebook, Twitter and Other Forum Communities

Forum communities such as Facebook and Twitter are actually similar to a virtual community, and the Internet has largely broken through geographical restrictions, enabling community users to communicate and share information and knowledge. Formed a special relationship network with similar hobbies and emotional sympathetic response. The Internet has thus become an active platform for a variety of communities full of interests and fans. With the rapid development of online social networks and the surging number of online users, social networks for the purpose of making friends and sharing information have rapidly grown into an ideal platform for people to disseminate information, promote the sale of products, express opinions, and generate influence. Today's social network users with a large number of fans, namely, those opinion leaders, use their social influence on the Internet platform to play a role among users, improve the marketing effect of goods, and expand the scope of innovation. The role of an opinion leader playing in the Internet platform is to drive consumption, which is undoubtedly a definite embodiment of the Community Economy in the Internet.

The community economic works on so many groups and the fan community is one of the typical representatives. The fan community here does not refer to pure star worship, but refers to fans joining subculture groups marked by their idols. Fans not only do online remarks, voting and forwarding. But also organize offline activities spontaneously and consume star products actively. In the participatory culture of the fans communities, they seek value recognition through interaction, and have strong collaboration and spending power. Fan economy is a business model based on the participatory behaviour of the fans communities. It extends the advertising profit model of traditional media, and enhances the word-of-mouth communication and creative development of products by attracting fans to participate, and stimulates fans to consume related products continuously to achieve profitability.

4.2. Mobile Community Platform: such as WeChat

WeChat platform is a mobile e-commerce platform transformed from mobile social platform and information service platform. It is the soil for rapid commercialization of mobile communities. Nowadays, consumers' consumption concept has changed from the earliest functional consumption to brand consumption, then the experience consumption and finally to the participatory consumption stage. The change in the concept of consumption has promoted the transformation of the marketing concept and brought about the innovation of the mobile platform marketing model.

Therefore, WeChat has transformed its highly active mobile community, such as We Media and paid "knowledge community", into a "VIP-customized" e-commerce marketing model (membership fee + product customization). The innovation of service and business model has formed the linkage effect of "media-community-activity-innovative project". The mobile community platform enables scattered consumers to be aggregated into organizations with common missions, interact with the others and participate in products development and design, reflecting the uniqueness of consumers and satisfying consumers' need. And fully embodies the extensibility of community functions, making the value of the community platform get greatly released.

5. Propagation Mode Under the Background of Community Economy

5.1. Celebrity Effect

A star can be an information disseminator of a company's products or services and can display advertising information on behalf of the enterprise. The celebrity effect refers to inviting celebrities to attend product endorsements for the purpose of pursuing the maximum utility of the market, so as to promote the popularity of products and gain the affection and support of the public, thereby establishing and enhancing the brand image.

Stars are one of China's most influential opinion leaders today. Richard A. Lawbarn once proposed the concept of attention economy. He believes that attracting consumers' attention can help them obtain huge business profits. This concept has been proved in many examples of entertainment stars. The famous "Lu Han effect" in 2015 is a typical example. After the official announcement on Eric's official Weibo that Lu Han become its spokesperson on "Weikezi", a famous milk product of Eric people enthusiastically gave their thumbs-up, commented, and forwarded, which triggered Weikezi's buying frenzy. Sports stars are also a typical representative of celebrity effects. Michael Jordan's "flying sky" on the NBA court has made Nike's "flying shoes" in vogue. The cooperation between Nike and Michael Jordan has made the AJ series basketball shoes one of the most classic products in the history of sports brand development and established Nike's leading position in the basketball shoe market. Under the pressure of the outside world, PUMA signed Rihanna under the pressure of the outside world, which not only made PUMA tired, but also caused the sales performance to soar. The co-branding also makes use of the celebrity effect. The traditional British luxury brand Burberry and Wu Yifan have co-branded to save their sales trend towards descent and use the appeal of the new generation of star idols to renew their vitality.

Through the examples above, we can see that the marketing measure of star effect can attract consumers' attention to a great extent, so as to obtain greater appeal and achieve effective marketing effects.

5.2. Fan Economy

Fan economy refers to the operating income-generating behaviour based on the relationship between fans and followers, namely, marketing through the deep interaction between stars and fans, the extension of services, and the promotion of brands. In the 1990s, British scholar Matt Hills observed that loyal fans were most likely to become consumers under strong attraction. The original fan economy refers to a consumption form based on hobbies, with emotions as a link and connection. Later, the fan economy was organically combined with new media, fan communities, and idols, and finally formed an organized and standardized business community. There are some significant characteristics of the current fan economy. First, fans have absolute option. They use their hobbies as a selection criterion to meet personal entertainment needs and consumer desires. Second, fans are consumer leaders. Their activities make the entertainment industry constantly create appeals to fans to maintain active.

Almost every step of the fan economy is inseparable from interactive behaviours and interactive activities. For example, Nongfu Spring Tea π , first is an open topic homepage to establish an online community for fans' communication, and a series of interactive activities are officially released. Combining star labels with tea π , and giving prizes such as posters, badges, and desk calendars to attract fans. New social thinking is put into practice, enabling fans to consciously participate in conversational social activities.

The "logical thinking" founded by Luo Zhenyu is also an example of a fan economy. It first attracted a large number of fans because of its novel form, and then advocated knowledge payment to collect funds. It is worth noting that "logical thinking" recruits its fans by membership. After achieving their fame, they continuously raising the threshold, these fans have found a way to express themselves and take pride in being one of them, forming an identification. "Logical thinking" makes

full use of the economic effects of fans to promote its rapid expansion and growth. We see that fans are an intangible asset for brands and companies. Sufficient fan numbers will bring brand effects and generate specific business value.

5.3. Word of Mouth Communication

Philip Kotler defines word-of-mouth communication in the 21st century as the transmission of information about a particular or a certain type of product, brand, or manufacturer by an individual other than the producer through explicit or implicit methods, without a third-party processing that can lead to a two-way interactive communication behaviour that causes the audience to obtain information, change attitudes, and even influence purchase behaviour. Word-of-mouth communication is the basic expression form in interpersonal communication. It refers to non-commercial general communication between people without traditional media advertising and traditional marketing, so it has higher credibility. With the development of network technology, network word-of-mouth spread came into being.

“Little Red Book” which was founded in 2013 made good use of word-of-mouth communication. By deepening the UGC (user-created content) shopping and sharing community, it has grown into the world’s largest consumers’ word-of-mouth library and community e-commerce platform in just 4 years. Through its good word-of-mouth marketing, it has captured the market and become a shopping app necessary for more than 50 million young consumers in more than 200 countries and regions. “Little Red Book” perfectly embodies the combination of e-commerce and community. It is not only a cross-border e-commerce, but also an online community for users. Users share notes on this platform to form a huge word-of-mouth library. It is worth mentioning that it does not use the Internet celebrity group as the source of communication, but uses the word-of-mouth sharing of ordinary users to attract users to promote consumption, because consumers themselves will form more direct and effective communication to consumers.

"dianping.com" is undoubtedly another typical example of word-of-mouth communication while "comment" is "word-of-mouth". The public comment adopts a unique third-party comment mode, allowing users to freely post their praise or disapproval opinions on restaurants online. Consumers write down their true feelings in the comments, and this real and effective information has high influence and persuasiveness. The entire review system is built on the true word-of-mouth of consumers, providing other consumers with a high level of credibility, reflecting its important role played in purchasing decisions. Its reference value fully demonstrated that in the communication process it provides a new choice and direction for communication in the internet era.

6. Conclusions

The community economy is the common result of the advancement of the Internet age and the development of communication technology. The community economy promotes innovation in self-organizing business models. The interactive behaviours and activities between different communities occur in our daily lives. The exchange and dissemination of information provides people with more abundant life choices. As the function of the community continues to expand and the value of the community continues to rise. How marketers create and operate communities to make the full use of the business value of the communities in order to achieve greater marketing results still remains to be explored.

References

- [1] Wilbur Schramm, *Men, Women, Messages, and Media: Understanding Human Communication* [M]// China Renmin University Press, 1973.
- [2] Marshall McLuhan, *Understanding Media* [M]// arrangement with the Estate of Herbert Marshall McLuhan and Gingko Press, Corte Madera, CA, 1964.
- [3] Jin Shaonining, *Communication characteristics and business models of the “community economy”*, [J] *Modern Communication*, 2016, (4):113-117.
- [4] Hu Qintai, Li Xiaofan, *Research on the Construction of Social Education Communication Model Based on New Media*, [J] *E-learning research*, 2014, (5):5-10.
- [5] Wang Zhan, Feng Fan, *Research on Brand Communication and Marketing Strategy in the Context of Community Economy*, [J] *Journal of Social Science of Hunan Normal University*, 2017(1):141-148.
- [6] Cheng Ming, Zhou Yaqi, *Research on the Transformation and Innovation of Marketing Communication from the Perspective of Community Economy* [J], *Editorial friend*, 2018(12):20-26.
- [7] Zhu Qianwen, *An analysis of the new community “community economy” from the media* [J] *Today’s mass media*, 2019(9):18-22
- [8] Wang Dayuan, Du Yue, *Fan economy in the new media environment* [J] *Media Observer*, 2019(7):95-96