

# Management Reform of Time-honored Enterprise Based on Social Media

## Taking Shanxi Time-honored Brand as an Example\*

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**Abstract**—In the era of social media, people's values, attitudes towards life and consumption patterns are undergoing profound changes. The rapid development of social media promotes the rapid change of information and brings impact challenges to long-standing time-honored enterprises. The problems encountered by Shanxi time-honored enterprises in the trend of the times are very representative, which are the microcosm of the development of China time-honored enterprises. By analyzing the current situation and problems of Shanxi time-honored enterprises, this paper puts forward the management countermeasures of the time-honored enterprises from the perspective of social media, hoping to provide reference for the management reform of the time-honored enterprises.

**Keywords**—social media; time-honored enterprise; development

### I. INTRODUCTION

Nowadays, the development of internet, especially mobile Internet and social media, is irresistible. People's consumption concept, lifestyle and value perception are undergoing profound changes, which also challenges the traditional business management model. Time-honored enterprises have a long history, have inherited exquisite skills and services from generation to generation, have profound cultural heritage and high historical value, are important carrier of business culture throughout ancient and modern times, and also are important force of Chinese enterprises. Nowadays, the era of interconnection has come, and social media has increasingly become the mainstream channel of communication. How to realize the connection with the times in the tide of connection and sharing, and how to give full play to their traditional advantages, while effectively handling the relationship between historical inheritance and enterprise development with an innovative attitude, realizing the revitalization of the time-honored enterprises in the era of social media, and enhancing the competitiveness of time-honored enterprises have become

new targets of time-honored enterprises.

### II. THE DEVELOPMENT STATUS OF SHANXI TIME-HONORED ENTERPRISES

"China time-honored brand" refers to a brand with a long history and inherited products, skills or services from generation to generation. It has a distinct traditional cultural background of the Chinese nation and profound cultural connotations. It has gained wide social recognition and formed a good reputation. In accordance with the principles and standards of the "Standards for the Recognition of China Time-honored Brand" (Trial Implementation) promulgated by the Ministry of Commerce, the Ministry of Commerce identified two batches of "Chinese time-honored" enterprises in 2006 and 2010, totaling 775 [1]. The official certification of the Ministry of Commerce has greatly enhanced the popularity of the time-honored enterprises, promoted the historical and cultural value of the time-honored enterprises to be recognized by the public, and is conducive to the inheritance and development of the time-honored enterprises [2]. "China time-honored brand" is named "a place's time-honored brand" because of its different origins, which produces "Shanxi time-honored brand". There are 27 brands of Shanxi Province in two batches of "China time-honored brands" identified by the Ministry of Commerce, such as Fen Liquor in Xinghuacun Village, Pingyao Beef, traditional Chinese medicine of Guang Yuyuan, superior mature vinegar and so on. As an important branch of China time-honored brands, Shanxi time-honored brand is also a high-quality product after hundreds of years of competition, which has also become synonymous with high quality.

The distribution of "China time-honored brands" recognized by the state is extremely uneven in Shanxi Province. Of the 11 prefecture-level cities, only 7 have time-honored brands, which are concentrated in Taiyuan City and Jinzhong City, accounting for 74.1%. In particular, Taiyuan, as the capital of the province, has 51.9% of the time-honored brands. This shows that there is a great relationship of mutual influence between the development of economy, politics, location and the development of Shanxi time-honored brands, and that Taiyuan City and Jinzhong City are

\*Fund: It is supported by the phased achievement of the Youth Foundation for Humanities and Social Sciences Research of the Ministry of Education (15YJCZH062) — "Research on the Impact of Social Media on the Internal and External Reputation of Enterprises".

deeply influenced by Shanxi businessmen, with profound cultural connotations and better inheritance of enterprises.

"China time-honored brands" of Shanxi Province are concentrated in the food processing industry, accounting for up to 100%, while the proportion of other industries is very low. Obviously, as a traditional industry, the food industry has lower operating costs and meets the local dietary preferences. It is easier to adhere to development in the historical trend, but at the same time, it also faces the problem of how to open up a broader regional market.

Time-honored enterprises are the typical representatives of the profound Chinese history and culture. At present, the main customer groups of time-honored enterprises are changing. Their historical emotions are not closely related to time-honored enterprises. Their consumption habits are changing. Their consumption patterns are also constantly innovating. The growth of new brands and the arrival of social media era have brought great impact on the development of time-honored enterprises. At the same time, it is one of the urgent problems to be considered and solved that the time-honored enterprises should follow the trend of the times to achieve transformation and upgrading and grow into a regional iconic brand.

### III. MAIN PROBLEMS IN THE DEVELOPMENT OF SHANXI TIME-HONORED ENTERPRISES

#### A. *The Attraction of Time-honored Brands to Customers Decreased*

With the improvement of the level of social and economic development, people's consumption concept is also constantly upgrading, which puts forward high-quality requirements for enterprises' products and services. Enterprises must constantly strengthen the brand of their products or services in order to enable enterprises to stand out in the fierce market competition by virtue of brand advantages and attract more customers' attention. The brand of the time-honored enterprises is the superior resource for them to participate in the competition. In the actual operation, most of the brand development ideas of the time-honored enterprises are mainly to inherit the original brand culture, and the phenomenon of "resting on past achievements" is serious, lacking innovation consciousness and innovation elements. The time-honored brand is proud of its unique brand culture. However, if it lacks management innovation, can't integrate traditional communication channels with emerging social media platforms, can't be more effectively known to customers, or can't form emotional resonance with customers. The unique brand culture will become a lonely self-admiration and self-talk of enterprises.

#### B. *The Competitiveness of Time-honored Enterprises Is Not Strong*

Shanxi time-honored enterprises are mostly concentrated in the food and wine industries. Although they are famous for their unique traditional handicraft, they are also limited by the characteristics of the industry, and the scale of operation is not large enough. Most of them are only well-

known locally. There are not many famous brands nationwide, and their ranking in the industry is not advanced, and the international brand rules are scarce. For a long time, the limitation of technical ability and brand marketing management ability has also limited the operation area of Shanxi time-honored brands, most of which have been labelled as "local specialties", and are more acceptable to local people or local customers. Because the entry threshold of food processing industry is not high, it is easy to copy and imitate. Many similar products will appear, lacking quality assurance. If there is no effective supervision, it will directly affect the reputation of the time-honored brands in the same industry and reduce competitiveness.

#### C. *Time-honored Enterprises Do Not Make Adequate Use of Social Media*

Nowadays, with the younger consumer groups and personalized consumption habits, the traditional "word-of-mouth" marketing model can't fully meet the needs of the post-80s, post-90s and even younger customer groups. Young people have limited awareness of the time-honored brands, lack of the will of deep understanding in front of many choices, and lack of deep feelings. Most of the time-honored enterprises have failed to make full use of the media channels with higher customer acceptance in the new era to publicize the brand, and still adhere to the traditional operation mode of product management. Today, with the vigorous development of social media, if the time-honored enterprises can't use the channel that the main customer groups are more willing to receive information in time, publicize the time-honored brand in an innovative way, attract consumers' attention [3], enhance consumers' satisfaction, trust and reputation to the brand, or still take the name of "time-honored brand", it will aggravate the danger of the time-honored brand being replaced.

### IV. DEVELOPMENT STRATEGY OF TIME-HONORED ENTERPRISES BASED ON SOCIAL MEDIA

According to the 43rd China Internet Development Statistics Report of China Internet Network Information Center (CNNIC), as of December 2018, the number of Chinese netizens was 829 million, and the number of instant messaging users reached 792 million, accounting for 95.6% of the total number of netizens. Mobile instant messaging users are 780 million, accounting for 95.5% of mobile netizens [4]. Among them, the application scenarios of social media, such as WeChat, Weibo and Tik Tok, are more and more widely used. The advantages of social media in enterprises are: low cost; wide spread coverage; users can create content and share it independently, focusing on emotional interaction and communication. The popularity of social media is changing consumers' habits of receiving and transmitting information. The influence of enterprises as the source of information dissemination is weakening. Consumers are no longer passive receivers of information advertised by enterprises, but more inclined to independently search for effective information published on various social media, such as other people's consumption evaluation, experience sharing and other content to guide individual

consumption decision-making [5]. Social media is gradually increasing its impact on the organization and management of enterprises, which can be used as an opportunity and breakthrough for the development of time-honored enterprises to achieve revitalization.

#### A. Making Overall Strategic Planning and Making Good Use of Social Media Marketing Tools

Time-honored enterprises should combine traditional offline sales with online sales and design the overall strategy. Flexible use of social media to investigate changes in consumer demand is conducive to enterprises accurately positioning the main consumer groups, establishing direct communication channels between time-honored enterprises and young customer groups, abandoning the idea of blindly pursuing economic benefits, and continuing to innovate products and services. On the basis of continuing to consolidate various traditional marketing channels such as community, supermarket, tourist attractions, airport stations and expositions, time-honored enterprises should flexibly use social media platforms such as micro-blog, WeChat and Tik Tok to form a social media propaganda matrix, so as to establish effective interactive communication channels, and pay attention to the preferences and needs of the new generation of consumers. The consumers can better understand the historical culture and brand value of time-honored brands, constantly enhancing the popularity and influence of time-honored brands.

#### B. Reshaping Brand with Emotional Marketing, and Helping Time-honored Brands Break Traditional Restrictions

The advantages of time-honored enterprises lie in their historical and cultural values, as well as the business values and moral qualities carried in their inheritance, which is providing more and better content materials for social media propaganda. However, from the analysis of the content of the WeChat Official Account and Sina Weibo launched by the time-honored enterprises, it can be found that some enterprises have turned the social media platform into a place for the publication of corporate news, while others mainly focus on promotional activities. To some extent, these contents are not attractive enough for customers to arouse their long-term interest in enterprises. In order to catch the attention of customers in a short time and become the consumption mode of consumer fragmentation time, content is very important. Time-honored enterprises should not only base on traditional advantages, but also be good at rubbing hot spots and building momentum by taking advantage of the situation, establish a brand-new image, play emotional promotion, and stimulate the emotional connection between customers and time-honored brands. To avoid simply and roughly pushing promotional information to users, the time-honored enterprises should skillfully integrate the brand, product or service information into the hot topics of customers' attention, closely link the hot topics for marketing, stimulate users' interactive discussion and comment with posts, and then trigger widespread dissemination, so that the

time-honored enterprises can be understood and accepted by more new generations of users [6].

#### C. Creating Time-honored Brand Community, and Breaking Through Market Area with New Retail

The products provided by time-honored enterprises are closely related to people's daily life, and belong to popular products, and generally have physical stores. On this basis, brand communities based on social media applications can be established, online and offline cooperation can maintain and consolidate the emotional ties between time-honored enterprises and customer groups. Brand community is a special group of consumers who use the same brand without geographical restrictions. Through the construction and maintenance of the time-honored brand community, time-honored enterprises can further cultivate and strengthen the emotional interaction between consumers and time-honored brands on the basis of extensive publicity, develop new retail, and attract more followers to participate in the time-honored brand community. The development of time-honored enterprises can rely on intangible networks to break through limitations, and obtain the development and growth in a broader market.

### V. CONCLUSION

In the era of social media, the development of time-honored enterprises is facing new challenges of the times. How to realize the transformation of enterprises has become an urgent problem to be considered and solved. This paper takes Shanxi time-honored brands as a typical case, focuses on the analysis of their development status and existing problems. On this basis, it is proposed that time-honored brands should adapt to the changes of the environment of the era and make good use of social media innovation management to achieve the revitalization and development of time-honored enterprises.

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