



Analysis of Consumer Behavior and Digital Marketing Strategies of Wearable Devices in the UK Market: Taking Xiaomi Smartwatch as an Example

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Abstract. This research investigates the optimization of digital marketing strategies for the Chinese technology brand Xiaomi within the UK smartwatch market. Amid the global boom of smart wearable devices, the UK market presents both opportunities and challenges for Chinese brands, particularly in advertising creativity and cross-cultural adaptation. The primary objective is to assess the influence of advertising type, promotion transparency, and cultural alignment on UK consumers' purchasing decisions. Through literature review and questionnaire surveys targeting British consumers, data was collected and analyzed. Findings indicate that emotional advertising elicits higher purchase intent than functional advertising, promotion transparency fosters consumption via trust-building, and cultural adaptation significantly enhances advertising effectiveness. The study recommends enhancing ads' emotional appeal, standardizing promotional information disclosure, and implementing culturally tailored strategies. Theoretically, it extends the technology acceptance model to cross-cultural contexts; practically, it offers localized marketing strategies for Chinese brands in the UK, contributing to Sino-British digital economic collaboration.

Keywords: digital marketing; purchase intention; perceived value; advertising type; cultural adaptability

1 Introduction

This chapter outlines the research background, purpose, significance, methods, and content to clarify the core issues and technical routes.

1.1 Research Background

With the development of global smart technology, the wearable device market has become a key segment of the consumer electronics industry[1]. As a major European technology consumption market, the UK boasts high technology acceptance,

health-conscious consumer attitudes, and diverse demand for trendy tech products, making it a priority target for international brands.

Founded in 2010, Xiaomi has emerged as a leading Chinese technology company[2]. Its smartwatches, featuring 5G innovation and comprehensive health monitoring, have become competitive against high-end brands like Apple Watch. Xiaomi ranks first in three major European markets (France, Italy, Spain) and entered the top two global smartphone manufacturers in Q2 2021 with 17% market share[3]. However, to deepen its presence in the competitive UK market, understanding local consumer behavior and optimizing digital marketing strategies is crucial.

1.2 Research Purpose

(1) Identify flaws in Xiaomi's current UK digital marketing strategies, including social media, SEO/SEM, celebrity marketing, and offline experience.(2) Analyze how digital marketing tactics influence British consumers' purchasing decisions, leveraging quantitative data to evaluate strategy effectiveness in boosting attention and trust.(3) Propose localized optimization plans for Xiaomi's UK digital marketing, such as long-term KOL partnerships and cultural adaptation, to enhance competitiveness and market share.

1.3 Research Significance

1.3.1 Theoretical Significance.

This study integrates consumer behavior theory, digital marketing practice, and cross-cultural marketing theory, focusing on Xiaomi's UK smartwatch business. It validates the application of the technology acceptance model in cross-cultural contexts, filling gaps in research on Chinese brands in Western wearable device markets.

1.3.2 Practical Significance.

The research provides actionable insights for Chinese brands like Xiaomi to expand in the UK wearable market. By clarifying British consumers' motivations and the strengths/weaknesses of existing strategies, Xiaomi can adjust marketing plans to improve brand recognition and market share.

1.4 Research Methods

1.4.1 Literature Research.

Synthesizes domestic and foreign literature on the wearable device market, consumer behavior, and digital marketing to identify research gaps and understand industry status, with sources including journals, market reports, and books.

1.4.2 Quantitative Research.

Designs questionnaires to investigate British consumers' cognition and purchase intentions toward Xiaomi smartwatches, covering preferences, brand evaluation, and

demographic factors. Collects valid samples across ages, incomes, and genders via online surveys, analyzing data with statistical software.

1.5 Research Content

1.5.1 Research Ideas.

The study begins with the wearable device market background and Xiaomi's UK status, clarifies research objectives, uses literature and quantitative methods to collect data, analyzes strategy flaws and their impact on purchase intention, and proposes optimization plans.

1.5.2 Research Framework.

The research framework of this study is illustrated in Figure 1.

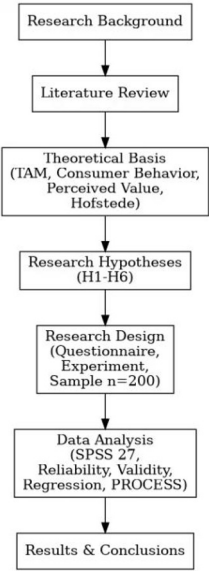


Fig. 1. Research Framework of the Study

2 Literature Review and Theoretical Basis

This chapter reviews relevant literature and establishes theoretical foundations to support research hypotheses and analytical models.

2.1 Literature Review

2.1.1 Related Research on Digital Marketing.

Digital marketing refers to interacting with consumers via digital technologies, tools, and platforms to achieve marketing goals[4]. Key tools include social media

marketing (Facebook, Instagram, TikTok), SEO/SEM, KOL marketing, and content marketing. For Chinese brands entering the UK, digital marketing serves as both awareness-building and cultural adaptation channels. Different platforms (e.g., YouTube for long-form content vs. TikTok for short videos) require differentiated strategies[5].

2.1.2 Related Research on Consumer Purchase Intention.

Purchase intention, the likelihood of consumers taking purchase actions, is influenced by product price, brand trust, quality, and perception[6]. The Technology Acceptance Model (TAM) highlights perceived usefulness and ease of use as key factors for new technology products. For smart wearables, health monitoring, battery life, design, and compatibility drive purchase decisions, with preferences varying by age, gender, and income[7].

2.1.3 Impact of Digital Marketing on Purchase Intention.

Social media marketing enhances brand awareness and emotional connection through interactivity[8]. The UK has high social media penetration (97.8% internet users, 79% social media users[9], with consumers relying on UGC and KOLs for product information. Effective KOL collaborations depend on content-product alignment[10], while emotional storytelling shortens decision-making time.

2.1.4 Research Gaps.

Existing research lacks depth on digital marketing in the wearable device industry, especially for Chinese brands in the UK. It also overlooks cross-cultural integrated strategy models, as cultural differences (e.g., individualism vs. collectivism) significantly shape consumer behavior[11]. This study addresses these gaps through empirical analysis.

2.2 Theoretical Basis

2.2.1 Perceived Value Theory.

Perceived value refers to consumers' subjective evaluation of product/service utility minus associated costs[12]. Digital marketing influences decisions by highlighting product advantages and reducing perceived costs.

2.2.2 Consumer Behavior Theory.

This theory explores purchase decision-making processes, with TAM widely used to analyze how digital marketing affects perceived usefulness/ease of use and subsequent purchase intentions[13].

2.2.3 Hofstede's Cultural Dimension Theory.

This theory measures cultural differences across six dimensions, including individualism-collectivism and uncertainty avoidance[14]. The UK's high individualism emphasizes personal needs and transparency, while moderate uncertainty avoidance requires product reliability—key considerations for Xiaomi's localized marketing.

3 Analysis of Xiaomi's Digital Marketing Strategy Status

This chapter examines Xiaomi's UK digital marketing practices and identifies core problems.

3.1 Company Introduction

Xiaomi, founded in 2010 with headquarters in Beijing, specializes in consumer electronics, software, and electric vehicles. It ranks second globally in smartphones and is known for cost-effectiveness and internet-direct sales[15]. Its wearable devices (Mi Band, Mi Watch) gain popularity in the UK for performance, design, and affordability. Digital marketing is central to its UK market entry, with multi-platform and content-driven strategies.

3.2 Current Digital Marketing Situation

Xiaomi's UK digital marketing combines online channels with diverse tactics:

Social Media: Operates official Instagram, Facebook, TikTok, and YouTube accounts but posts infrequently (≤ 10 /year on Instagram) with limited smartwatch-related content and low interactivity, lagging behind Apple and Samsung.

SEO/SEM: Increases marketing budgets (RMB 7.2 billion in Q1 2024 vs. RMB 5.5 billion in Q1 2023) to optimize keywords (e.g., "affordable smartwatch UK") and target ads by region, gender, and age.

Celebrity Marketing: Collaborates with technology KOLs like "Tech Spurt" (1.3 million fans) but focuses on male audiences, missing middle-class women, elderly fitness enthusiasts, and family users.

Content Marketing: Encourages UGC through social media challenges.

Offline Experience: Lacks exclusive experience zones; relies on partner channels like Currys with limited prototypes (1/5 of Apple's). The 2018 "£1 Flash Sale" failed due to mismanagement, damaging brand reputation.

3.3 Key Problems

3.3.1 Insufficient Cultural Adaptability.

Social media content replicates Asian market templates, with 60% using global standardized materials. Cultural mismatches (e.g., Chinese family scenes in Father's Day ads) lead to 42% lower engagement than local competitors and 27% negative reviews.

3.3.2 Imbalanced Advertising Creativity.

82% of YouTube ads focus on technical parameters, while only 18% show real usage scenarios—resulting in 19% lower memory than the industry average. Competitors like Apple allocate 45% to emotional advertising.

3.3.3 Promotion Transparency Crisis.

Ambiguous rules (e.g., 2022 "£1 Flash Sale" with <0.3% redemption rate) and hidden costs erode trust. Cross-platform price differences (15%) further undermine consumer confidence.

3.3.4 Narrow KOL Audience Coverage.

87% of KOL partners are technology bloggers, leading to 23% lower brand recognition among 25-40-year-old women. Content overemphasizes parameters, lacking lifestyle resonance.

4 Research Design

This chapter outlines research hypotheses, experimental design, questionnaire development, and data collection methods.

4.1 Research Hypotheses

4.1.1 Main Effect Hypotheses.

H1: Emotional and functional advertising have significantly different impacts on consumer purchase intention.

H2: Promotion transparency has a significant positive impact on purchase intention.

H3: Cultural fit has a significant positive impact on purchase intention.

4.1.2 Mediating Effect Hypotheses.

H4: Perceived value mediates the relationship between advertising type and purchase intention.

H5: Perceived value mediates the relationship between promotion transparency and purchase intention.

H6: Perceived value mediates the relationship between cultural fit and purchase intention.

4.2 Experimental Design

A single-factor between-group design was used, with 200 UK participants (100 per group) recruited via Prolific Academic. The functional advertising group viewed 60-second technical demonstration videos, while the emotional group watched life-

style-focused content. Sample size was determined via G*Power 3.1 ($d=0.5$, $\alpha=0.05$, $1-\beta=0.8$), with attention checks and response time screening to ensure validity.

4.3 Questionnaire Design

The questionnaire includes demographic variables (gender, age, education, income, occupation) and Likert-scale items (1=Strongly Disagree to 5=Strongly Agree) measuring promotion transparency[16], cultural fit[17], perceived value[18], and purchase intention[19]. Key items are summarized in Table 1.

Table 1. Core Questionnaire Items

Variable Type	Variable Name	Key Measurement Items
Independent	Advertising Type	Focus on product features vs. emotional experience
	Cultural Fit	Ad language/style aligns with cultural habits; scenes reflect daily life
	Promotion Transparency	Clear discount rules; no hidden costs; understandable terms
Dependent	Purchase Intention	Willingness to buy/recommend; desire to search for more information
Mediating	Perceived Value	Cost-effectiveness; meets needs; quality matches price

4.4 Data Collection

Participants completed the questionnaire (3-8 minutes) after watching the ad. The survey was anonymized to comply with UK ethical standards, with invalid responses (e.g., single-question <5 seconds) excluded.

5 Empirical Analysis

This chapter presents descriptive statistics, reliability/validity tests, and hypothesis verification results using SPSS 27.

5.1 Descriptive Analysis

Sample demographics (Table 2) show balanced distribution across gender (56.5% female), age (56% 26-35), education (74.5% bachelor's), income (39.5% $\geq \pounds 4500$), and occupation (49% enterprise staff). No significant differences exist between groups, meeting comparative analysis requirements.

Table 2. Sample Demographic Distribution (n=200)

Demographic	Category	Percentage (%)
Gender	Male	43.5
	Female	56.5
Age	26-35	56.0
	18-25	24.0
	36-45	12.5
Education	Bachelor's/Junior College	74.5
Income	≥£4500	39.5
	£3000-4500	29.0
Occupation	Enterprise Staff	49.0

5.2 Reliability and Validity Tests

Reliability: Overall Cronbach's $\alpha=0.919$; promotion transparency (0.854), perceived value (0.892), cultural fit (0.877), and purchase intention (0.821) all exceed 0.8, indicating good reliability.

Validity: KMO=0.913, Bartlett's spherical test $p<0.001$, supporting factor analysis. Four common factors explain 65.33% of variance, with factor loadings >0.6 , confirming structural validity.

5.3 Hypothesis Testing

5.3.1 Main Effect Tests.

H1: Independent sample t-test shows emotional advertising ($M=4.14$) elicits higher purchase intention than functional advertising ($M=3.36$, $t=-7.808$, $p<0.001$) → Supported.

H2: Linear regression (Model 1) shows promotion transparency positively impacts purchase intention ($\beta=0.395$, $p<0.001$) → Supported.

Table 3. Main Effect Test Results

Hypothesis	Statistic	Result
H1	$t=-7.808$, $p<0.001$	Supported
H2	$\beta=0.395$, $p<0.001$	Supported
H3	$\beta=0.357$, $p<0.001$	Supported

H3: Linear regression (Model 2) shows cultural fit positively impacts purchase intention ($\beta=0.357$, $p<0.001$) → Supported. The overall main effect test results are presented in Table 3.

5.3.2 Mediating Effect Tests.

PROCESS model (5000 bootstraps) confirms partial mediation:

H4: Indirect effect $=0.235$ (95% CI [0.082, 0.219], $p<0.001$) → Supported.

H5: Indirect effect=0.126 (95% CI [0.067, 0.222], $p<0.01$) → Supported.

H6: Indirect effect=0.105 (95% CI [0.065, 0.201], $p<0.01$) → Supported.

5.4 Difference Analysis

Gender: Female purchase intention ($M=3.94$) is higher than male ($M=3.50$, $t=-3.895$, $p<0.001$).

Age: No significant differences across age groups ($F=1.536$, $p=0.193$)

6 Research Conclusions and Implications

6.1 Research Conclusions

6.1.1 Main Effects.

Advertising type significantly impacts purchase intention: Emotional advertising outperforms functional advertising among UK consumers.

Promotion transparency builds trust and positively influences purchase intention, addressing Xiaomi's past trust crises.

Cultural fit enhances advertising effectiveness, highlighting the risks of undifferentiated global content.

6.1.2 Mediating Effect.

Perceived value partially mediates the relationships between advertising type, promotion transparency, cultural fit, and purchase intention. Emotional advertising, transparent promotions, and culturally aligned content enhance perceived value, driving purchase decisions.

6.1.3 Key Problems Confirmed.

Xiaomi's UK digital marketing suffers from cultural misalignment, imbalanced advertising creativity, poor promotion transparency, and narrow KOL coverage—directly impacting consumer value perception and purchase intention.

6.2 Management Implications

Optimize Advertising Structure: Increase emotional content with UK-specific lifestyle scenes (e.g., local festivals, sports) and collaborate with local KOLs to enhance cultural resonance.

Improve Promotion Transparency: Clearly disclose discount rules, expiration dates, and costs; standardize pricing across platforms to rebuild trust.

Localize Social Media Content: Establish a local content team to avoid Asian market template replication, aligning with British cultural values.

Diversify KOL Partnerships: Collaborate with female fitness and family health bloggers to cover underrepresented groups, focusing on women's health and parent-child scenarios.

6.3 Future Research Outlook

Future research could: (1) Refine cultural adaptation strategies using Hofstede's other dimensions; (2) Combine questionnaires with focus groups for deeper consumer insights; (3) Expand to other brands and UK regions (e.g., second-tier cities) for cross-comparisons.

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