

Research on the Brand Crisis of “Ruoqiang Jujube” Based on Brand Location Theory

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Abstract—Recently, China has vigorously advocated the construction of brand agriculture, promoting agriculture through brands and using strong brands. The development of agricultural product regional brands has boomed, regional characteristic agricultural products speak well about brand stories, enhance agricultural core competitiveness, accelerate the transformation and upgrading of agricultural industry. Ruoqiang Jujube are a business card that Ruoqiang County is proud of, the unique natural resources have created the superior jujube quality, which stands out among many jujube categories and is favored by consumers. When the development tends to mature and can't avoid the vicious competition of similar competitors, there have been many counterfeit crises in the jujube brand. Ruoqiang Jujube, the stakeholders of the public brand also acted to maintain the brand image. This paper is based on summarizing the general path of Ruoqiang Jujube brand remodeling, using the field research data and brand location theory to reveal the principle of counterfeit products defeating authentic products under the condition of lack of brand protection, and further explored the current situation of the Ruoqiang Jujube brand crisis.

Keywords—*Ruoqiang Jujube; Regional Brand; Brand Crisis; Brand Location Theory*

I. INTRODUCTION

The theme of the 2017 International Symposium on Brand Agriculture is to directly link brands to rural revitalization, discuss relevant policies and measures for brand agriculture, realize brand strong farmers, and improve the economic benefits and comprehensive strength of agriculture. At the China Brand Agriculture Development Summit, the Minister of Agriculture pointed out that the government should strongly promote regional brands. Regional brands are often the origin brands formed under superior and special natural conditions. The brand influence depends not only on the high-quality image of the products but also on the products. The government's public infrastructure services for brand development.

“Ruoqiang Jujube” show the image of Loulan, the brand building to reproduce the prosperous look of Loulan. In recent years, Xinjiang has begun to vigorously implement the brand agriculture strategy. Ruoqiang County has established a special brand represented by the characteristic agricultural products industry under the assistance of preferential policies, the most representative one is the “Ruoqiang Jujube” brand, Which has

become a model for the high-quality development of agriculture and agricultural modernization in the county.

II. LITERATURE REVIEW

Western regional brands have many expressions, but Place Branding is the most used. The term was first proposed by Simon Anhoh, editor-in-chief of Place Branding magazine, and the magazine is also a well-known journal for regional brands (Ikuta T, 2007)^[1]. The study of regional brands by foreign scholars is mainly reflected in its classification and management, but its definition is vague. Products with close geographical location enter the consumer market, and the name of the brand will naturally be printed with the local name (Allen, 2007)^[2]. After regional branding, it will associate with this place. If brand theory is to be applied to the management of regional brands, it must be considered that the behavior of brand stakeholders can constitute the influencing factors of regional branding (Michael, 2007)^[3]. The establishment of regional brand assets needs to enhance the brand appeal and brand value of the region from the regional hardware and software infrastructure (Hosper, 2004)^[4].

Compared with foreign countries, Chinese scholars' research on this aspect is reflected in the characteristics, functions and some empirical research of regional brands. Regional brands are formed in a specific area, which has the characteristics of large market scale, high occupancy rate and strong influence of communication (Sun Hongjie, 2012)^[5]. Regional brand is a symbol of public brand. The formation of this brand requires a certain large number of industries to gather together for stable and sustainable development (Xiong Minghua, 2014)^[6]. Professor Zhang analyzed the brand path research of Shanxi kiwifruit and provided suggestions for the local kiwifruit industry (Zhang Xueqin, 2013)^[7].

III. THEORETICAL BASIS

Foreign location theory developed from the classical economic theory, and Thisse (1987)^[8] once said that "location theory guides the scientific development of regional economy." Therefore, the study of location theory can be introduced into the field of brand economy, and there is currently no research on location theory of brands. Location theory can be used as a guiding tool for regional development.

In *the Principles of Brand Economics*, Professor Sun (Sun Yueyao, 2007) explained the theory of brand development from

the perspective of economics. It is also the first to use regional theory to conduct regional brand research. In the analysis of the brand location theory of local specialty products^[9], the reason why the products with high quality location were defeated by poorly-positioned products was due to the lack of awareness of brand protection.

IV. QUALITATIVE RESEARCH

A. Overview of the development of Ruoqiang Jujube

The unique geographical conditions of Ruoqiang County have given birth to the superior quality of jujube. The sandy soil in the desert is located in the desert and the jujube tree has the guarantee of pollution-free and natural. The amount of precipitation is small and the frost-free period is as long as 220 angels are fully mature. Rich in light and heat resources. The temperature difference between day and night is close to the light compensation point of jujube to facilitate the accumulation of sugar; The natural snow water of the Kunlun foothills at the foot of the Tianshan Mountains makes the red dates rich in minerals. The unique geographical advantages have created a thin and fleshy sand with a sweet and delicate quality. Ruoqiang Jujube not only carries the mysterious "Loulan culture" but also spreads the jujube health culture based on the quality, which has the title of "longevity fruit" and "natural vitamin E", and favored by consumers.

Descriptive Ruoqiang County jujube industry development is showed in TABLE I.

TABLE I. RUOQIANG JUJUBE INDUSTRY DEVELOPMENT

years	Planting area (km2)	GR of planting area(%)	Total output (ton)
2010	74.234	14.59	33000
2011	115.167	55.14	46700
2012	126.841	10.14	62000
2013	139.043	9.62	71700
2014	143.467	3.19	78900
2015	148.133	3.24	65300
2016	153.467	3.69	99300
2017	155.200	1.56	105700

Jujube was not a major industry in the past. In the early 1980s, the first batch of gray jujube seedlings was introduced from the inland to the current scale and industrialization, from the "white economic belt" to the "red economic belt". Each place has its own way of supporting its own inhabitants, and the happiness index of the people of the County rises after the jujube industry boomed. Per capita income ranked first in the 12 provinces and autonomous regions in the western region for nine consecutive years. Which not only allows the people of Ruoqiang County to live a well-off life, but also makes the city scene depict good green scenery. The red dates in the desert oasis become a proud "exotic" of the city.

TABLE II. RUOQIANG COUNTY PEOPLE'S INCOME

Total revenue (million Yuan)	Famers API (Yuan)	From jujube income (Yuan)	Operation (%)
72000	14000.26	10451.7	74.66
130000	17050.33	13664	72.06
172500	21695.09	16540.2	76.24
199500	24381	19041.5	78.1

CONT. TO TABLE II.			
219600	26500	20995.9	79.23
202900	28502	24665.6	86.54
210700	30076.29	26858.8	89.30
212700	31082.88	27340.8	87.96

Source: Ruoqiang County People's Government Website - Public Information Details [EB/OL]. <http://www.loulan.gov.cn/Government/PublicInfoShow.aspx?ID=41773>.

The development of the jujube brand has become mature, the industry has always kept the brand of quality. Nowadays, Ruoqiang Jujube is not only the "big Mac" in the jujube, but also the wind vane of the jujube industry.

TABLE III. THE HONOR OF RUOQIANG JUJUBE

Honorary title	
Ruoqiang county	Chinese red date town
	Chinese jujube industry leading county
	China Green Well-off County
Jujube	Geographic product certification mark
	GI product protection
	Chinese well-known trademark
	First prize of Chinese jujube quality products
	Gold medal of China's first jujube Expo

B. Analysis of Brand Location of Ruoqiang Jujube

Ruoqiang is a poor county before planting red dates, then with the help of tourism economy and jujube industry economy to promote the rapid development of regional economy. Using brand location theory to analyze the location brand model of underdeveloped areas Why Ruoqiang county, where the underdeveloped infrastructure is backward, can use the brand to transfer its own location disadvantage and embark on the road of brand economic development.

Since 2011, the image of counterfeit and jujube brands has appeared in the national agricultural product trading market, large-scale commercial supermarkets and e-commerce sales platforms. The emergence of counterfeit and shoddy products not only squeezes the market of Ruoqiang Jujube, but also dumps at a low price. The market trading system of jujube, the low-quality products pretending to be red dates caused serious damage to the image of consumers. By 2014, the price of jujube has been declining, and the development of the industry has been adversely affected. This phenomenon is unreasonable and is a stumbling block to the brand's growth path.

Using the brand location model (shown in Fig.1) of localspecialty products to analyze the cause of the crisis of the jujube brand is the impact of counterfeit products.

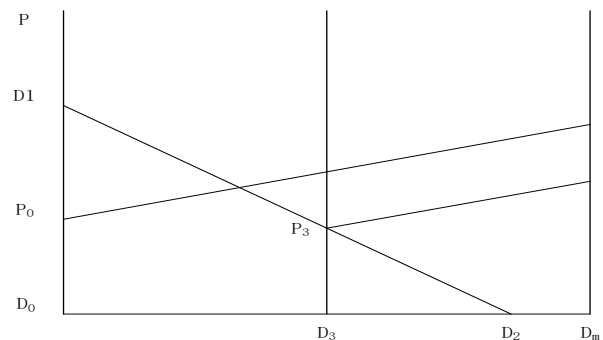


Fig. 1. Analysis of Brand Location of Ruoqiang Jujube

Precondition:

1) Ruoqiang Jujube lack brand protection, consumer loyalty is low and price sensitivity is high.

2) The distance is proportional to the price and the distance is high.

3) The distance is inversely proportional to the quality, centered on the best growing location, and the farther away the brand is, the lower the brand security.

4) In a completely competitive market, consumers do not form a brand preference for the Ruoqiang Jujube brand. It is difficult for consumers to distinguish product differences, assuming homogenous products, satisfying the demand and supply theorem of general products.

D_0 is the best environment for the growth of red dates. D_m is the sales market of Ruoqiang Jujube, if Guangzhou is the market with the largest sales volume of jujube. D_1D_2 is the quality curve of Ruoqiang Jujube. D_0 is the origin, so the quality guarantee is high. The farther away from D_0 , the lower the quality guarantee. The relationship between quality and price is proportional. The farther the product is from the origin, the lower the price guarantee. The quality assurance degree tends to decrease until the uncontrollable distance D_2 quality assurance degree is zero. Location D_3 pretending to be the defective growth location of the jujube brand. P_1P_2 is the price distance curve of Ruoqiang Jujube, and P_3P_4 is the price distance curve of jujube brand of counterfeit brand.

According to the combined effect of the supply and demand curve in Fig.2, the market demand curve D remains unchanged. When there is only genuine red jujube on the market, then the supply curve on the market should be S_1 . When low-quality and low-priced counterfeit products appear on the market, the market supply increases, the curve moves to the lower right, and S_2 is the changed supply curve. The high-quality jujube production is small, but the market supply has risen abnormally, and the supply mobilization has also caused the opposite direction of the market equilibrium price. The equilibrium price has dropped from P_1 to P_2 (also shown from P_4 in Fig.1). This seriously disrupts the price at which the market should reflect the value of the product.

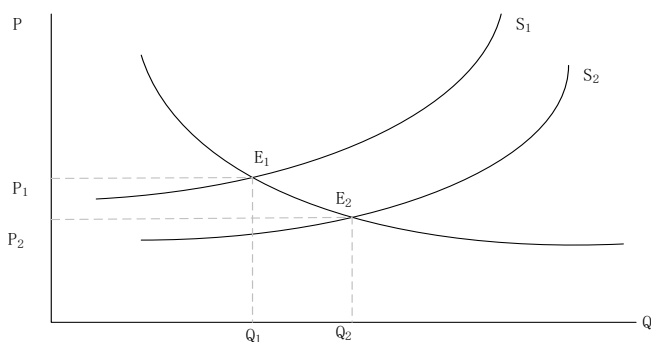


Fig. 2. Supply and demand curve

The red dates of Aksu and Kashgar, which pretend to be Ruoqiang Jujube brand, are difficult to distinguish from the appearance. The consumers subconsciously think that they have bought good red dates in a short period of time, and it seems to be "fellow products" in the market to stimulate

consumption. Those who are sensitive to price, they will not hesitate to choose low-priced red dates, so that the price of 35 yuan - 45 yuan per kilogram of authentic Ruoqiang Jujube is disrupted the market order by only 12 yuan per kilogram of fake red dates, the brand image has been seriously affected.

C. The brand crisis of Ruoqiang Jujube

According to the analysis of the brand location of Ruoqiang Jujube, the brand crisis due to counterfeiting was explained, and some staff members of Ruoqiang County Government and Jujube Association were investigated. Since the beginning of 2011, there have been phenomena of counterfeit products on the market, not only on the product, but also on the outer packaging of the product. According to the survey, the sources of these counterfeit products are mainly Aksu, Hotan, Kashgar...And the counterfeiting phenomenon of Aksu red dates is the worst.

1) Infringement of registered trademark

Foreign manufacturers infringe registered trademarks, production and sales of red dates unified outer packaging. The anti-counterfeiting team of the Ruoqiang County Jujube Association went to Aksu's agricultural product sales market, found that there were widespread special packaging paper bags and boxes with registered trademarks of Ruoqiang Jujube in the market, especially during the red jujube acquisition period, and once packaged, the price is immediately raised. Aksu's red dates are generally jun-jujube, the taste quality is second to Ruoqiang Jujube, the production cost is also lower, the market price is less than half of the price of Ruoqiang Jujube, in order to obtain more benefits, and it will not hesitate to go on the road of infringement.

2) Counterfeit in the offline market

The dealers deliberately made a profit and made a fuss in the mainland market. Mainland buyers are buying local red dates in Xinjiang and then selling domestically. In the entire logistics chain, they are the ones that have the most information on the origin and sales terminals. They use red dates from Aksu and Hotan to pretend to be Ruoqiang Jujube, and use the cognitive abilities of inland consumers to flood large quantities of counterfeit products into the mainland's large wholesale markets. The information asymmetry between the purchaser and the source of origin allows the middlemen to obtain high profits at a low price.

3) Online channel counterfeiting

The sales channel of the e-commerce platform directly sells the products of the non-ruling Ruoqiang Jujube genuine trademark logo without authorization. Using the virtual nature of the Internet and the consumer's association with the brand's perception of the origin, they use the banner of "Ruoqiang Jujube" to swindle and bluff, and on the well-known e-commerce platforms like Taobao, Tmall and Jingdong, enter the "red dates" entry, a large number of advertisements with the "Ruoqiang Jujube" logo appear on the interface.

V. SUGGESTIONS

A. Large-scale jujube base

The regional dispersal and unorganized nature will affect the project development of the jujube base. It is necessary to optimize the layout and form industrial layouts such as regional production bases, high-quality jujube planting villages, and key jujube growers. It can not only play an advanced demonstration role, but also a high-quality jujube base. It shows the good image of the Ruoqiang Jujube brand.

B. Standardization of jujube production

The past rough production began to shift to refined production. Ruoqiang Jujube itself has the quality guarantee of pollution-free green organic. On this basis, it should increase scientific research and innovation, further enhance product functions and meet the diverse needs of different consumer groups.

C. Industrialization of jujube

At present, the business model of Ruoqiang Jujube has become more mature, but there are fewer actions in brand extension. Extend the industrial chain of jujube (TABLE IV), enrich the product form packaging design, jujube products rise to the level of tourism companion products, and increase brand benefits.

TABLE IV. RED DATES EXTENSION PRODUCT

Category	Product
Sugar products	Jujube sauce, Jujube honey
Jujube drink	Jujube juice, Jujube tea
Fermented product	Jujube wine, Jujube vinegar

D. Jujube marketing branding

Determining the brand strategy goal In the marketing process, the core value of the brand is always clear, and various forms of marketing channels such as agency sales and chain operations are expanded to increase market share. At the same time, increase brand exposure to create brand hotspots, attract hot media through the characteristics of folk tourism resources, sponsor documentary films, reality shows and other variety shows, and promote brand awareness through star effect.

E. Jujube service specialization

This mainly emphasizes the packaging of red dates, which should reflect the brand culture and urban culture. The current packaging is uniform and does not meet the needs of market quality and individualization. Packaging design should introduce different design concepts according to consumption level and seasonal segmentation. Incorporating Loulan Culture

to launch a travel commemorative edition of the packaging gift box with the charm of Loulan culture.

VI. CONCLUSION

This research analyzes the brand crisis phenomenon based on brand location theory. In the analysis of the status of Ruoqiang Jujube brand, the brand location theory is used to explain how counterfeit products can defeat the authenticity of Ruoqiang jujube in the absence of brand protection. Further logical analysis of the status quo of regional brand of jujube, describing the problems in brand building.

In the future, based on the research on the development status of Ruoqiang folk tourism and the remodeling of jujube brand, on the basis of summarizing the brand maintenance management of the counterfeit brand crisis under the general model, the perspective of “folk tourism” is introduced. And use "Soft GDP" to promote the development of the jujube industry, the brand remodeling path to join the elements of folk tourism. Deeply excavating folk culture into the development of brand culture, integrating tourism resources into the construction of brand projects, sharing the “popularity” of the tourism market to the jujube brand and transforming it into the “financial” of the jujube market.

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