

Analysis of the Determinants of Marketing Strategies of Mountain Bikes in China

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Abstract: Under the condition of highly developed modern market economy, mountain-bike marketing draws wide attention in the society. However, it has not received due attention from relevant parties in academic research. Based on the current situation, particularly the phenomenon of mountain-bike craze, this article takes behavioral economics as the theoretical basis, applying the method of literature and investigation analysis of what factors can influence the marketing of mountain bikes. In this context, this paper, applies a questionnaire to investigate the relevant population, or exactly a semi-structured questionnaire was used in this study, which combines the advantages of fully structured questionnaire and completely unstructured questionnaire, simultaneously making the formulation and implementation of questionnaire more efficient, providing the interviewee with a certain degree of flexibility and freedom. The findings show that consumers' expectation and the factors of mountain bikes, such as quality and price have a greater impact on its marketing than the price. Accordingly, this paper proposes that mountain bike manufacturers and businesses should take targeted marketing measures on the basis of ensuring product quality, like customized marketing and value marketing.

Keywords: consumer psychology, mountain bike, marketing

1. Introduction

In the post-pandemic era, more and more people are choosing to get around by bicycle. Outdoor cycling is increasingly popular, which makes bicycle sales soaring and the bicycle industry booming again. Around the world, especially in developed countries, mountain-bike riding is also extremely acceptable. This stimulates more demand for mountain bikes. In 2022, China exported 7.606 million mountain bikes. At the same time, mountain bikes are also being imported into China, with 52,000 bikes transported into China in 2022. Compared to the pre-pandemic time, the sales of mountain bike have increased significantly. In the spring or the weather is fine, mountain bike riding has become an outing fashion. All these factors lead to the growing sales of bike sales. Well-known mountain-bike brands have adopted different marketing, such as TREK, one top bicycle brand in America, and GIANT, one famous brand from China's Taiwan. Though one Mountain bike is usually priced between 10,000 and 15,000 yuan, the popular brands are often in short supply. However, it is found that most popular mountain-bike brands tend to adopt mass marketing strategies, which has affected the sales of mountain bike marketing has been affected. In view of the supporting role that behavioural economic theory plays in analysing consumption behaviour of people and marketing strategies of

business [1-3], it is necessary to take it as theoretical foundation to analyse the current hot phenomenon of mountain-bike marketing.

Marketing strategies are enriched with the development of market economy [4]. No matter for convenience products or common consumer goods, marketing strategies are more important, because fundamentally they take it as their primary task to meet the needs of customer, or exactly as a starting point which is stressed more in order to obtain information to get a thorough understanding of personal demands and purchasing power of their potential consumers. All is beneficial to organise business activities of kinds. As a series of activities that can be controllable and measurable, marketing is expected to have the sales improved sales and build up the prestige of manufacturers and businesses in some regions while marketing strategies need to employ various methods such as strategies that made on product price, product promotion and customer relations.

For manufacturers and businesses, when carrying out marketing activities, they need to follow principles to make strategies that cover product price and promotion channel which are to provide the market with products or services that meet the satisfaction of people, realizing objectives of enterprises [5]. The plan of marketing strategy is actually a process that involves interaction of many aspects, a process which both creative and iterative. Whatever they are, marketing has to appeal to the psychological needs of consumers.

Consumer psychology is a term used to refer to consuming psychology and purchasing psychology, generally covering the cognitive process of commodities, the process where to generate emotion and the volitional process [6]. If classified by the psychological performance of consumers when they are buying, the purchasing motivation consists of that on seeking, honesty, reputation, novelty, and beauty or showing off [7]. Both the psychological motivations and the purchasing psychology of consumers are affected by a variety of factors, including the commodity, the effect made by the publicity, and the service for the consumer as well as the influence the external environment makes [8]. The study of consumer psychology, therefore, is of remarkable significance to maximize the use of marketing mix. With this, businesses can guide people to consume; this helps to expand sales in improving benefits, because only by mastering consumer psychology can marketing strategies be developed properly.

Globally, the sales volume of mountain bikes will continue to be soaring. According to the historical trend of market, it is predicted that the market scale of mountain bikes all over the world will increase more unexpectedly. Some countries, such as Germany and Australia, have even created dedicated bike lanes on busier routes. All these will further lead to the continued growth of mountain-bike sales. In terms of market share, China is the world's largest consumer market for mountain bikes, accounting for more than 80 percent of the market, followed by Europe and North America, which together account for more than 10 percent. Therefore, it is of great significance for the world's bicycle manufacturers and business to enter China market and have a stable market share. Few studies, however, have looked at marketing strategies for mountain biking.

Under the above research background, this paper, on the basis of the situation current, employs approaches of literature and investigation analysis to make in-depth exploration of relevant issues, in order to provide feasible suggestions on marketing strategies for mountain-bike manufacturers and businesses. After the first part of the introduction, the second part discusses the research methods, including research methods, research objects and approaches of data analysis. The third part is the analysis of the results, and then a discussion and targeted suggestions before a conclusion is made.

2. Methodology

2.1. Questionnaire Design

In social investigation, a method widely used is questionnaire, so this study used a semi-structured questionnaire. It combines the advantages of fully structured questionnaire and completely unstructured questionnaire, which can make the formulation and implementation of questionnaire more efficient, providing the interviewee with a certain degree of flexibility and freedom. With questions semi-structured, respondents not only feel relatively free to voice their personal views and experience freely, but also choose the specific degree and depth of the question. With fully-structured questions, researchers can obtain more accurate, comprehensive and in-depth data. In sociology and psychology, semi-structured questionnaire is a very common way to conduct the survey. Table 1 is the contents the semi-structured questionnaire of this paper covers. The questionnaire involves a lot of detailed questions. That is the secondary index include in Table 1. These secondary indicators are then grouped together to form the primary index system; for example, the mean values of the secondary indicators are actually the primary indicators. This not only influences customers, but also are valued by manufactures and businesses.

Table 1: Semi-structured questionnaire.

Primary Index System	Secondary Index System
Product Factor	Quality, Function, Accessories, Fashion, Weight
Price Factor	1000-4000; 4000-8000; 8000-10000 (Currency, RMB)
Consumers' Expectation	Keep fit, Be Cool, Follow Fashion

The design of the semi-structured questionnaire in this paper aims to clarify the following questions, the first is what factors can influence and stimulate potential customers to purchase a mountain bike, and the second is what marketing strategies the manufactures or businesses should make to arouse the desire of potential customers to buy and encourage them to purchase.

In this study, the influence factors were measured by the 5-level Likert Scale. The one used in this study consists of a series of statements; each is attached with five answers: “agree strongly”, “agree”, “not necessarily agree”, “disagree” and “strongly disagree”. Their values are respectively fixed from “5 points” to “1 point”. The total score of a respondent is actually the scores added and obtained from his or her answers, indicating the strength of attitudes respondents have towards this scale. When participants answer questions on this type of questionnaire, they specifically indicate how strongly they agreed with the statement.

2.2. Participants

This paper is intended to find out factors of mountain bikes that can influence customers, which are viewed important by manufactures and businesses when they make marketing strategies. In other words, it is identifying factors which can stimulate them to make a purchase finally, and to make references for producers and businesses when making marketing strategies, a certain level of participant sampling is necessary, in particular purposive sampling, a strategy for sampling that is used to offer information-rich cases correlative to the objectives of the project. people having predefined characteristics in common, in other words, are viewed as the “best fit” for studies. In this study, therefore the sampling consists of different ages and levels. This includes some enthusiasts of mountain bike club, students and teachers in college campuses, students in middle and high schools,

urban white-collar workers in office buildings, migrant workers in construction sites and more average people in communities.

When researches are made, ethical issues cannot be neglected; to put it another way, they deserve attention, because only when they are considered fully, can both the reliability and the validity of data collected be guaranteed; in this situation more objective conclusions can be drawn.

2.3. Data Analysis Methods

With the purposeful sampling method used, 500 pieces of questionnaire were sent out, with 98.40% recovered. Among the recovered, 13 were invalid, with valid recovery of 95.80%. Qualitative analysis, as an analytical method, can be used to understand the nature, and the development, on the basis of the judgment and the analysis of researchers. This paper turns to regression analysis. With the method, the experience and judgment ability of researchers is expected to be used much more efficiently, but the accuracy of prediction results cannot be guaranteed relatively. The method of quantitative analysis is more useful for analyzing the changes, characteristics, and relations social phenomena from a quantitative prospect. With methods combined, the shortcomings of both can be offset effectively. Excel and SPSS22.0 were applied according to the sequence of analysis. Firstly, invalid questionnaires were eliminated according to certain criteria. Then the analysis of reliability and validity were carried out.

Validity analysis is to determine the accuracy of each index in the questionnaire. In this respect, Bartlett Spherical Test and KMO test were used in this study to determine data accuracy. A method the former is used to measure how correlated various variables for determining how suitable a variable is used for factor analysis. On the diagonal of the correlation coefficient matrix, all elements are valued at 1 while all elements non-diagonal are viewed as 0. Of Bartlett's Sphericity Test, the statistics are got from the matrix's determinant. When the value is large, the null hypothesis is rejected, with the correlation coefficient considered as an identity matrix, which means the correlation exists between the original variables, and that it can be used to make factor analysis.

KMO is to evaluate the relative size of the simple and the partial correlation coefficients of the original variables. Given the fact that, of the squares of the simple correlation coefficients among all variables, the total exceeds that of the squares of the partial correlation coefficients, and that when the KMO value is closer to 1, variables' correlation between is stronger; if so, the original variables are more appropriately used to make factor analysis, or if the value of KMO is closer to 0, then the correlation between variables is weaker, and the original variables are not proper to make factor analysis.

Cronbach's coefficient method is usually applied for analyzing the internal stability of the questionnaire. Cronbach's coefficient is a method that is commonly used to measure reliability. Its value usually ranges from 0 to 1. If it is less than the number of 0.6, the internal reliability would not be considered sufficient; if the value varies from 0.7 to 0.8, then the scale is of remarkable reliability; when it changes from 0.8 to 0.9, the reliability of the scale is better.

In this paper, regression analysis is also made as described in the equation below, with a purpose to verify if there is a significant effect between the indicators, not to make a complicated causal analysis.

$$\text{Purchase} = \beta_0 + \beta_1 \text{Product} + \beta_2 \text{Price} + \beta_3 \text{Expectation} + \epsilon \quad (1)$$

The "Purchase" here means consumers' purchase. If its value is 0, it means consumers would buy; if it is 1, they will not buy. "Product", "Price" and "Expectation" respectively correspond to the primary index system in Table 1. All of coefficients, β_1 , β_2 and β_3 , are expected to make a significant effect on "Purchase".

3. Results

From Table 2, it can be found that the mean values of KMO coefficient and SIG are respectively 0.674 (above 0.6) and 0.00 (below 0.05), indicating that the correlation of variables is strong, which, in turn, shows the validity of the research data is high and significant and that relevant data can be further analyzed.

Table 2: Sample validity analysis.

KMO	Bartlett Spherical Test		
0.674	Chi-Squared 9616.125	d.f. 103	Sig. (p-value) 0.000

Table 3 presents the Cronbach's alpha test. The figures show that, the values of variable α in this study are all above 0.6, which indicates the sample data in this research is of high reliability.

Table 3: Sample Reliability Analysis.

Items	No. of Questions	Cronbach's α
Product Factor	5	0.702
Price Factor	5	0.663
Consumers' Expectation	5	0.905

According to the relevant theory, the larger the correlation coefficient is, the closer the relationship is. If its value is 1, a positive correlation exists between the two. Table 4 is the result of regression analysis of the influencing factor and the sales of mountain bike, from which it can be seen that the value of correlation of the first-level index constructed in this study is close to 1. This shows that these factors can greatly affect the marketing of mountain bikes.

Table 4: Regression Output (Dependent Variable: Purchase).

Variable	Coefficients	Sig. (p-value)
Product Factor	0.322 (0.105)	0.481
Price Factor	0.182** (0.103)	0.064
Consumers' Expectation	0.514*** (0.104)	0.000

Note: *p<0.1, **p<0.05, ***p<0.01. Standard errors in parentheses.

Specifically, if the value of "Product factor" increases one point, then the possibility of purchase of mountain-bike consumers in China can add by 32%. By analogy, if the values of "Price factor" and "Consumers' expectation" grow, so will the possibility of consumers in China to buy increase accordingly.

4. Discussion and Suggestions

From Table 4, it can be seen the coefficient of "Price factor" is less than those of "Product factor" and "Consumers' Expectation". Although all the three kinds of factors have an impact on the

marketing of mountain bikes, the effect the “Price factor” makes is lower than that the “Product factor” and “Consumers’ expectation”. As far as Chinese consumers and Chinese market are concerned, with the continuous growth of Chinese economy for many years, the purchasing power of contemporary Chinese consumers of mountain bikes has been greatly improved to a large extent. Rather than price, they pay more attention to the product, such as quality, performance, accessories and their expectations of the product.

Based on the above analysis and the relevant theories in marketing strategies and consumer psychology, this paper suggests that mountain-bike manufacturers and businesses should pay attention to the product, stress more on aspects of product quality, performance and accessories to lay a solid foundation for Customized marketing and value marketing strategies are adopted.

Customized marketing consists of activities, in the process of which each customer is taken as an individual sub-market [9]. The communication leads businesses to clarify and grasp the specific preference of customers, based on which to launch different campaign, meeting their individual demands and arousing their interests. The application is very wide, not only suitable for mountain bikes, cars, clothing, furniture and other tangible products, but for financial, consulting, tourism, and catering services. For mountain bikes, customized marketing can greatly meet the individual needs of consumers while improving the competitiveness of enterprises, in the mode of which the production is determined according to the demand. At the same time, it is also conducive to make innovations on product or technology, which in turn helps enterprises develop continuously.

Value marketing is vital for corporate success. Value marketing is to put forward relative to price marketing, which newly creates competitive advantages by providing the market with the value-added products and services. In the production stage, product quality should be ensured [10]. However, when the physical value of commodities is determined, certain marketing strategies can be used to enhance the psychological value customers feels from commodities. In this respect, mountain bike enterprises should emphasize brand culture by learning from brands such as Starbucks and Chanel. Moreover, it should also inject emotion into the commodity, so that the commodity can break the shackles of price for emotional factors to be added to the commodity, such as giving the commodity a name with emotional connotation and a touching story behind it, rather like GIANT.

5. Conclusion

The popularity of mountain biking is a clear symbol of positive changes that reflect people’s material and spiritual living standards have improved. In this context, this paper, based on the relevant theories discussed previously, applies questionnaire survey to investigate the relevant population. The findings show that consumers’ expectation and the factors of mountain bikes, such as quality and consumer expectations, have a greater impact on its marketing than the price. Accordingly, this paper proposes that mountain bike manufacturers and businesses should take targeted marketing measures on the basis of ensuring product quality, like customized marketing and value marketing.

Despite its popularity, mountain biking has its own demographic. for example, in terms of age, it is dominated by teenagers and young adults. In contrast, middle-aged and elderly people are less enthusiastic than the two groups, which has been ignored in this paper. Therefore, in future studies, the targeted groups can be further subdivided, such as teenagers and young adults respectively.

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