

How the Souvenir Industry Is Using Social Media for Customer Growth: Koi Kei Bakery in Macau as an Example

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Abstract: This study takes the representative brand of Macau's handicraft industry "Macau Moment Kee" as an example, and explores the application strategies of social media (TikTok and XiaoHongShu) in the traditional handicraft industry and its role in driving customer growth. The study analyzes the current situation, core challenges and optimization path of social media marketing in Macau's handmade letter industry through literature survey and case study. It is found that although Moment Kee Bakery achieves short-term traffic explosion through short-video cultural narratives and KOL cooperation, it still faces content homogenization and brand trust crisis. This paper proposes two strategies, namely cooperation with intangible cultural heritage and data-driven operation, to provide a digital transformation framework with both academic value and practical significance for Macau's handmade handicrafts industry.

1 INTRODUCTION

Driven by the wave of digitalization, social media platforms such as Jittery, XiaoHongShu, and Weibo have profoundly reshaped the marketing model of traditional industries through short videos, user-generated content (UGC), and precise algorithms, and have become a key force in reshaping consumer behavior and business models. At the same time, as a UNESCO World Heritage Site and an international tourism hub, "Macau's souvenir industry is not only an important source of economic revenue, but also the core carrier of Macau's local cultural heritage," said Mantas (2022), adding that the value of the souvenir always remains prominent in the mind of the traveler. mind of the traveler, while Kong (2012) points out that representing history and culture, souvenir products may also be a tool to promote a destination. a major tool to attract tourists to Macau. However, despite the fact that social media has helped a number of traditional industries globally to achieve digital transformation, Macau's souvenir stores still rely mainly on offline shopping and tour group cooperation (Xu, 2023). In recent years, studies have indicated that consumer preferences are shifting towards online interaction and content-driven consumption (Jin et al., 2024). This contradiction highlights the urgency of the industry's

transformation. On the one hand, consumer preference is accelerating its migration to online; on the other hand, Macau's hand-me-down stores are facing content homogenization and brand trust crisis. This situation highlights the urgency and necessity of studying the application of social media in the Macau handicrafts industry.

On the academic level, by analyzing the application of social media in the traditional handicraft industry, this study expands the applicability of classical marketing theories to digital scenarios and fills the gap of empirical research in this field.

On the practical level, it provides an actionable strategic framework for Macau's handwritten letter stores, such as utilizing Jitterbit short videos to strengthen cultural narratives. This study adopts a mixed-method approach combining literature survey method and case study method to focus on the Macau handicraft industry. By sorting out the current situation of the industry and identifying the key issues, the study proposes to achieve effective publicity and customer growth through social media such as TikTok and XiaoHongShu, so as to realize the brand upgrading and sustainable development of Macau's handicraft industry amidst the wave of digitization.

2 LITERATURE REVIEW

Existing studies have shown that social media has a significant impact on customer growth in the handwritten letter industry; Boley (2013) empirically analyzed that visual content like pictures and short videos in social media can significantly enhance consumers' purchase intention, while Yuan (2022) further verified the sales potential of food handwritten letters through online platforms. For the Macau local market, Xu Yidan (2023) emphasizes cultural integration as a core path for brand innovation, while Shen Ting (2020) suggests that the added value of brands can be enhanced through the deep exploration of cultural symbols. However, Jin (2024) found that although consumers rely on social media interactions in the post-pandemic era, Macau's representative brands still suffer from content homogenization and disputes over the authenticity of the place of production. In addition, Su et al. (2024), comparing different purchasing channels, pointed out that the platform trust mechanism like user-generated content in XiaoHongShu is a key variable in consumer decision-making. Deng (2015), on the other hand, pointed out that people will if gifts are for friends, people tend to do their best to pursue tastes, brands and high ratings. To summarize, existing studies mostly focus on theoretical frameworks and cross-regional cases, and there is still a lack of systematic explorations of Macau's handwritten letter industry in social media scenarios.

Although existing studies have revealed the potential of social media to empower traditional industries, the specificities of the Macau handicraft industry - its high dependence on the tourism industry, its high concentration of cultural symbols, and its exposure to regional competition - make the path of its digital transformation even more complex. Existing literature mostly focuses on cross-regional or theoretical framework analyses but lacks systematic exploration of the suitability of Macau's local cultural scene with digital tools. Therefore, this paper will clarify the necessity of social media for the local handicraft industry and fill the research gap in light of Macau's unique market environment and consumption structure.

2.1 The Necessity of Social Media to Drive Digital Transformation of Macau's Handicraft Industry

Study on the Current Situation of Macau Handicraft Industry and Digital Transformation Practice - Taking Kui Kee Bakery as an Example

3 STUDY ON THE CURRENT SITUATION OF MACAU HANDICRAFT INDUSTRY AND DIGITAL TRANSFORMATION PRACTICE - TAKING KUI KEE BAKERY AS AN EXAMPLE

3.1 Current Situation and Competitive Landscape of the Industry

Macau's handicraft industry is highly dependent on the tourism industry, with handicraft food almond cake or jerky as the leading category, and the market shows oligopolistic competition. According to the Statistics and Census Bureau of Macau in 2024, the annual output value of the handicraft industry is about MOP 1.2 billion, of which the leading company Kui Kee Bakery has a market share of more than 70%, with Ying Kee, Tsim Sha Tsui Heung Yuen and other brands occupying the remaining share. As the structure of tourists become younger, 56% of tourists aged 25-35 and consumer preferences are tilted towards "lightweight, personalization and experience", the traditional store model is facing a growth bottleneck. The industry needs to be restructured through digital transformation to cope with regional competition and changes in consumption scenarios.

3.2 Digital Transformation Path and Mode of Head Enterprises

As an industry benchmark, Kui Kee Bakery promotes transformation through "social media content-enabled brand IP":

3.2.1 Social Media Content Empowers Brands to IP

The Macau government is now advocating the development of the tertiary industry and vigorously developing the tourism industry, and Kui Kee Bakery's strategic vision coincides with the general situation (BING Ying Lam, 2022). Kui Kee relies on platforms such as TikTok and XiaoHongShu to develop cultural narratives, such as creating a nostalgic short video that combines the classic Hong Kong "drama The Big Wheel" which is based on Kui Kee with the history of the handover of Macao, thus reinforcing the brand's emotional value. 2023, its hashtag "Taste of Macao - Kui Kee" was played more than 200 million times, leading to a 45% increase in online searches. In 2023, its topic "Taste of Macau

Kui Kee" will be broadcast more than 200 million times, leading to a 45% increase in online search volume. This is certainly a shot in the arm for Kui Kee's digital transformation.

3.3 The Double-Edged Sword of Social Media Marketing: Traffic Conversion and Long-Term Value Game

The digital transformation of Kui Kee Bakery fully demonstrates the "double-edged sword" effect of social media marketing. From the perspective of advantages, Kui Kee has successfully realized efficient traffic conversion by cooperating with KOLs. However, over-reliance on traffic strategies also carries risks. Kui Kee's social media marketing is mainly promotion-oriented, with content focusing on product discounts and short-term activities, and lacks in-depth exploration of the brand's cultural values. For example, although its Jittery account launched a nostalgic short video of an episode of "The Great Wheel", the content is mostly one-way output, failing to establish an emotional connection between users and Macau's intangible cultural heritage products such as "native Portuguese culture" and "Cantonese opera". Such short-termism can lead to a flattening of the brand image, and when negative public opinion erupts like disputes over product quality or questions about cultural appropriation, word-of-mouth crises on social media can quickly spread. 2023's "End of an Era" public opinion over the closure of Kui Kee's Hong Kong branch exposed the brand's shortcomings in long-term narratives and crisis response.

The second dilemma facing Kui Kee Bakery is the lack of a user stickiness mechanism. Although live e-commerce has boosted sales in the short term, the membership system, which is based on points exchange, lacks a dynamic incentive mechanism. The lack of similar personal recommendations, user co-creation activities, resulting in a large fluctuation in the repurchase rate of the customer base in the z era. Compared with the Zhuhai Tang family's intangible cultural heritage brand "Mai Ji cake art" through user feedback to continuously optimize the product, Kui Kee's own according to the needs of customers to continuously optimize the product of the closed loop of data has not yet been formed.

3.4 Strategy Optimization

The practice of Kui Kee Bakery shows that although social media marketing can drive traffic in the short term, if there is a lack of continuous investment in

cultural depth and user stickiness, the brand may fall into "traffic dependence". This contradiction highlights the urgency of strategic optimization. Based on this, the following section proposes specific strategies in three aspects: private domain operation, data closure, and intangible cultural heritage IP innovation, aiming to build a balanced mechanism between "short-term conversion" and "long-term value".

3.4.1 Private Operation: Data-Driven and User Stratification

The WeChat ecosystem has become the core of Vantage's refined user operation. Through the small program membership system, Kui Kee collects data on users' consumption behavior such as purchase frequency and preferred categories, divides them into "cultural experience" and "cost-effective" segments, and pushes out customized content. For example, for high-net-worth users, to push limited edition intangible cultural heritage co-branded gift box pre-sale information, while price-sensitive users are directed to issue full-reduced coupons. In terms of community operation, Kui Kee will follow the example of mainland merchants to establish WeChat fan groups, in which it will regularly carry out activities such as "intangible cultural heritage skills quiz" and "sun order lucky draw", and issue consumer discount coupons, so as to enhance the sense of participation and sense of belonging of users.

3.4.2 Multi-Platform Matrix and Data Closure

In 000Koi Kei can build a cross-platform marketing matrix of "TikTok-WeChat-Offline" to realize traffic synergy and data interoperability. In the operation of TikTok, it focuses on brand exposure and explosive attraction, in the operation of WeChat, it focuses on user retention and repurchase conversion, and in the offline stores, it realizes O2O flow through the intelligent cloud code scanning the code to get the e-coupon. At the data level, Vantage Point can integrate user behavior data from various platforms, use AI tools to analyze consumption trends, and optimize the rhythm of content release and advertising strategies. In terms of operating promotional videos, in response to the risk of content homogenization, Koi Kei keenly discovers and seizes the hotspots of the times and promptly releases promotional videos combining hotspots and "terriers" to meet the preferences of the z-era, making the brand more grounded and

resonating with young customers, and thus increasing the visibility of the brand within the young group.

For the lack of depth of private traffic operation, Kui Kee could learn from the "Quick Print" intelligent cloud code model, tracking user interest through the scanning behavior, regularly sending questionnaires to attract customers to fill in the mode of coupons or small lucky draws to improve the user profile, and finally achieve a more accurate personalized recommendation.

While continuously promoting commercialization, Vantage Point needs to keep in mind that technology-driven digital transformation should not come at the expense of cultural connotation. Especially in Macau, a cultural hub, hand-letter brands need to find a balance between data accuracy and cultural authenticity. Therefore, the optimization strategy needs to further explore the innovative application of intangible cultural heritage elements, and through the synergy of productization, scenarios and social responsibility mechanisms, to achieve the two-way empowerment of commercial growth and cultural heritage.

4 BALANCE OF CULTURAL HERITAGE AND COMMERCIALIZATION: INNOVATIVE PRACTICES OF INTANGIBLE CULTURAL HERITAGE IPS

4.1 Productization and Scenario-Based Intangible Cultural Heritage Elements

Kui Kee Bakery can balance cultural heritage and commercialization value by strengthening intangible cultural heritage cooperation in digital transformation. First, product innovation and store innovation of intangible cultural heritage symbols. For example, Kui Kee has incorporated elements of Macau's "Cantonese Opera" into its packaging design, launching a limited-edition almond cake gift box with relief carvings of classic scenes from Cantonese Opera on the outside. Such design not only reduces customers' price sensitivity and raises product premiums but also increases sales while attracting attention. At the same time, incorporating intangible cultural heritage culture, such as the image of the Ruins of St. Paul's in the store decoration, creates a sales boost by creating a more impulsive store

environment, as sometimes the influence of a well-built store atmosphere goes beyond product intrinsic value in encouraging customers to do impulse buying (Zulaikha, 2011).

Secondly, scenario-based marketing of intangible cultural heritage narratives. Kui Kee can cooperate with the Macao Intangible Cultural Heritage Protection Organization by firstly launching the topic of "Intangible Cultural Heritage Guardian Program" on TikTok, and at the same time launching a series of live broadcasts and video activities by inviting intangible cultural heritage practitioners to demonstrate the traditional production process of chicken biscuits, and lastly, it can also choose to combine user UGC with the solicitation of campaigns, for example, launching the "My Relationship with Kui Kee" campaign. Finally, it can also choose to incorporate user UGC campaigns, such as the "My Story with Kui Kee" campaign, which encourages customers to upload photos of themselves with the new product on social media, thus spreading and reinforcing Kui Kee Bakery's brand image as the "spokesperson of Macao's culture". This mode of "cultural participation" enhances user stickiness while avoiding the dilution of intangible cultural heritage connotations by commercialization.

4.2 Synergistic Mechanism Between Social Responsibility and Commercial Interests

Strengthening the strategy of corporate social responsibility is also a good medicine to promote the long-term healthy development of enterprises. Kui Kee can incorporate environmental protection concepts into intangible cultural heritage products by launching a "Green Packaging Program": using renewable materials to make gift boxes and jointly launching a "Carbon Points Redemption" campaign with the Macao Environmental Protection Bureau (MEPB), in which consumers can share their low-carbon consumption behaviors on social media to get discounts. Discounts are available for consumers who share their low-carbon consumption behaviors through social media. This strategy not only responds to the global sustainable development trend but also expands the brand influence through the fission spread of social media, which can realize a win-win situation of cultural value and commercial return.

The practical examples of intangible cultural heritage IPs show that the digital reconstruction of cultural symbols can not only increase brand premiums but also strengthen users' emotional connection. However, this process should be alert to

the "cultural hollowing out" caused by the abuse of symbols. Only by embedding intangible cultural heritage narratives into the closed loop of user participation and data feedback can Kui Kee ensure the sustainable dissemination of cultural values and inject deeper momentum into the digital transformation of Macau's handicraft industry.

5 CONCLUSION

Taking Macau Kui Kee Bakery as a case study, this study systematically analyzes how social media drives the digital transformation and customer growth of the traditional handicraft industry. Through literature analysis and practical research, it reveals the dual effects of social media marketing and proposes an optimization path that works together with cultural heritage and data drive.

The study found that social media can quickly increase brand exposure and short-term sales conversion through short video cultural narratives and KOL cooperation. Kui Kee Bakery, with the help of TikTok, Little Red Book and other platforms, combined with the elements of intangible cultural heritage, and successfully created "Macau flavor Kui Kee" and other 70 million heat of the hot search phrases. However, over-reliance on promotion-oriented traffic strategies has led to content homogenization, shallow cultural narratives, and the problem of insufficient user stickiness has gradually emerged. This paper gives feasible solutions to the above problems, such as establishing a two-way output marketing approach and creating emotional connections. The study further proposes a two-wheel drive framework of "cultural IP + data closed loop". At the cultural level, the productization of intangible cultural heritage elements, such as the Cantonese opera relief gift box, is combined with scenario-based marketing to strengthen brand premium and emotional resonance; at the data level, the cross-platform matrix of TikTok attraction, WeChat retention, offline channeling, etc., is combined with AI-driven user stratified operation. The data level, through the cross-platform matrix, TikTok attraction, WeChat retention, offline channeling, etc., combined with AI-driven user stratification operation for example to customized push for high-net-worth groups to achieve precision marketing.

This paper provides a replicable model for Macau's hand-letter industry with an analysis of Kui Kee's transformation strategy and suggestions for improvement, i.e., the hedging of offline risks through the fine-tuning of private domain traffic

operations, as well as the use of intangible cultural heritage IP innovations to break through the competitive regional barriers. Meanwhile, the synergy between social responsibility and business interests can follow the global sustainable development trend and build differentiation advantages for brands. At the academic level, this study expands the application scenarios of traditional marketing theories in the field of handicrafts in combination with intangible cultural heritage through the digital reconstruction of cultural symbols.

There are some limitations in this study: the research method is based on case study analysis and lacks the support of large-sample quantitative data. Future research can further explore the virtual-real linkage mechanism and user co-creation mode of cultural IP to provide a theoretical framework for the transformation of the traditional industry or analyze quantitatively through questionnaires and other means to achieve in-depth research on this topic with data support.

To sum up, the digital transformation of Macao's handwritten letter industry needs to take culture as the core, technology as the tool, responsibility as the link, build a "traffic-value-sustainable" trinity ecosystem, build a cross-platform synergistic ecosystem, break through the red sea of traffic, achieve sustainable growth, and realize the two-way empowerment of cultural inheritance and commercial growth in the globalization competition. Future research can realize the two-way empowerment of cultural heritage and commercial growth in the globalization competition.

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