

Research on the Impact of Digital Marketing on the Strategic Positioning of Enterprises

Zecheng Fang*

College of business administration, Zhejiang University of Finance and Economics, Hangzhou, 310000, China

* Corresponding Author Email: 3089373506@zufe.edu.cn

Abstract. Nowadays, with the development of Internet information technology, digital marketing plays an increasingly essential role as a means of marketing, which makes it more and more important to the strategic positioning of enterprises. Studying this topic will enable enterprises to have a clearer plan for their own strategic positioning, thereby promoting economic market development. For the analysis of the problem, this paper first expounds on the difference between digital marketing and traditional marketing in the 4P strategy, shows the advantages of digital marketing from two aspects, and finally lists five dilemmas of businesses in digital marketing. Next, corresponding countermeasures are put forward for the above five dilemmas. At the same time, implementing precision marketing and strengthening integrated marketing are also the main suggestions. Finally, the examples of NetEase Cloud Music, IKEA, Starbucks, and other companies are cited to illustrate some specific digital marketing measures. In conclusion, this paper helps relevant enterprises to understand and pay attention to the importance of digital marketing and also puts forward some measures and suggestions for the development of enterprise digital marketing to provide the impetus for the transformation of enterprise business models and modern industrial patterns, and promote the progress of the marketing industry and the digital economy.

Keywords: Digital Marketing, Strategic Positioning, Enterprises, Impact.

1. Introduction

1.1. Research Background

1.1.1 Introduction of digital marketing

Digital marketing uses digital communication channels to promote products and services to communicate with consumers in a timely, relevant, customized, and cost-effective manner.

Digital marketing includes many technologies and practices in Internet marketing. Digital marketing promotes marketing intelligence by integrating multi-source data and relying on intelligent technology, promotes marketing from extensive to intensive development, and achieves a comprehensive improvement of marketing efficiency and rapid business growth.

1.1.2 Current development of digital marketing

Digital marketing has changed from the initial collection of customer information through telephone interaction and later the automation of marketing management by computer systems to digital marketing that now analyzes customer personalized needs through AI intelligence.

Under the favorable conditions of today's policy, economy, society, and technology, digital marketing has achieved unprecedented rapid development. With continuous changes and new technologies, digital technology has gradually matured to empower marketing, helping brand marketing achieve a great leap in practice in many fields and levels.

Global digital marketing expenses have increased yearly, from \$170.20 billion in 2015 to \$283 billion in 2019, with a CAGR of 13.6%. In China, the development speed of digital marketing is also extremely fast. In 2020, the scale of China's digital marketing market was 81.82 billion yuan, an increase of 25.39% over 2019. Since 2015, the scale of China's online advertising market has maintained an upward trend. In 2020, the total scale of China's advertising market was 899.60 billion

yuan, of which the scale of the online advertising market was as high as 793.20 billion yuan, accounting for 88.52%. Digital marketing has become the most important marketing method.

Today, digitalization has long become the norm in people's lives, and advertising channels are bound to change with the change in consumers' attention. In 2020, the proportion of digital marketing was relatively high, of which 45.3% of advertising agencies carried out digital marketing throughout the year, and 32.9% of advertisers carried out digital marketing in an all-around way.

To sum up, digital marketing has increasingly become an important factor affecting the market economy. As a major participant in the market economy, companies need to pay more attention to the essential impact of digital marketing in their strategic positioning for their development. The elaboration of this topic can also help enterprises make better strategic decisions and positioning.

1.2. Literature Review

Wang put forward the future development trend of digital marketing based on the digital marketing model formed after partial or overall transformation and analyzed that the company's delivery strategy will be more accurate, optimized, personalized, and cyclical [1].

Liu first analyzes the connotation and basic operation logic of enterprise digital marketing and believes three reasons mainly cause the difficulties faced by enterprise marketing in the digital marketing era: 1. Consumer demands do not match enterprise marketing models. 2. The integration of online marketing and offline marketing is insufficient 3. The digital marketing thinking, and technology of enterprises need to be upgraded. Finally, corresponding targeted measures are put forward by her: first, grasp the core needs of users and carry out precise marketing; second, innovate the business model and carry out omnichannel marketing; third, mine consumption data and continue to expand popularity [2].

He first expounds on the necessity of the digital marketing strategy of retail enterprises, analyzes the problems in implementing the strategy, and summarizes the improved countermeasures into five points [3].

Similarly, Hong also conducted an in-depth analysis of this topic. She elaborated on the nature of new retail in the digital marketing model, the marketing difficulties related companies face, and new ideas and strategies implemented in practice [4].

According to the literature cited, most of the articles focus on the transformation of the enterprise's strategy under the digital marketing model, while less research on the impact of digital marketing on the strategic positioning of the enterprise itself.

1.3. Research Framework

This article will first elaborate on the multiple effects of digital marketing on the strategic positioning of enterprises, which is the main content. Secondly, it will also analyze the opportunities and challenges brought by digital marketing to the development of enterprises from two aspects, both favorable and unfavorable. Finally, on the basis of the above conclusions, it proposes corresponding targeted measures to achieve better development of enterprises.

2. Method

2.1. Literature Research

Literature research can also be called literature retrieval, which refers to consulting and analyzing existing similar research or related research and consulting as many books, newspapers, magazines, papers, statistical materials, investigation and research reports, and official documents related to the research topic. Various forms of information, such as documents, in order to understand and learn from the existing theoretical achievements in this field and the research level in this field at this stage so that one's research can avoid duplication, errors, and deviations and continue to do further research on the basis of other people's research. In-depth research helps the pertinence of one's research, and it is relatively easy to produce results [5]. In this paper, through the reference and citation of many

articles, the main findings of each article will be used to summarize further and, on this basis, combine the views obtained in this paper to form a more comprehensive, more reasonable, and more general conclusion.

2.2. Comparative Analysis

Comparative analysis is a traditional method, first used in statistics and later applied to all comparable fields on the basis of statistics, such as economics, culture, etc. Comparative analysis is of great significance in the collection and sorting of data. The degree of difference between the target and the target is determined through comparative analysis, the reasons for the difference are analyzed, errors are avoided in the teaching process, and errors can be corrected when encountered [6]. This article will highlight the role of digital marketing in the development of enterprises by comparing the huge differences between the two different marketing channels of traditional marketing and digital marketing, thus profoundly affecting the strategic positioning of enterprises themselves.

3. Results

3.1. The Difference That Digital Marketing Brings to Enterprises Strategic Positioning

3.1.1 Marketing elements

The traditional marketing elements consist of 4P: Product, Price, Place, and Promotion. It believes that the starting point of marketing is the profit of the enterprise, and the demand of consumers is not as important as the profit of the enterprise. Digital marketing is based on the 4C: Consumer's Wants and Needs, Cost, Convenience, and Communication. Digital interactivity enables consumers to participate in the entire marketing process, which makes the initiative and selectivity of participation fully reflected and strengthened, thus determining that digital marketing should first integrate consumers into the marketing process, starting from the actual needs of consumers carrying out marketing activities.

3.1.2 Product strategy

Traditional marketing focuses on the whole process, from product form and packaging to brand, trademark, and new product development. Digital marketing pays more attention to consumer's Wants and Needs, directly facing consumers in publicity communication and implementation: one-to-one Personalized marketing can formulate corresponding marketing plans for a certain type or a certain consumer, and consumers can also freely choose the content they are interested in watching or buying.

3.1.3 Price strategy

Traditional marketing mainly relies on marketing intermediaries to complete the marketing process of transforming products into commodities and realize capital transfer. The longer the marketing channel, the higher the commodity's price, and the less conducive to the sale of the commodity. In addition, the external environment of intermediaries is not conducive to enterprise control and management. Digital marketing can directly face consumers, reduce agents in intermediate links, save intermediate marketing fees, and reduce sales costs.

3.1.4 Place strategy

Traditional marketing mainly includes vertical and horizontal marketing systems, multi-channel marketing systems, etc. Digital marketing, with the help of the global and interactive nature of the network, enables online marketing to communicate with consumers anytime, anywhere, answer consumer questions, and quickly provide consumers with information through BBS and email. Powerful two-way communication enables consumers to keep abreast of relevant product information. At the same time, consumers participate in product design, research, and development through the Internet and adjust new products at any time so that consumers can sell more humane and personalized

goods. This meets consumer demand, avoids inventory backlog, and reduces unnecessary design waste.

3.1.5 Promotion strategy

Traditional marketing uses advertising, personnel promotion, business promotion, public relations, direct marketing, and other means to complete promotion; Digital marketing takes advantage of its convenient and timely information update to promote sales by using database technology, search engines, emails, web pages, online advertisements, and other methods. For example, in online shopping, consumers can search roughly through different goods uses and accurately search through brands, product numbers, manufacturers, producing areas, and other information to find the products wanted.

3.2. Advantages of the Digital Marketing

3.2.1 For marketing companies

First, reduce marketing costs. Avoid the costs of offline sales while reducing a variety of intermediate marketing costs so that goods have lower prices so as to obtain low-price advantages and achieve more sales.

Second, improve the response speed of the enterprise to the market. Enterprises can quickly adjust the production quantity of products according to the market demand situation and change the price and specifications accordingly.

Third, build and strengthen relationships with consumers. Online marketers have more opportunities to communicate directly with consumers, enabling them to receive more user feedback on selling products and better upgrade their products.

Fourth, marketers can know the size of the audience in a timely manner. Marketers can count how many people log in to visit their outlets in a timely manner and how many people stop to participate. The timely collection of this information can help marketers change their products and advertisements.

3.2.2 For consumers

First, a wide range of goods to buy. Consumers can buy countless goods recorded on the Internet, which is unmatched by traditional marketing in a fixed area.

Second, purchasing goods is convenient. Digital marketing enables consumers to order goods 24 hours a day, anytime, anywhere, as long as they turn on the computer; there is no need to go out to inspect the goods, no need to look around to find the goods, and no need to go to the store to find out whether there is stock [7].

Third, have more power in consumption. Consumers can compare goods on the Internet and buy goods that are more cost-effective and more in line with their needs. And after-sales services in various ways make customers', power better maintained.

3.3. The Dilemma of Businesses in Digital Marketing

3.3.1 Lack of understanding of digital marketing.

Due to the lack of a deep understanding of the connotation of marketing in the digital age, some companies resist marketing innovation; some companies have a single understanding of digital marketing and do not understand the complexity and importance of digital marketing systems. In fact, the development of digital marketing is inseparable from advanced digital equipment and high-quality team support [8].

3.3.2 The company's market positioning is not accurate enough

Many enterprises do not realize the importance of collecting consumer information data and cannot make reasonable marketing strategies and market decisions. They cannot formulate precise marketing strategies or meet the individual needs of consumers, resulting in low consumer conversion rates.

3.3.3 Products cannot meet market needs

Many companies fail to realize in time that consumers not only pay attention to the quality and use value of products but also to the personalized value of products and the change in the attitude of business services when purchasing products. The products produced cannot meet the current market demand. As a result, the marketing of enterprises has encountered difficulties.

3.3.4 Products cannot meet market needs

Influenced by traditional marketing methods, enterprises do not pay enough attention to new information technology. Although some marketers have mastered information technology, they are not skilled in using it. This will affect the diversification of enterprise marketing channels and have a negative impact on product sales volume and sales. This will reduce the market competitiveness of enterprises and be unfavorable to the future development of enterprises.

3.3.5 The integration of online marketing and offline marketing is insufficient.

Although some companies have begun to pay attention to digital marketing, the lack of integration between online and offline has ultimately affected the improvement of marketing effectiveness. For example, most e-commerce companies pay attention to the development of the online market, but there are shortcomings in the offline layout, which leads to barriers between online and offline and cannot promote each other's development. In the long run, it will inevitably fail to improve the business efficiency of enterprises. In the digital marketing era, online and offline marketing are the "two wings" for enterprises to move forward, and realizing the integration of the two is of great significance for occupying the market and enhancing audience stickiness [2].

4. Discussion

4.1. Focus on Digital Marketing and Develop a Series of Strategies Specifically

First, enterprises should understand the essence of digital marketing, the basic connotation and operation logic of the digital economy market, and the complexity and importance of the digital marketing system.

Second, enterprises should collect information about consumer preferences, understand market trends and predictive analysis, and make reasonable marketing strategies and market decisions to meet consumers' needs better.

Third, enterprises should improve their service attitude, provide more personalized services to customers through AI analysis, pay attention to the personalized value of products, and better adapt to market demand.

Fourth, enterprises should promote the development of information technology, cultivate and introduce professional digital marketing talents, promote the diversification of enterprise sales channels, and enhance market competitiveness.

4.2. Implement Precision Marketing

Pay close attention to all kinds of consumer data information and build a consumption behavior model based on this so as to create conditions for follow-up marketing activities and gain market initiative [9].

Firstly, consumer user portraits are carried out from a multi-dimensional perspective to target consumer groups accurately. User portraits can be carried out through different characteristics from daily consumption, social identity-related consumption, and other dimensions. Secondly, enterprise marketers should analyze existing data to accurately grasp consumers' consumption preferences, consumer psychology, value proposition, brand loyalty, etc. On this basis, personalized services are carried out, and corresponding goods and services are launched to improve consumer stickiness. Finally, discovering accurate users is the first step to realizing digital marketing. On this basis,

analyzing users' consumption behavior and taking effective measures can fundamentally ensure the effectiveness of digital marketing activities.

For example, the Yueyang Junshan Yellow Tea brand, a famous tea brand in the Yueyang area, has a rich historical background and is a landmark product, one of the most famous teas in China. The area of the tea garden built locally has exceeded 295,000 mu, and it can produce at least 35,000 tons of Junshan Silver Needle and other tea products every year. When brand enterprises implement digital marketing to comply with the market changes in the era of big data, they launch the "Tea Expo" and "Open Tea Festival" and choose to update the information of various activities on the online platform. It has the same city investment enterprises and other powerful local enterprises. Established cooperative relations, thus effectively broadening marketing channels, prompting Yueyang Junshan Yellow Tea to get a deeper branding impression, combining customers' online ordering and fast-paced browsing features to set up audio-visual advertisements, fully presenting product-related information and corporate culture on the media interface, and then on the basis of traditional print advertising, attracting more netizens' attention, prompting Yueyang Junshan Yellow Tea to become a well-known brand of local enterprises [10].

4.3. Strengthen Integrated Marketing

Integrating the four related components of product, price, consumer, and media platform in digital marketing and strengthening integrated marketing when relying on big data platforms to develop marketing markets can improve the quality of digital marketing strategy implementation. At the same time, digital marketing plans can also be set according to standard digital marketing processes. For example, first, analyze product characteristics and their advantages, then understand the range of consumer price tendencies, and select marketing channels suitable for local people's information browsing characteristics, ultimately prompting enterprises to quickly attract consumers' attention in digital marketing. In the promotion stage of the digital integrated marketing model, relying on various marketing channels such as the WeChat official account and official website ensures that a wider range of consumer groups can know related brands from digital media. Only when consumers know the brand can they gradually form a motivation to buy branded products with an in-depth understanding of the brand and will continue to repurchase after initial attempts. And then, in integrated marketing, consumers will be included in the digital marketing category.

4.4. Promoting digital marketing through technology

4.4.1 Create exciting brand products with technology

NetEase Cloud Music uses big data analytics to develop its own personalized report for each user and conduct data analytics on it. With the blessing of various contents, the report has changed from cold data to flesh and blood, touching users' emotional pain points and inspiring users' willingness to share.

Like the previous examples, marketing guru Philip Kotler once pointed out in "Marketing Revolution 4.0: From Traditional to Digital" that brands must create "moments of wonder" for consumers in an era of attention shortages and fragmented information.

4.4.2 Create unforgettable brand experiences with technology

IKEA did a digital marketing campaign in 2018. It combined technology with art and used -face technology to arrange the showroom into a playground that provides consumers with an offline experience. When the experienter scans his face into the showroom, he can touch and feel the brand up close, witness the child's growth from 1 to 6, and imagine what family life will look like. Such novel marketing gameplay triggered many participants to share the event on social media, attracting more people to visit IKEA stores to experience it.

At a time when attention is divided by mobile phone information fragments, all-round and multi-level experience marketing is a powerful tool to attract consumers. Suppose a brand wants to provide an experience that consumers have never seen before. In that case, it needs to skillfully

combine creativity and technology to bring unique feelings and memories to the experience. Branding impression can only be improved in the hustle and bustle.

4.4.3 Bring fission growth in marketing efficiency with technology

Starbucks and WeChat jointly launched the “Speaking with Stars” Mini Program. This social gift experience represents the official opening of Starbucks’ digital social consumption experience and the true integration of brand consumption and social networks to a certain extent. Consumers can share the product coupon code with their relatives and friends through this platform for issuing coffee digital coupon codes and enjoying membership services. Users who get the coupon code can go to offline stores to scan the code to get goods for free. This promotional method of giving gift cards cleverly uses the Chinese people’s habit of giving gifts and paying attention to human feelings, and at the same time integrates “please drink coffee” into a strong emotional and cultural component.

In the era of marketing that has passed today, brands should use technological innovation and highly relevant content to attract consumers to participate in the marketing process, sharing brand control, interacting with consumers, and establishing viral fission growth-style marketing efficiency as the top priority [11].

5. Conclusion

5.1. Key Findings

Digital marketing is very different from traditional marketing regarding product, price, place, and promotion strategies. The advanced aspects of digital marketing have created unique dual advantages for consumers and marketing companies. But what comes with it are five major dilemmas enterprises face in developing the digital age: 1. Lack of understanding of digital marketing; 2. The company’s market positioning is not accurate enough; 3. Products cannot meet market needs; 4. Products cannot meet market needs; 5. The integration of online marketing and offline marketing is insufficient. For these dilemmas, enterprises must first focus on digital marketing and put forward corresponding strategies. Secondly, they must implement precision marketing, strengthen integrated marketing, and promote digital marketing through technology and other measures to improve and promote digital marketing strategies.

5.2. Research Significance

The purpose of this paper is to help relevant enterprises understand and pay attention to the importance of digital marketing in marketing by expounding the impact of digital marketing on corporate strategic positioning and also provide some suggestions and measures for enterprises to boost the business model of enterprises. The transformation of the modern industrial structure promotes the progress of the marketing industry and the digital economy. In addition, the development of digital marketing can also boost and deepen the advancement of residents’ lifestyles, digital intelligence technology, skilled talent systems, and digital media systems.

5.3. Limitations and Future Study

This paper mainly uses secondary data but lacks the use of primary data. Most of this paper is still an elaboration and analysis in nature. Although some data are cited, few are analyzed, and some quantitative conclusions are drawn. Future studies can obtain more primary data through surveys, interviews, etc., and analyze and compare more data to draw more realistic quantitative conclusions.

References

- [1] Wang Wei. Research on the Development of Digital Marketing and Its Trends. National Circulation Economy. 2023, 13: 28-31. doi: 10.16834/j.cnki.issn1009-5292.2023.13.044.
- [2] Liu Xiangfeng. Dilemmas and Development Strategies of Enterprise Marketing in the Era of Digital Marketing. Trade Fair Economics. 2023, 10: 46-48. doi: 10.19995/j.cnki. CN10-1617/F7.2023.10.046.
- [3] He Xinmei. Analysis of Digital Marketing Strategy of Retail Enterprises. Marketing Industry, 2022, 18: 56-58.
- [4] Hong Yuan. Analysis of the marketing strategy of new retail enterprises under the digital marketing model. Enterprise Technology and Development, 2022, 01: 146-148.
- [5] Lin Pin. Talking about literature research and literature research methods. Shanghai Young Pioneers Research, 2015, 01: 22-23.
- [6] Liu Xin. On the integration of higher vocational education and Open Distance Education from the perspective of ideological and Political Education. Journal of Liaoning Teachers College (Social Science Edition), 2021, 05: 63-64.
- [7] Zhao Shuqin. The new trend of marketing development: digital marketing. Gansu Agriculture, 2005, 07: 83. doi: 10.15979/j.cnki.cn62-1104/f.2005.07.084.
- [8] Yang Wenhui. Innovative research on corporate marketing strategies in the context of digital economy. Shopping mall modernization, 2013, 08: 42-44. doi: 10.14013/j.cnki.scxdh.2023.08.041.
- [9] Molly and Zhong Lilin. The Connotation and Component Dimensions of Value Rationality in Digital Marketing Communication. Media Forum, 2021, 4.17: 45-46.
- [10] Xu Lian. Research on Digital Marketing Strategy of Local Brands Based on Big Data. Time-honored Brand Marketing, 2023, 03: 28-30.
- [11] Yang Yang. Exploring the advertising communication of digital marketing and branding in the context of the big data era. Audio World, 2021, 07: 83-84.