

# The Digital Marketing Revolution: Opportunities and Challenges for Enterprises Operations

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**Abstract.** The rapid emergence of a new generation of digital technologies has made the digital marketplace a significant force pushing social and economic transformation on a global scale. More businesses are choosing to quicken the pace of digitization in the post-epidemic environment. This study analyzes the effects that digital marketing has had on consumers, businesses, the financial system, and society. It also searches for the opportunities and challenges enterprises face in an environment where digital marketing is becoming increasingly common. The study concludes that digital marketing serves as a service, influencing changes in consumer lifestyles and habits, business model innovation, and the modernization of the industrial environment. Given the current situation, new technologies are revolutionizing company strategies and driving the digital marketing revolution forward. There has been a notable surge in the popularity of influencer marketing, and producing high-quality content has become paramount in digital marketing. We are unquestionably in the full-link marketing era.

**Keywords:** Digital Marketing, Revolution, Opportunities and Challenges, Enterprises Operations.

## 1. Introduction

With the rapid development of a new generation of digital technologies represented by big data, cloud computing, blockchain, and artificial intelligence, digital marketing factors are also evolving, gradually giving rise to huge digital marketing research. Digital marketing research is mainly focused on technology, and along with the support provided by algorithms to digital technology, the concept of meta-universe starts to gain wide attention in the industry in 2021. Digital marketing research mainly focuses on blockchain's use in digital marketing [1], artificial intelligence and consumer human-computer interaction [2], and virtual reality experience become the main research direction [3]. Companies focus more on developing digital marketing capabilities, and Marketing Agility is in the spotlight. Scholars mostly explore the opportunities and challenges posed by digital marketing based on the technology from a micro perspective, focusing on the digital media Instagram Algorithm in some specific industries like healthcare and concentrating on particular technologies like data management and measurement in the role of machine learning [4-6].

Using authoritative secondary data and case studies of the Chinese market, this paper examines what changes digital marketing has brought to consumers, enterprises, the economy and society and what opportunities and challenges companies face when digital marketing is becoming commonplace. A particular country is focused, and although the study has certain regional limitations, it has definite research and reference significance for the innovation of digital marketing strategies of enterprises in the region and the complementary marketing strategies in other regions.

At a macro level, digital marketing is a responsive strategy for companies. For instance, China has published the Vision for 2035 and the Outline of the 14th Five-Year Plan for the People's Republic of China's National Economic and Social Development, both of which contain "digitization" in the country's five-year plan. In the post-pandemic era, consumer confidence has been undermined, and production has been hit. Facing the difficulties of shrinking budgets due to slackening supply and demand this has put forward higher requirements for enterprises to control marketing costs and efficiency. Therefore, user-centered and exploring digital marketing with higher ROI has become mainstream.

## 2. The Revolutions of Digital Marketing

An innovative method of brand and product promotion based on Internet user traffic, data intelligence, and newly developed marketing services is known as digital marketing. Digital marketing, which is based on digital platforms and digital intelligence technology, assists businesses in precisely locating, channeling, and managing target user groups, attracting target customers' attention, inciting them to make purchases, and building up customer loyalty and brand reputation. Thus, with lower transaction costs and a better input-output model, it realizes the product-effect marketing goal of increasing sales and improving brand reputation. Digital marketing has brought many changes to the economy and society, which can be summarized from the triple perspective of user, business, and industry markets.

### 2.1. User Service

In the era of mobile Internet, new online platforms and services such as video, live broadcasting, interest e-commerce, social networking, and new information have realized great development, attracting residents to accelerate their integration into the increasingly indispensable online and offline integration of consumption scenarios as Internet users, and casting a massive traffic dividend. Since consumers may now benefit from more pricing transparency and frequently even the freedom to set their own rates, the digital revolution has profoundly revolutionized marketing. [7]. Digital markets give consumers many brand-new buying possibilities, and the industry is just getting better and broader [8]. As the demand for outstanding customer experience develops across all digital platforms, customers communicate their preferences, attitudes, and views across several channels and mediums.

Digital marketing transforms massive traffic resources into more precise and commercially valuable attention resources. It prompts users to further immerse themselves in three-dimensional digital scenarios, such as consumption, experience, interaction, knowledge and business development. It promotes and deepens the change in residents' lifestyles and consumption habits. Digital marketing embodies its user service function, conforming to the general trend of the rise of consumer sovereignty and highlighting users' interests, personalities and social needs. From the early one-way online advertising, it has advanced to more interactive user operation, content operation, on-site operation, private domain operation and other fields.

Digital marketing is a battlefield and training ground for new professional talents, which blurs the boundaries between consumers and brands. Social media has given birth to many Key Opinion Leaders (KOL) and Key Opinion Consumers (KOC), which produce high-quality content from the consumers' point of view and drive the all-media word-of-mouth publicity of brand products. The digital marketing system has taken the lead in cultivating and gathering many new skilled talents and has driven the rapid expansion of the industry's talent demand. Bottom-up promoted the birth of new occupations and enriched the national occupational specification system for skilled personnel. New occupations released to accommodate the development of the new economy, such as e-commerce masters, internet marketers, and all-media operators, have been included in the Dictionary of Occupational Classification of the People's Republic of China (2022 Edition), becoming the types of digital occupations that have been explicitly labeled in the national occupational skills standard system.

### 2.2. Business Model Change

As of December 2022, there were 1.067 billion Chinese Internet users, up 3.4% year over year, and the penetration rate of the Internet had reached 75.6%, according to the China Internet Network Information Center's 51st Statistical Report on China's Internet Development. With a high user usage rate of 94.8%, the number of users of short form new media video has surpassed one billion for the first time, and the number of users of online payments has surpassed 911 million.

With the unprecedented popularity of Internet use, mobile terminals are gradually becoming ubiquitous and omnipotent. Refrain from actively keeping up with digital marketing changes and even business strategy changes trends, enterprises in the survival and development of competition the relative speed leading to the possibility of falling behind is increasingly high. Digital marketing cuts into the marketing digital link directly connected to the survival and benefits of Internet attention resources and enterprises and becomes the most willing to invest in the digital field with the most direct output effect. Not only for the challenges of the digital transformation of small and medium-sized enterprises to find a better incision but also to inspire the strength of the courage of enterprises to digital marketing as traction, optimize the allocation of marketing resources based on growth, branding, talent, giving birth to a user-oriented, data-driven, value-based business philosophy and corporate strategy change.

### **2.3. Driving Industry Promotion**

Digital marketing contains a technological core dedicated to in-depth user insights, marketing precision and quantifiable results. Through more multi-dimensional, accurate, timely and relevant data governance, it realizes the goals of traceable, assessable, predictable, appraisable and optimizable product-effect budget. The development and application of big data, cloud computing, VR, OTT, character portrait, semantic analysis, audio recognition, intelligent customer service, etc., have become mainstream. The development and experimentation of cutting-edge technologies such as data governance, privacy computing, virtual human, meta-universe, AIGC, etc., are accelerating their evolution. Trillion-dollar digital marketing scenarios linked to massive traffic resources have become the first position for incubating digital intelligence technologies, driving marketing to become a relatively more mature field of data penetration and a relatively more concentrated field of artificial intelligence technologies and advanced algorithms. Technological innovation drives the integrated digital marketing model forward, accelerating the expansion of service depth and breadth, generating significant technological spillover effects in many related fields, and driving changes in business models, the economy, and society.

## **3. The Opportunities and Challenges Digital Marketing Brings to Businesses**

### **3.1. Channels and Tools of Digital Marketing**

Search Engine Optimization (SEO) is a technique for enhancing a website's performance by comprehending how search engines work, raising the website's position in the appropriate search engines, and boosting the volume of organic visitors to the site. On-page optimization SEO focuses on all on-page content within a website. Higher rankings on search engine results pages (SERPs) are achieved by researching search volume and search intent for keywords. Off-site optimization SEO focuses on all activities outside the website, such as outbound link building, also known as backlinks. These backlinks, their number, and their authority affect rankings. By building links to other websites, such as posting articles on other websites and including a link to your website in the article, backlinks can be gained, leading to a rise in rankings.

Content marketing is a type of marketing that generates brand awareness, traffic and customer growth through the creation and promotion of content. For example, writing and publishing articles on official company accounts showcases the business's professionalism and generates natural search traffic. Ultimately, there are more opportunities to convert website visitors into potential customers for the sales team.

Email marketing is a way for businesses to communicate with their customers. Emails are usually used to promote content, discounts and events and drive traffic to a website. Subscription emails, follow-up emails to website visitors who have downloaded specific information, welcome letters for new customers, seasonal incentives, and emails to nurture existing clients are the primary sorts of emails used in marketing efforts.

Pay-per-click advertising (PPC) is a way to drive traffic to a website. Google and Baidu AdWords are two of the most popular PPC platforms. It works because the advertiser only has to pay if the customer clicks on the advertisement, and there is no charge if there is no click.

Social media marketing is the promotion of brands and products on media channels to increase brand awareness and traffic to generate leads for a business.

Affiliate marketing is where affiliates utilize various online marketing methods to gain access to their target demographic, from which the affiliate receives a commission in return.

### **3.2. Comparison of Traditional and Digital Marketing**

Compared with the popularity of the traditional product and brand-centered 4P (product, price, place, promotion) marketing theory and other marketing strategies, in the context of the rapid development of web4.0 and other technologies, digital marketing capabilities are even more favored than the traditional marketing capabilities of enterprises [9]. The primary driving force behind marketing nowadays is the human being, with social networks serving as tools that have created a technical connection between the customer and the organization in marketing [10]. For example, Tencent WeChat, a Chinese social media, relies on massive user profiles and big data for algorithmic analysis in the background to derive accurate user models based on user behavioral preferences and selectively and accurately pushes and places different types of advertisements to potential users, which effectively improves the effectiveness of its online advertisements. This enables advertisers to understand the audience's response to the advertisement and continuously improve the content and form of the advertisement to gain long-term attention and enhance the effect of the advertisement.

### **3.3. Opportunities and Challenges**

New technologies are changing business marketing strategies and driving digital transformation in marketing. For instance, using web crawler technology, AI can swiftly read a large number of websites to gather data, automatically classify it, and arrange it. This dramatically reduces the time and effort required for data collecting and organization for marketing operations. At the same time, it may assist operators in breaking down data silos, filtering duplicate users, and integrating user data from various sources. Meta Universe breaks down online and offline barriers to provide an immersive e-commerce consumer experience. IKEA Place is an AR app based on ARKit technology. As one of the quintessential apps in the immersive retail space, IKEA Place allows the Swedish furniture giant to inspire their customers to create interior designs that place IKEA's vast array of products in a virtual space. Using augmented reality to experiment with the personalized look of certain items for a unique home experience.

High-quality content has become the core driver of digital marketing, and influencer marketing is heating up. Cosmetics brand Perfect Diary has recently been a Chinese national product dark horse. Founded in 2016, with various excellent marketing strategies, it topped the sales list of the color cosmetics category on Double Eleven in 2019, becoming the first national product brand to reach the top on Tmall Double Eleven. This outstanding achievement is inseparable from the brand's content and KOL marketing efforts. Perfect Diary first utilizes online channels to locate the target group accurately. It focuses its marketing on Xiaohongshu, whose user group is mainly post-90s and post-95s new-generation women, and takes it as the main diversion position. After the stars and KOLs produced high-quality content, based on the consumer psychology of people following the trend through layers of dissemination, creating a situation where everyone is using Perfect Diary products. Ordinary users follow the trend of sunshine their notes, and the formation of fission-type dissemination for the brand has brought considerable sales growth.

The era of full-link marketing has arrived. Alibaba, Tencent, ByteDance and other Chinese headline media collectively call for links. The so-called link refers to the path of consumer behavior, which is essentially the process from the exposure of consumers to the brand or product to the purchase behavior and post-purchase behavior (such as repurchase or loyalty). For example, Alibaba's Tmall Genie's marketing objective is to turn potential customers into core, devoted, high-frequency

users. In order for the core high-frequency loyal users who have been successfully converted to produce content and form the effect of word-of-mouth dissemination in marketing scenarios, creating a benign closed loop of commerce, users are divided into five progressive chains of potential, perception, action, loyalty, and sharing of content.

Digital marketing is changing day by day, driven by technology. To achieve success in marketing strategy and promote the continuous progress of product brands in an era full of opportunities and challenges, enterprises must understand the new technologies and rules in the market environment in real-time, gain insights into the dynamically changing behavioral habits and needs of digital consumers, and establish a digital marketing strategy with the right direction.

#### 4. Conclusion

The study examines the modifications made by digital marketing, which affected marketing strategy, bringing business opportunities and challenges. First, it advances and intensifies a shift in the populace's way of life and consumption patterns. Second, digital marketing is the marketing digital link directly related to the continued existence and advantages of Internet attention resources and businesses, and it makes companies more inclined to spend in the digital sector with the most immediate return on their investment. Third, the integrated digital marketing strategy is being advanced by technical innovation, speeding the growth of service depth and breadth. This innovation also substantially impacts adjacent industries and changes business models, the economy, and society. All these changes reflect technology-driven marketing methods, high-quality content, and influencer marketing, bringing the era of full-link marketing.

This study is beneficial for companies to understand digital marketing better and use it as a new weapon to continuously adapt to the ever-changing market. However, the cases and data in this paper are from China, and specific regions have certain limitations.

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