Research on Digital Marketing Strategies for Brands based on the Internet Context

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Abstract. In an era of rapid internet development, digital technology is taking up an increasing part of life. With this comes the use of digital technology in various areas, and brands are gradually moving away from traditional marketing methods to digital marketing. In order to understand the role of digital marketing strategies in the promotion of brands, the literature was analyzed using case studies of several brands that use the Integrated Marketing Communication Strategy and the Online to Offline model, and it was concluded that digital marketing strategies can help brands gain attention and increase profits, and promote brands, providing effective advice for brands that want to go digital in the future.

Keywords: Digital Marketing, Brands, Integrated Marketing Communication, Online to Offline.

1. Introduction

1.1 Research Background and Motivation

In the past few decades, marketing has been conducted through traditional media to disseminate information to consumers. The disadvantage of this approach is that it is only one-way communication. Nowadays, with the development of the internet and digital media, traditional marketing platforms will soon disappear. In their place will be digital marketing, which is cheaper, more efficient, and has a wider reach. Digital marketing is a form of marketing that uses the internet, computer communication technology, and digital media as a medium to achieve its objectives. Digital marketing gives a new connotation to marketing and is the main marketing approach and development trend for major brands in the digital economy[1]. In today's digital age, mass communication media have joined the ranks of single media to digital communication platforms, making the characteristics of what was once a single mass communication media start to become more and more diverse. These diverse characteristics have helped brands to realize a synergistic relationship with consumers from different perspectives of dialogue and interaction on digital online platforms. The different forms of digital media platforms meet the different communication needs of brands and consumers, and also contribute to brand building. It can be said that the development of digital technology has brought about a radical change in the media world[2].

Digital marketing has become a new issue, opportunity and challenge for brands, but many major international brands are already using digital marketing to great effect. In recent years, in addition to some fast-moving brands experimenting with digital marketing and using it on a large scale, more and more well-known brands have started to make online platforms a top priority in the integrated marketing of big events. Digital marketing has exploded in just a few years, demonstrating its power. However, statistics show that the average global consumer spends around 33% of their time on digital media, but marketers spend only 8% of their total media budget on digital media. This suggests that marketers have not yet changed their traditional marketing models. But this doesn't mean that digital marketing should completely replace traditional marketing either; it is an important complement and the two deserve to co-exist[3]. In a highly competitive market, brands or companies must innovate if they want to be more profitable. Digital marketing, the quintessential product of innovation, has a vital role to play in brand promotion in today's era of Internet take-off.

1.2 Literature Review

In the current environment, brands are using different digital marketing strategies to promote their activities in various aspects of life, such as food, clothing, and use, and many of them are using digital marketing strategies to great effect. This article takes the strategies used by brands in different sectors in the process of digital marketing as the standard and provides a detailed overview, analysis, and summary of the existing research findings on how brands use digital marketing strategies, the advantages of the strategies in practice and the benefits that digital marketing strategies bring to brands. The articles on brands that have used Integrated Marketing Communication strategies are organized in chronological order. Yang Yuanyuan took the beverage brand Jia Duo Bao as the subject of her study and adopted the case study method to analyze the success of Jia Duo Bao's use of the Integrated Marketing Communication strategy and brand management, the findings showed that Jia Duo Bao Group has successfully built its brand through the Integrated Marketing Communication strategy[4]. Taking Nike and JumeiYoupin as examples, Tan Xiaoxi adopted a case study approach to analyze Nike's and JumeiYoupin's Integrated Marketing Communication strategies based on big data; the study showed that both have achieved great success and have outstanding performance in integrated marketing of communication channels[5]. Xie Xiran took Nike, a sports brand, as the subject of her study and adopted a case study approach to analyze how Nike has implemented its Integrated Marketing Communication strategy; the results of the study showed that Nike has further shaped its brand image in the minds of consumers through its Integrated Marketing Communication strategy, and has driven the brand's fashion shift and digital transformation[6]. Li Zhenkun and Meng Zhen used the case study method to analyze how PROYA, a beauty brand, has flexibly used the Integrated Marketing Communication strategy[7]. Wang Chongchong used the case study method to analyze LI-NING's Integrated Marketing Communication strategy on social media platforms; the results of the study showed the excellent results of this communication model and the recognition LI-NING has built up in the minds of its customers[8]. Articles that have studied brands that have conducted digital marketing in the Online to Offline model have been sorted out in chronological order. Huang Yi took the restaurant brand Starbucks as the research object and adopted the case study method to analyze the detailed operation of Starbucks using the Online to Offline strategy for brand promotion; the research results showed that Starbucks took the opportunity to become the first coffee empire[9]. Taking clothing brand ZARA as the research object, Lu Ying adopted the case study method to analyze the development of ZARA fast fashion brand Online to Offline model, summarize and learn from its experience, and then propose improvement strategies for the development of China's fast fashion brand Online to Offline model[10]. Li Xin also took ZARA as the research object and adopted the case study method to analyze the development strategies and characteristics of ZARA's Online to Offline model, summarizing the effective marketing strategies of fast fashion brands under the Online to Offline e-commerce model, to provide reference and guidance for the development of other fast fashion brands in China[11]. Miao Chaonan took the restaurant brands Luckin Coffee and HEYTEA as the research objects and adopted the case study method to analyze the similarities and differences of their innovative and evolutionary marketing paths under the Online to Offline model[12]. Huang Yingying and Hu Yongquan took the apparel brand UNIQLO as the research object and adopted the literature research method to briefly explain the development status of UNIQLO's Online to Offline model, and explore and summarize the measures to improve the brand's digital marketing performance[13].

1.3 Research Contents and Framework

On this basis, a theoretical and empirical analysis is conducted on the digital marketing strategies adopted by different brands for promotion in the Internet era. The paper is structured as follows: the first part is the introduction, the second part is the introduction and analysis of the theory and the analysis of the examples, and the third part is the results and discussion based on the theoretical analysis and the analysis of the forces, and the fourth part is the conclusion.

2. Methodology

2.1 Theoretical Study of Digital Marketing Strategies

Integrated Marketing Communication Strategy is a process that integrates all the communication activities related to marketing carried out by a company or brand. In other words, it involves advertising, promotion, public relations, direct marketing, packaging, press, and other communication activities in one way or another in the marketing campaign, while allowing the company or brand to deliver a unified and optimized message to the customer. Online to Offline model, as the name suggests, combines internet technology with offline business opportunities, making the internet a front desk for offline transactions and acting as a promotional and closing tool. This model facilitates the online acquisition by merchants and the online selection of goods and services by consumers and enables online settlement. The most important thing is that everything in this model is monitored, including the effectiveness of the promotion and the transaction data.

2.2 Digital Marketing Case Studies

The data in this paper were obtained from the CNKI database for papers published from 2010 to the present, and the sample data were selected from 2000 to the present. Before 2002, Jia Duo Bao's product positioning was not clear enough, and because of the lack of variety in its communication methods, sales were not good. Since 2003, Jia Duo Bao has repositioned itself as a functional drink for preventing fires, thus meeting the market demand and differentiating the product. This move enabled Jia Duo Bao to take the lead in changing its marketing mindset and was a prerequisite for successful branding. Jia Duo Bao then placed advertisements on CCTV, the mainstream media, as its main battleground, and also placed a certain amount of advertisements on local TV stations, as well as newspaper advertisements, body ads, road signs in city centers and terminal advertisements. A sufficient amount of advertising was placed to ensure that the brand message was integrated into the minds of consumers, fulfilling the goal of integrated marketing communication[4].

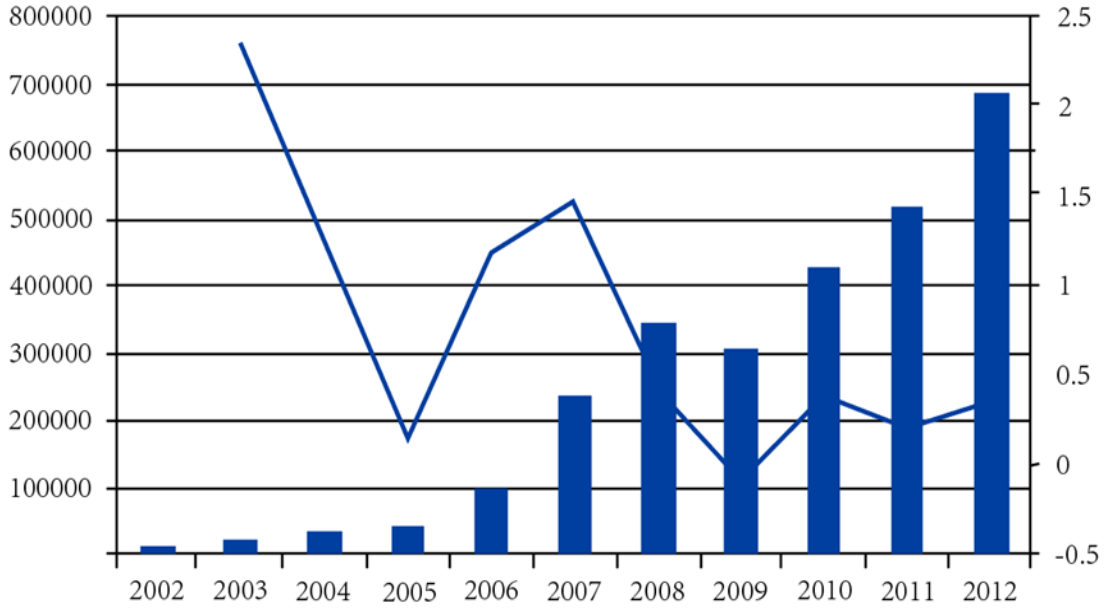


Figure 1. Annual sales volume of Jia Duo Bao (in million cans)

The data in Figure 1 shows that Jia Duo Bao's annual sales volume began to increase year on year after 2002 and saw a significant increase in 2008. When the Wenchuan earthquake occurred in 2008, Jia Duo Bao took the lead in donating money, resulting in the brand's name appearing in newspapers, magazines, on television and online, gaining a high level of exposure. At the same time, the use of online marketing, with major postings and forums popping up to guide consumers to the product, not only directly increased sales but also increased consumer loyalty to the brand. Sales then fell in 2009 but rose again in 2010 because in 2010 Jia Duo Bao carried out a number of disaster relief, poverty

relief, public welfare, and school support activities, and won the right to be a senior partner of the 16th Asian Games with a large sum of money. Through different public relations activities, Jia Duo Bao quickly raised awareness of its products and deepened brand recognition, trust, and sense of belonging, invariably building brand reputation and establishing a good brand image[4].

JumeiYoupin's integrated marketing is reflected in the way it communicates through different channels, constantly optimizing its own website platform to enhance the user experience on the one hand, and online marketing through platforms such as search engines and social media on the other. Moreover, JumeiYoupin has placed many commercials on TV platforms, and the jingle of the corporate organizer has penetrated the hearts of people. He has also participated in many programmes one after another, which has greatly opened up the website's popularity[5]. Nike has launched a new marketing model of "product + sports social networking sites" to enhance interaction with customers and to better understand customer information and user needs through social platforms to launch more targeted new products. Nike is using big data from its sports social media platforms to connect users with its products and is using this to launch a series of online and offline promotions to tap into a wider sports market[5]. Nike launched the campaign 'You Can't Stop Us' on 31 July, with authentic and relatable footage from its UGC video library, which, when combined with sophisticated integration of PGC, brought the brand closer to consumers quickly. Figure 2 confirms that the campaign did attract a large number of consumers, leading to a significant increase in Nike's revenue in August.

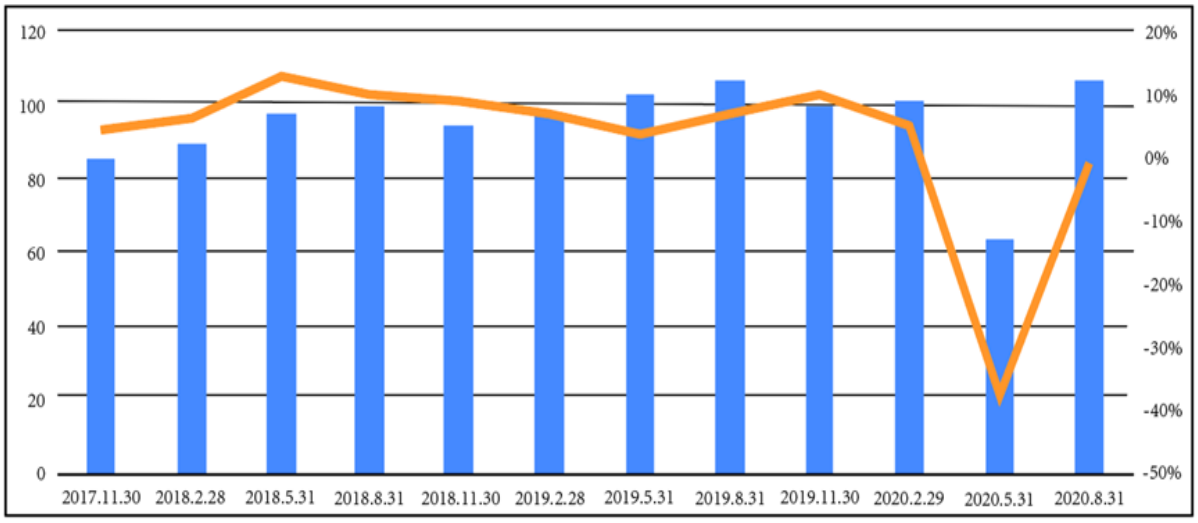


Figure 2. Nike's quarterly revenue (in USD billion)

Seeking to further connect directly with consumers, Nike focused on optimizing the online experience for users by removing the premium service subscription fee on the Nike Training Club (NTC) app platform and offering professional content to users for free. While strengthening the audience's positive association with the brand, it also identifies and nurtures more potential users for the brand. In NTC, users can keep interacting with their friends and the entire NTC community, which fits well with today's youthful nature of being keen on social networking. Nike has fully leveraged the role of social media to exploit the social communication value of sports marketing and fully meet the needs of users[6]. PROYA tried to attract a younger demographic through integrated marketing, signing Sun Li and Cai Xukun as product spokespersons in early 2020, leveraging the fan effect of celebrities to expand product and brand awareness. At the same time, PROYA collaborated with National Geographic across the border, using the carcharhinus melanopterus, pygmy seahorse, and clione limacina as the main characters of the story to inject deeper marine genes into the product. PROYA is also implanted through films and TV dramas and variety shows such as I Will Find You a Better Home and YOUTH TRAVEL to bring the brand and products into the public eye with more novelty. In addition, PROYA uses Tiktok as its main focus, while laying out multiple social media platforms such as Weibo, Xiaohongshu, Bilibili, and WeChat to create high-unit-price star products and high-volume pop-up products[7].

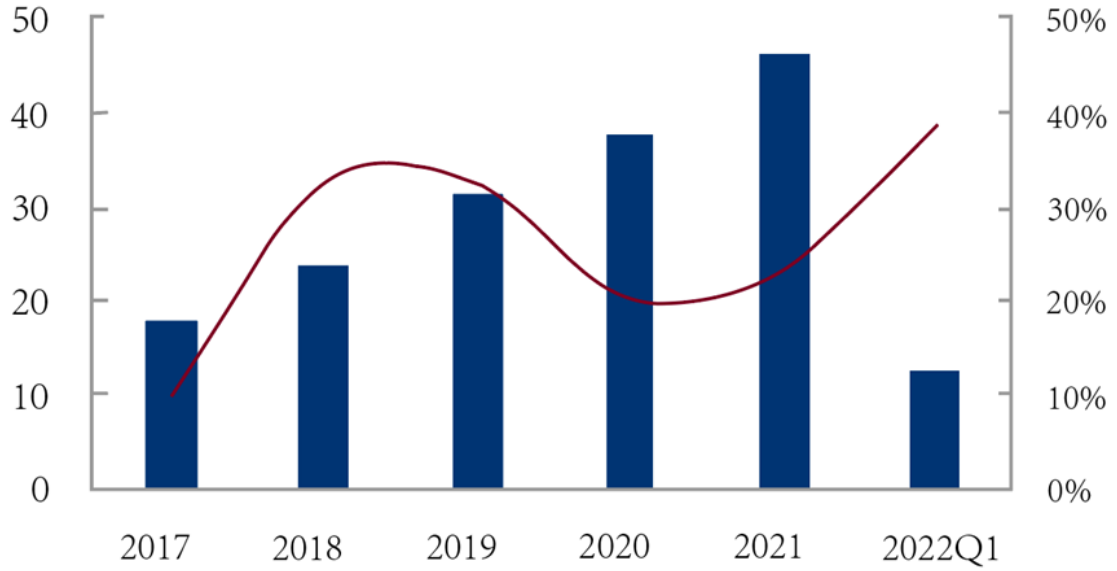


Figure 3. PROYA's operating revenue (unit: RMB billion)

The data in Figure 3 also confirms a significant increase in PROYA's operating income from 2020 to 2021. LI-NING uses dialects to interact with users on social media platforms, bringing it closer to its users and attracting a large number of potential consumers, creating a dynamic, innovative, and youthful brand image. LI-NING not only uses multiple social media platforms to export its brand culture to the public through text, images, and videos but also actively engages with the art, music, and animation industries to market itself across borders[8].

Starbucks has focused on using the Internet to create an online community to serve its overall brand image and to complement and promote sales in its offline shops. This Online to Offline approach to marketing has allowed Starbucks to promote its brand effectively.

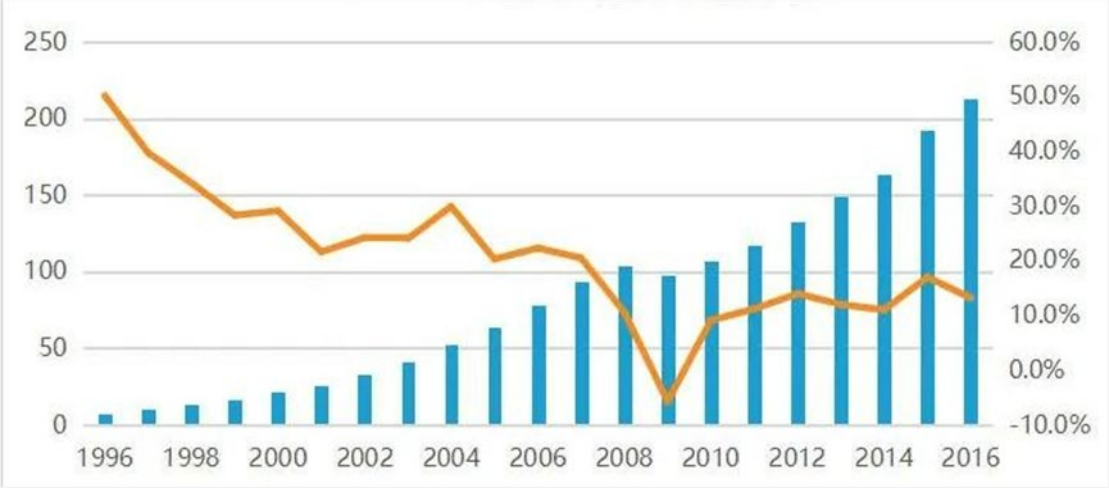


Figure 4. Starbucks revenue growth (in US$ billion)

Figure 4 data shows that Starbucks revenue declined in 2009, but has been on the rise again since then. In September 2009, Starbucks launched its first client, myStarbucks, which gave users quicker access to nearby shops and menu items, greatly increasing customer loyalty and relying on loyal customers to promote the Starbucks concept online for word-of-mouth marketing, ultimately leading to new customers. on October 20th, 2010, Starbucks officially launched the Starbucks Digital Network service, which allows customers to read paid content such as The Wall Street Journal, The New York Times, USA Today, and The Economist for free in Starbucks shops via a free WiFi network. Starbucks offers free online services to attract and retain a large number of customers in its offline shops[9].

The fast fashion industry is one of the early industries to start the transformation of the Online to Offline model. In recent years, ZARA, Meters Bonwe, and other famous fast fashion brands have

started to actively explore the Online to Offline model in line with their development, among which ZARA's Online to Offline model has been the most successful in terms of the customer consumption experience. Firstly, ZARA's e-commerce channel and physical shop channel are both self-operated, unifying the source of goods and avoiding to the greatest extent the multiple problems that may arise due to multiple channels. Secondly, ZARA's e-commerce truly embodies the core connotation of Online to Offline model, linking online business with the offline business. Finally, the price strategy of ZARA's e-commerce synchronized with physical shops highlights the cost-effectiveness of products and speeds up the circulation of goods[10]. It can be said that ZARA adheres to the self-operated model of online e-commerce and offline physical shops and adopts a completely synchronized strategy of online and offline - listing new products, setting consistent prices, and conducting discount promotions simultaneously, operating online and offline platforms as two parallel channels and ensuring the unity of brand image. Moreover, ZARA caters to consumers' interests and preferences as much as possible in its product design and development based on consumer behavioral characteristics reflected by big data, maximizing customer satisfaction and facilitating the realization of precision marketing. Moreover, ZARA has developed its mobile app with built-in LBS (Location Based Services) to connect online and offline, when shopping for products in the mobile client, people can directly use the LBS to check the location of all ZARA shops in their area and update the product inventory information in real-time to guide online consumers to go to offline shops for purchase[11].

Luckin Coffee and HEYTEA have innovated around the traditional Online to Offline model, with Luckin Coffee firstly combining online and offline services through its app, which has greatly improved operational efficiency. Secondly, the app creates a strong connection with customers, and every purchase made by customers provides the app with a large amount of consumer behavior data, thus meeting users' needs for convenient and highly personalized services. Lastly, Luckin Coffee uses third-party payment methods to reduce payment risks and avoid cumbersome and flawed cash management and will use WeChat LBS (Location Based Services) to accurately advertise in its shops online, and offline on lifts in office buildings and living areas where consumers gather. On the other hand, Luckin Coffee will open differentiated shops where users can experience and consume offline, and also collaborate with a courier company to launch a coffee delivery service. In September 2017, HEYTEA's small program mall was launched, and the queue at HEYTEA dropped dramatically by ordering through the small program; instead of dialing the phone to the shop to make a reservation, the reservation demand can be made in advance by mobile phone. Since the end of 2017, HEYTEA has gone live with takeaway services for a total of over 80 shops in 12 cities across China. With the launch of the mini-program and takeaway service, dine-in and takeaway has brought about an all-round expansion of sales channels for beverage shops: dine-in satisfies consumers' offline experience and social needs, while takeaway attracts online users who need the product but are unable to buy it offline. According to Figure 5, HEYTEA's annual sales increased significantly after this series of operations, and excluding the unexpected outbreak in 2020, HEYTEA's innovative Online To Offline model has brought significant benefits to the brand[12].

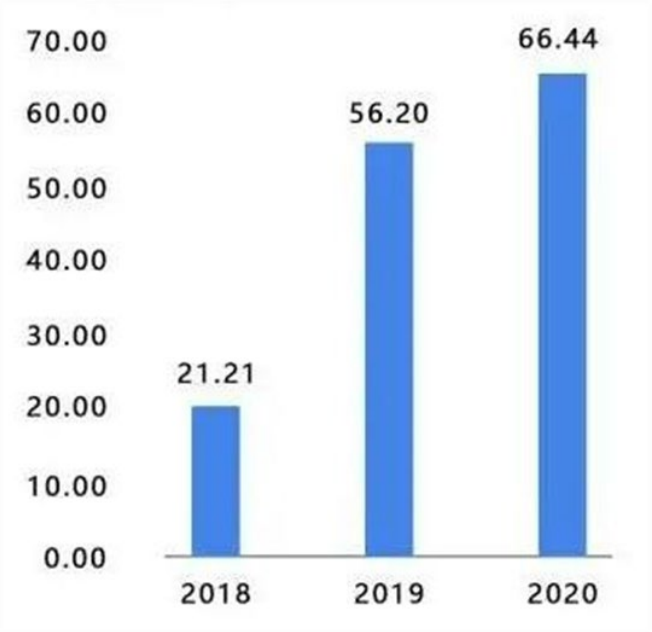


Figure 5. HEYTEA annual sales (in billion)

UNIQUE, a clothing brand, stopped its losses in time for the outbreak through the increased turnover of its online shop. The outbreak has led to the closure of areas and the single offline sales model has been hit by the rapid development of new retail that integrates online and offline. People who could not go out turned more of their entertainment time to online, and the market winds led companies to invest more money in online marketing to offset the impact of falling results due to the closure of offline shops by resuming business through online sales. According to results released by UNIQUE's parent company, Xpress Group, the brand's same-store sales in its home market rose 26% in June and 4% in July 2020, with sales in the Japanese e-commerce channel rising by more than 40% in the third quarter. The Chinese market, with total revenue amounting to ¥455.9 billion through August 31, 2020, has seen UNIQUE recover its performance at a faster-than-expected pace since March, with online shop sales up around 20% year-on-year and strong online sales growth[13].

3. Results and Discussion

In order to explore the impact of digital marketing on brand promotion, the article provides a detailed theoretical and practical explanation. Theoretically, the article analyses the role of two digital marketing strategies, the Integrated Marketing Communication Strategy and the Online to Offline model, in the process of brand promotion. In terms of practical examples, the article presents a selection of large and small brands from different sectors at home and abroad, and analyses the financial data of the brands after digital marketing. The results show that the use of the Integrated Marketing Communication Strategy and the Online to Offline model has helped brands to get closer to their consumers, attracting a large number of consumers to buy products and generating much higher sales than before. In summary, in today's Internet era, digital marketing is a new marketing strategy that is more effective than traditional marketing strategies in terms of duration and rapid impact. The most direct and effective way for brands to gain significant and sustained attention in a short period, and to quickly turn consumer interest in a brand into purchase motivation, is to choose digital marketing. Furthermore, as a society and the economic progress, digital technologies such as the internet and social media will be the focus of global attention and development in the future. In this environment, the best solution for any brand to promote itself is to choose the right digital marketing strategy and implement the appropriate activities.

4. Conclusion

All in all, nowadays the internet is becoming more and more developed and digital technology platforms such as social media are taking up an increasing part of people's lives. In the digital era, digital marketing has become the mainstream brand promotion. In this context, this paper attempts to study the impact and effect of digital marketing on brand promotion. Using the example analysis method examines brands that have been promoted using two digital marketing strategies, the Integrated Marketing Communication Strategy and the Online to Offline model. The study found that the choice of digital marketing strategy has helped brands secure existing customers, attract new customers and generate high profits. However, there are two sides to the coin and even though digital marketing strategies are good for brands, it does not mean that there are no downsides to digital marketing. Excessive marketing and too much advertising have the potential to cause visual fatigue among consumers and there is the potential to create a backlash, so it is important to be moderate. Another major limitation is that there is no way to be sure that the data presented by these companies is 100% true when looking at the data, in other words, there is a possibility that the brand's sales are "self-produced". After all, offline shops can pay people to queue up to create the illusion of a large number of people, and online shops can also fake sales. Given this, in the future, those who wish to conduct similar studies will need to focus on the extent and volume of marketing, as well as on issues such as authenticity.

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