Research on Online Marketing Strategies for Small and Medium-sized Enterprises in Wenzhou under the Background of Digital Economy

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Abstract: Wenzhou is engaged in the active exploration of the deep integration of the digital and real economies with the objective of promoting high-quality economic development. This article will conduct research and analysis on small and medium-sized enterprises in Wenzhou, summarize the current development status and challenges of online marketing for these enterprises, study the channels and approaches for updating the content and methods of online marketing under the background of the digital economy, and propose new online marketing strategies suitable for Wenzhou's small and medium-sized enterprises in terms of marketing concepts, market development, talent matching, and regulatory system, in order to plan for the integrated development of Wenzhou's small and medium-sized enterprises and online marketing.

Keywords: Network Marketing, Online Marketing, Small and Medium-sized Enterprises, Wenzhou.

1. Introduction

With the continuous development and application of digital technology, the digital economy, as a new form of economy, has become an important driving force for economic development. Wenzhou, as a highland for the development of China's digital economy, is actively exploring the deep integration of the digital economy and the real economy to promote high-quality economic development. This article will investigate the current development status of small and medium-sized enterprises in Wenzhou, summarize the current development status and challenges of online marketing for these enterprises, and deeply plan the path of integrating the development of small and medium-sized enterprises and online marketing in Wenzhou. In light of the current global economic instability and its impact on the development of Wenzhou small and medium-sized enterprises, this article will examine the channels and paths for updating the content and methods of online marketing under the background of the digital economy, and deeply plan the path of integrating the development of small and medium-sized enterprises and online marketing in Wenzhou. This article is based on the theory of digital new network marketing, combined with research and analysis of small and medium-sized enterprises in Wenzhou, as well as the current market environment, and proposed a new network marketing strategy combination suitable for the enterprises. This has certain theoretical reference significance for the formulation and optimization of network marketing strategies for small and medium-sized enterprises in Wenzhou.

2. Overview and Background of Online Marketing

2.1. Online Marketing

Online marketing refers to the process of promoting, selling and brand building products or services through online platforms, social media and other channels by means of the Internet and digital technology. It is an important way for enterprises to achieve market expansion and brand promotion in the digital economy era. Through Internet and digital technology, enterprises can realize online promotion and sales of products or services, attract more target customer groups, and improve brand awareness and market share. Online marketing emphasizes interaction and communication with consumers, achieving effective dissemination and promotion of marketing through personalized marketing strategies and precise positioning [1]. Online marketing relies on the development of digital technology, including search engine optimization (SEO), search engine marketing (SEM), social media marketing, content marketing, email marketing, and other technical means. Through the application of digital technology, enterprises can achieve precise user positioning, data analysis, and marketing effectiveness evaluation, improving marketing efficiency and effectiveness [2]. Online marketing also underlines the importance of user experience, improving user satisfaction and loyalty by optimizing website design, content presentation, interactive experience, and other aspects. A good user experience can enhance user awareness and favorability towards the brand, promote purchasing behavior, and establish brand loyalty [3].

To conclude, it can be said that online marketing is a marketing method that uses the Internet and digital technology to promote and sell products. It emphasizes the application of digital technology and the optimization of user experience. It is an important way for enterprises to achieve market expansion and brand promotion in the digital economy era.

2.2. China's Digital Economy

The connotation of China's digital economy background involves the integration of digital technology and economic development, including the application of digital technology, the development trend and the impact of digital economy, and other aspects. In the context of China's digital economy, the application scope of digital technology is constantly expanding, with the widespread application of technologies such as artificial intelligence, big data, cloud computing, and the Internet of Things. The development of these technologies
has driven the digital transformation of various industries, boosting the improvement of production efficiency and service quality [4]. The development of the digital economy is exhibiting a pattern of diversification and innovation. The digital economy has emerged as a significant driver of economic growth in China, stimulating the restructuring of the industrial landscape and enhancing the country's capacity for innovation. This, in turn, has contributed to the evolution of the Chinese economy, facilitating its transition towards a more advanced and diversified economic structure [5]. The impact of the digital economy on social development is becoming increasingly prominent. The rapid development of the digital economy has driven changes in employment growth, consumption upgrading, industrial upgrading, and other aspects, promoting the optimization of economic structure and the coordination of social development [6].

In summary, the connotation of China's digital economy background involves the application of digital technology, the development trend and impact of the digital economy, etc. The digital economy has become an important engine of China's economic development and has had a profound impact on economic and social development. By persistently advocating for digital transformation and innovative development, China's digital economy will provide a new source of impetus for economic growth and social progress.

3. Analysis of the Current Problems of Online Marketing for SMEs in Wenzhou

The self-problems of small and medium-sized enterprises in Wenzhou make it difficult to achieve true online marketing. Online marketing is the process of fully utilizing modern information technology for marketing activities. In order to ensure the effective operation of the information system, enterprises need to have their own technical and management talents. Except for some emerging technology-based small and medium-sized enterprises, most of them have a low level of informatization and lack information technology talents [7]. Online marketing not only involves a large amount of investment and technological changes, but also entails a series of issues such as the business and management processes, organizational structure, and management systems of enterprises.

3.1. Conceptual Issues

Small and medium-sized enterprises often exhibit a certain degree of lag when facing the arrival of new things. This phenomenon is largely attributable to the limited sensitivity of internal personnel to changes in new information and their inadequate comprehension of new information [8]. Small and medium-sized enterprises in Wenzhou are also confronted with the challenge of inadequate and outdated network marketing concepts.

Firstly, many small and medium-sized enterprises in Wenzhou operate with outdated management methods and ideas, and some still remain in a family style management state. Their management concepts and organizational structures are not aligned with the demands of informatization. These enterprises are deficient in their awareness of online marketing and fail to recognize the significance of digital transformation for their development. It is possible that these enterprises lack the requisite knowledge to market their products or services online, let alone to promote their brand through the internet.

Furthermore, small and medium-sized enterprises in Wenzhou lack innovation awareness in online marketing, with single marketing content and outdated presentation methods, which are unable to capture user attention and enhance brand influence. Although some small and medium-sized enterprises in Wenzhou have initiated efforts to engage in online marketing, they have yet to fully comprehend the essence of online marketing. Some enterprises may confuse online advertising with online marketing, assuming that simply placing advertisements online will achieve their marketing goals. However, online marketing is not only about advertising, but also includes various aspects such as the construction of corporate websites, content dissemination, and social media interaction. It is difficult to achieve long-term marketing results through a sole reliance on advertising.

Finally, there is a lack of awareness among companies in Wenzhou of data analysis and user experience, as well as a dearth of data-driven marketing strategies and an inability to accurately comprehend user needs and behaviors, which consequently impairs the effectiveness of marketing. This concept exerts competitive pressure on enterprises in the digital economy era, affecting their development.

3.2. Market Positioning Issues

Market positioning is the process by which an enterprise determines its position and positioning in the target market in market competition. It is the foundation for formulating marketing strategies and promotional activities [9]. In the online marketing of small and medium-sized enterprises in Wenzhou, market positioning issues involve product positioning, target customer groups, competitor analysis, and other aspects. Multiple factors need to be comprehensively considered to achieve precise docking with the target market and target customers.

Firstly, small and medium-sized enterprises in Wenzhou must clarify their outdated product positioning. The market is in a state of constant flux, and the popularity of products is similarly in a state of constant flux. The pace of product iteration is rapid, yet the research methodologies employed are unable to keep up with the speed of trend changes. Some small and medium-sized enterprises still focus on the research and development and production of traditional products. Consequently, products lack distinctive characteristics and attractiveness, making it difficult to attract the attention and recognition of target customer groups. Companies with outdated product positioning often lack differentiation advantages compared to their competitors, which results in severe product homogenization. These enterprises persist in employing traditional product positioning strategies and marketing methods, which are unable to adapt to market changes and shifts in consumer demand, resulting in product rigidity.

Secondly, small and medium-sized enterprises in Wenzhou are not clear about customer market segmentation and have not understood the characteristics and preferences of their target customers. By conducting a comprehensive analysis of the target customer group's age, gender, geographical location, consumption habits, and other relevant factors, enterprises can divide the market into different segmented markets, providing a basis for targeted marketing.

In addition, small and medium-sized enterprises in Wenzhou also need to consider the competitive environment and market trends. With the end of the COVID-19 and the
gradual rise of e-commerce abroad, enterprises should closely monitor market trends and should not only be limited to local cooperative customers and interpersonal relationships. It is also important for enterprises to understand the trends of competitors as well as domestic and foreign markets, adjust their market positioning strategies in a timely manner.

3.3. Talent Shortage Issue

Wenzhou's small and medium-sized enterprises face the problem of talent shortage, which is manifested in three specific aspects. Firstly, the enterprise itself lacks talent reserves. In recent years, the rise of online marketing has led to an increase in the demand for professional talents. However, due to the outdated concept of online marketing previously discussed, small and medium-sized enterprises have neglected the demand for talents related to online marketing, resulting in insufficient talent reserves for the enterprise itself.

Secondly, the issue of a talent shortage is also evident in the mobility of talent. Nowadays, the competition in the field of online marketing is fierce, and talents with professional knowledge and skills in online marketing are often more easily attracted by other large cities or enterprises. The majority of small and medium-sized enterprises are reluctant to offer high salaries and benefits to retain existing employees, which results in a loss of talent within these enterprises.

Furthermore, the current situation of Wenzhou's small and medium-sized enterprises facing the talent shortage in the field of online marketing is also attributed to the inadequate talent training mechanism. In light of the rapid evolution of knowledge in the field, it is imperative for enterprises to prioritize the continuous cultivation and updating of the knowledge and skills of their online marketing personnel. However, Wenzhou small and medium-sized enterprises are relatively stingy in funding talent cultivation, as they believe that employees only need to do their current job well. This has led to a lag and insufficient expansion of online marketing talent cultivation, which is difficult to meet the needs of enterprise development.

3.4. Legal Regulations Issues

The current situation of policies related to online marketing in China mainly includes management of network information dissemination, formulation of e-commerce regulations, data security, and privacy protection. The Chinese government has issued a series of policies related to online marketing, including the Interim Measures for Internet Advertising Management, the E-commerce Law and other regulatory documents, which regulate online advertising, e-commerce transactions, data security and other behaviors. The government actively encourages the development of the digital economy, supports enterprises to use the Internet platform to carry out online marketing activities, and promotes economic growth and employment creation [10].

There are some issues with the implementation of Wenzhou's online marketing policies. On the one hand, some local governments have insufficient supervision over online marketing activities, resulting in some enterprises engaging in illegal and irregular behavior, which affects market order and consumer rights. On the other hand, there are issues with data security and privacy protection in the field of online marketing. The government needs to strengthen the protection and supervision of personal information to prevent data leakage and infringement in online marketing activities [11].

Comparison of Representative Cities

Shanghai and Hangzhou, as representative cities in China, have made significant progress in the field of digital network marketing for small and medium-sized enterprises, which is worth learning and imitating for those in Wenzhou.

Firstly, taking Shanghai as an example, as the economic center city of China, small and medium-sized enterprises (SMEs) in Shanghai are in a leading position in the field of digital network marketing. Shanghai SMEs integrate online and offline resources, build an omni-channel marketing system, achieve online and offline interaction, and improve user experience. For instance, the implementation of precision marketing through social media platforms and e-commerce platforms is a strategy that can be employed to attract target customer groups and increase sales. Additionally, they concentrate on data analysis and user feedback, consistently optimizing marketing strategies, and improving market response speed and accuracy [12].

In Hangzhou, the e-commerce capital of China, small and medium-sized enterprises (SMEs) are also thriving in the digital network marketing sector. Hangzhou SMEs make full use of e-commerce platform resources such as Alibaba to carry out online marketing activities and expand the online market. At the same time, they focus on content marketing and brand building, attracting user attention and enhancing brand influence through original content, interactive marketing, and other methods. And they actively participate in promotional activities on e-commerce platforms to increase product exposure and sales volume.

Compared with Shanghai and Hangzhou, small and medium-sized enterprises (SMEs) in Wenzhou also have their own characteristics and development status in digital network marketing. Wenzhou SMEs pay more attention to traditional marketing channels such as exhibitions and agents, and have relatively low investment and emphasis on digital network marketing. They have certain deficiencies in the construction of online marketing teams and the application of digital technology, lacking professional talents and technical support, which affects the effectiveness and competitiveness of online marketing. However, small and medium-sized enterprises in Wenzhou also have the potential and opportunities to develop digital online marketing. SMEs in representative cities like Shanghai and Hangzhou have demonstrated advanced levels and accomplishments in digital network marketing, providing valuable insights and inspiration for small and medium-sized enterprises in Wenzhou. Wenzhou can draw on the successful experiences of their counterparts in Shanghai and Hangzhou, enhance the development of online marketing teams, improve their digital technology application capabilities, formulate clear online marketing strategies, strengthen data analysis and user experience, expand the online market, reinforce brand building, and achieve effective development of online marketing.

4. Strategies for Online Marketing of SMEs in Wenzhou

4.1. Transform Marketing Concepts and Strengthen Awareness

A lack of understanding of marketing among small and medium-sized enterprises (SMEs) represents a significant obstacle to their potential for further growth and development. To overcome this obstacle, it is necessary for them to implement more effective marketing strategies. Firstly, they must enhance their comprehension of contemporary
marketing concepts. In the current marketing landscape, although products remain the primary focus of marketing, enterprises must prioritize the needs of their core consumers. The marketing methods employed by a company are contingent upon the preferences of its consumer base. Only products that satisfy consumers can successfully complete consumer transactions and realize value in use.

Secondly, small and medium-sized enterprises must enhance their capacity for learning and adopt contemporary marketing concepts to establish a robust marketing system, which serves as the foundation for innovative marketing strategies for enterprises [8]. One strategy for enhancing employees' awareness and understanding of online marketing is to organize internal training and invite professional consultants to provide guidance. The training content may include the fundamental concepts, optimal practices, market trends, and other pertinent aspects of digital marketing. This approach can facilitate an accurate comprehension of the significance and methodologies associated with online marketing, thereby enabling employees to develop a sound understanding of this domain.

Additionally, enterprises may benefit from studying the online marketing cases and experiences of other successful enterprises in order to gain insight into the most effective practices within the industry. It is essential to develop clear online marketing strategies and plans, including target customer groups, marketing channels, content strategies, promotion methods, and others. The development of comprehensive plans enables enterprises to more effectively execute online marketing activities, enhance their effectiveness, and improve their return on investment. Moreover, enterprises must continuously innovate and optimize their marketing content and strategies, enhance the user experience and brand value, and attract more customer attention and participation.

4.2. Expand the Market and Target Precise Customer Groups

Wenzhou small and medium-sized enterprises can open up the network market through platforms such as TikTok at home and abroad, and accurately target customer groups. TikTok, as a short video social platform, has a huge user base, providing a new marketing channel for enterprises. By conducting marketing activities on platforms such as TikTok, Wenzhou SMEs can achieve precision marketing, attract target customer groups, enhance brand awareness and sales.

Firstly, Wenzhou SMEs can utilize the advertising placement functions of platforms such as TikTok, and display advertisements to users who are highly matched with the target customer group of the enterprise through precise advertising positioning functions. Enterprises can deliver targeted advertising based on user interests, age, geographic location, and other information to increase advertising exposure and conversion rates. Secondly, enterprises need to constantly innovate marketing methods and content to attract user attention and enhance brand value. They can try to combine emerging digital marketing tools and platforms, such as social media, short video marketing, etc., to create attractive marketing content, improve user engagement and conversion rates. Wenzhou small and medium-sized enterprises can leverage the content creation functions of platforms such as TikTok to create creative and attractive short video content, attracting user interaction. By publishing interesting and unique video content, companies can increase user awareness and favorability towards the brand, enhance user engagement and retention. In addition, small and medium-sized enterprises in Wenzhou can also expand brand exposure by collaborating with Key Opinion Leaders (KOLs) and leveraging their influence and fan base. KOLs have a large number of fans and influence on platforms such as TikTok. Collaborating with KOLs can help companies quickly attract the attention of target customer groups, improve brand awareness and credibility. Furthermore, small and medium-sized enterprises in Wenzhou can use big data analysis tools and artificial intelligence technology from platforms to analyze user behavior data and interaction, gain a deeper understanding of the interests and preferences of the target customer group, accurately locate the target customer group, develop personalized marketing strategies, and optimize marketing strategies. Through data-driven marketing methods, enterprises can better understand user needs, develop personalized marketing plans, and improve marketing effectiveness and conversion rates.

By conducting precision marketing activities on platforms such as TikTok, Wenzhou small and medium-sized enterprises can achieve precise positioning of target customer groups, enhance brand influence and sales performance. By utilizing the characteristics and advantages of short video platforms, combined with creative content and data analysis, enterprises can achieve deep interaction with target customers, promoting the sustainable development and growth of the brand. In the era of digital economy, seizing the opportunity of short video marketing will bring new opportunities and challenges to the network market development of small and medium-sized enterprises in Wenzhou.

4.3. Talent Driven System and Multi-Party Cooperation

In the process of digital transformation, talent is the core driving force for enterprise development. Having professional network marketing talents will help enterprises better cope with the challenges of the digital economy, achieve sustained growth and success. Wenzhou small and medium-sized enterprises can expand their online marketing through talent cultivation, talent attraction, and talent docking in order to enhance their competitiveness.

Firstly, talent cultivation is a crucial aspect, as it involves training and enhancing the online marketing capabilities of existing employees, continuously learning and following up on industry trends. Wenzhou small and medium-sized enterprises can enhance their employees’ knowledge and skills in online marketing by organizing internal training, external training courses, and inviting professionals for guidance. The training content can cover the basic concepts, best practices, market trends, etc. of digital marketing, which can help employees understand the importance and methods of online marketing, and promote the digital transformation of enterprises. Enterprise leaders and managers need to constantly learn and follow up on the latest developments in the field of online marketing, understand industry trends and competitor strategies, adjust the company's online marketing strategy in a timely manner, and maintain competitiveness. Secondly, the recruitment of talented individuals represents a pivotal aspect. Wenzhou SMEs can attract excellent online marketing talents to join the enterprise by providing competitive salary and bonus, a good working environment, and development career opportunities. At the same time, enterprises can cooperate with universities and colleges,
participate in job fairs and other activities to attract young talents to join the enterprise. Young talents usually have strong digital awareness and network marketing skills, which can bring new ideas and inject new vitality into the enterprise. In addition, it is similarly important to consider the role of talent cooperation and docking in this context. Wenzhou SMEs can collaborate with professional online marketing companies, outsource some of their online marketing work, and leverage the experience and resources of professional teams to improve the effectiveness of online marketing. Concurrently, enterprises may establish connections with industry associations, chambers of commerce, and other organizations with the objective of identifying suitable partners and resources, and jointly promoting the advancement of online marketing.

Wenzhou small and medium-sized enterprises should attach importance to talent cultivation and attraction, establish a sound talent management system, provide a solid talent foundation for the development of online marketing, and achieve sustainable development and competitive advantages. By continuously optimizing talent cultivation, attraction, and docking mechanisms, Wenzhou small and medium-sized enterprises will be able to successfully expand their online marketing in the context of the digital economy, adapt to the development needs of the digital economy era, and achieve sustained growth and development of the enterprise.

4.4. Policy Support and System Improvement

The Wenzhou government can promote the expansion of online marketing by small and medium-sized enterprises in Wenzhou through policy support and improvement of the system, and promote the digital transformation and development of enterprises. The government plays a crucial role in formulating policies and providing support, creating a favorable business environment for small and medium-sized enterprises, and stimulating their innovation vitality and competitiveness.

Firstly, the government can encourage enterprises to increase their investment in online marketing and improve marketing effectiveness by introducing policies and measures to support the development of small and medium-sized enterprises. They could formulate tax incentives, fiscal subsidies, innovation incentives, etc. to encourage enterprises to increase their investment in digital marketing, improve their digital level, and enhance market competitiveness. Secondly, the government can establish a comprehensive network marketing service system to provide professional consulting guidance and technical support for small and medium-sized enterprises. They may establish platforms such as network marketing training centers and digital transformation demonstration bases to provide enterprises with network marketing knowledge training, technical guidance, and practical opportunities, helping them improve their network marketing capabilities. In addition, the government can also strengthen supervision and regulation of the field of online marketing for small and medium-sized enterprises, and promote the healthy development of the industry. By establishing industry standards and norms for online marketing, it can strengthen supervision of online marketing advertising, data security, and other aspects, protect the legitimate rights and interests of enterprises and consumers, and maintain market order. Moreover, the government could promote innovation and application of online marketing technology by promoting industry university research cooperation. They can support enterprises to cooperate with universities and research institutions to carry out research and development of network marketing technology, promote the transformation of scientific and technological achievements, and provide innovative network marketing solutions for enterprises.

Through policy support and improving the system, the Wenzhou government can promote the expansion of online marketing for small and medium-sized enterprises, and promote their digital transformation and development. The government’s policy support and service system will provide more development opportunities and resource support for enterprises, helping them seize opportunities, respond to challenges, and achieve sustainable development and competitive advantages in the digital economy era. In the era of digital economy, government support and guidance will play an important role in promoting the development of online marketing for small and medium-sized enterprises. The Wenzhou government should actively introduce relevant policies, improve the service system, provide more support and assistance to small and medium-sized enterprises, jointly promote the development of online marketing for small and medium-sized enterprises in Wenzhou, and achieve sustained economic growth and prosperity. Through cooperation between the government and enterprises, small and medium-sized enterprises in Wenzhou will be able to successfully expand and develop online marketing in the context of the digital economy.

5. Conclusion

In the context of the flourishing digital economy, small and medium-sized enterprises in Wenzhou are confronted with a multitude of challenges and opportunities in the field of online marketing. This article presents the results of an in-depth investigation into the online marketing strategies employed by small and medium-sized enterprises (SMEs) in Wenzhou. The findings of this research have led to the formulation of a series of new strategies designed to assist these enterprises in adapting more effectively to the digital marketing environment and enhancing their market competitiveness.

Firstly, this article proposes an analysis of the current situation and existing problems of online marketing for small and medium-sized enterprises in Wenzhou. In terms of online marketing concepts, small and medium-sized enterprises in Wenzhou lack a comprehensive understanding of the advantages of digital marketing and are unable to recognize the significance of digital transformation for enterprise development. In terms of market positioning, Wenzhou’s small and medium-sized enterprises have outdated product positioning, unclear segmentation of customer markets, and are limited to local cooperative customers and interpersonal relationships. In terms of human resources, small and medium-sized enterprises in Wenzhou encounter difficulties in retaining online marketing professionals and are reluctant to invest in the development of relevant knowledge and skills among their existing employees. With regard to legislation and regulation, local authorities have been observed to lack sufficient publicity and support for online marketing, as well as inadequate supervision of existing online marketing activities. This has resulted in issues such as data security and privacy protection. Secondly, this article examines the exemplary performance of online marketing in Shanghai and Hangzhou, with a view to identifying potential reference
points for small and medium-sized enterprises in Wenzhou and offering insights into how to overcome the challenges encountered during the development process. Finally, based on the challenges faced by small and medium-sized enterprises in Wenzhou, a series of recommendations for optimizing online marketing strategies are presented. Wenzhou small and medium-sized enterprises must fully comprehend the significance of digital transformation for online marketing and undergo a comprehensive transformation from conceptualization to tangible implementation. The introduction of advanced digital technology and tools enables enterprises to more accurately identify target markets, implement personalized marketing strategies, and enhance the efficiency of their marketing operations. The utilization of emerging channels, such as social media and short video platforms, for brand promotion and interactive marketing can effectively enhance brand awareness and user stickiness. Wenzhou small and medium-sized enterprises must establish a comprehensive data collection, analysis, and application system. This system should be used to optimize online marketing strategies through data-driven methods, thereby achieving precision marketing and continuous improvement. They need to prioritize the cultivation and development of talent, enhancing the professional competence and innovation capacity of their teams. This will facilitate the provision of robust talent support for online marketing. The Wenzhou government can also provide substantial support for the online marketing module in Wenzhou by actively promoting digital transformation, proposing relevant incentive policies, establishing a network marketing service system, and strengthening network supervision.

In conclusion, in the context of the digital economy, small and medium-sized enterprises in Wenzhou must adopt new online marketing strategies to adapt to market changes and development trends. By implementing digital transformation, diversifying their online marketing channels, leveraging data-driven strategies, and cultivating talent, enterprises can enhance their competitiveness and achieve sustainable development.

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