Research on Marketing Strategy Innovation of Xi'an Small and Medium-sized Private Enterprises in New Media Era

Chun Li Huang and Cong Wang

Abstract. With the rapid development of new media, new media applications have penetrated into all aspects of business. For private SMEs, in the new media era, how to meet the needs of enterprise development and promote the innovation of marketing strategy is very important. By using the research methods of literature, questionnaire investigation and interview, this paper discusses the impact of new media on enterprise marketing, analyzes the current situation and existing problems of marketing of private small and medium-sized enterprises in Xi'an. In the end, suggestions to the marketing strategy innovation of private SMEs in Xi'an are put forward in the thesis, which intends to provide some references to marketing innovation of local private SMEs.

Keywords: New Media; Marketing; Private Enterprises; SMEs

I. Introduction

In 2016, China's Internet users reached 731 million, and the Internet penetration rate was 53.2%. With the development of digital and information technology, various new media such as mobile media, IPTV, blog, micro-blog, APP, LBS and so on, appear continuously. China has entered the new media era. These new media have in common the characteristics of participation, openness, communication, community and connectivity. They are gradually changing people's media use habit and purchasing mode and also permeating all aspects of enterprise marketing fundamentally. In this new era, for small and medium-sized private enterprises (simplified as SMEs hereafter), the use of traditional marketing strategy only is not enough, marketing innovation on
which basis is necessary. How to strengthen marketing innovation, further to
cater to the needs of consumers in the new media era, efficiently achieve
marketing results, improve enterprise efficiency and competitiveness, is crucial
to enterprises.

They should actively explore the impact of new media on marketing
strategy and analyze the importance of innovation of marketing strategy. For
private SMEs, it is of great and profound significance to reveal the
characteristics and skills of deep integration of new media and marketing.
Suggestions to the marketing strategy innovation of private SMEs are urgently
needed. The innovation of marketing strategy will help SMEs break through
their current development bottlenecks and increase economic benefits.
Furthermore, it may drive the innovation of the whole enterprise management,
and then promote the development of private SMEs.

II. The Meaning of New Media and New Media Marketing
New media refer to the media which disseminate digital text, sound and image
information based on computer information processing technology, by various
modern communication means, such as broadband, wireless, cable, satellite
networks, etc. These new media are unlikely to prove qualitatively different
from the old. They are platforms for user information sharing and social
activities, whose coral feature is interactive. The main content of them is UGC
(user production content), and the key structure of them is the relationship
network.

New media marketing refers to the marketing activities using new media
tools. At present, the main carriers of new media marketing consist of Internet
new media, mobile phone new media, new TV media and outdoor new media.
The common methods used in new media marketing include viral marketing,
community marketing, database marketing, reverse communication,
experiential marketing, word of mouth marketing, precision marketing, event
marketing, etc.

III. The Current Situation & Problems of the Marketing of Private SMEs
in Xi'an
By the end of 2016, there were 746,703 market participants in Xi'an, which
include 231,908 private enterprises, and the tertiary industry has become the
largest industrial sector in Xi'an. The private SMEs in Xi'an play a more and
more important role in stimulating economic growth of the city. With the
vigorous development of new media, the marketing thinking of many local
SMEs can’t keep up with the requirements of the times, and some are lagging
behind. How to carry out the new marketing strategy of new media thinking is
an important question to SMEs. Combining traditional media with new media
to promote sales is a common marketing strategy for private SMEs in Xi'an.
Under specific circumstances, different industries and enterprises have different marketing strategies. There are some common marketing strategies including portal marketing, WeChat marketing, micro-blog marketing, micro store marketing, online video marketing, search engine marketing, E-mail marketing, BBS marketing, IM marketing, mobile phone new media marketing, etc. For example, some marketing methods are usually used to improve marketing effectiveness by the traditional publishing enterprises, which include the construction of publishing house website, direct sales of electronic publications, joining electronic newspapers sales platform and other ways. Another example is that cosmetics industrial enterprises set up official direct micro stores and online shops to sell their products.

The new media marketing has brought great changes to the marketing of some local private SMEs. The changes are as follows: Firstly, it reduces the marketing cost and accelerates the speed of information transmission. Secondly, it extends the creative field of marketing. Thirdly, it can accurately position the target market, meet customers’ personalized demands, and effectively deliver comprehensive, scientific solutions. Fourthly, it is characterized by timeliness and sharing, which can significantly improve marketing results of enterprises by the use of interactive marketing, topic marketing, viral marketing and other ways. However, in the new media era, there are still many existing problems as far as the marketing for private SMEs in Xi'an is concerned.

First, many local private SMEs have had marketing myopia. With the rapid development of the Internet, coupled with the popularity of mobile phone, tablet computer and other mobile terminals, the new media are more and more widely used, which not only changes the consumers' media habits, but also changes the marketing concept of enterprises. In this era, some SMEs in Xi'an haven't changed their marketing concept in time, and lack scientific and effective planning in marketing management. The marketing of some of them pays too much attention to the income of products or services while ignoring the cultivation of core competence.

Second, the marketing of most of the private SMEs in Xi'an lacks innovation, which has led to poor competitiveness.

Third, lack of high-quality and compound marketing talents. In the new media era, enterprises need a large number of high-quality and complex marketing talents in the course of construction and development. Because of low visibility and the imperfect welfare treatment mechanism, it is difficult for private SMEs to attract excellent marketing talents, and the turnover rate of existing ones is also high.

Fourth, the total operation capacity of new media marketing is weak. Although the new media application has made rapid progress in China, many private enterprises simply rely on the releases of enterprise brand and various activity information on various new media to gather the brand consumers. The
new media is less applied in the profit mode. Most of the private SMEs in Xi'an lack such necessary competences as new media operation, brand building and new media technical support.

Fifth, the innovation ability of new media marketing is weak. In the new media era, the marketing environment of private SMEs in Xi'an has changed greatly. The spending patterns and media usage habits of consumers are changing. Some private SMEs are also eager to make marketing innovation. However, due to the lack of mature experience in new media marketing, they can only continue to explore marketing innovation with the result that the speed of innovation is slow, and the overall innovation capability is weak.

IV. Suggestions

1. Suggestions to general marketing steps
   Before carrying out marketing, private SMEs should take a full range of systematic thinking on the marketing forms and profit models of their products or services, set specific marketing goals and make decisions from the following four steps.
   (1) Accurate market segmentation and market positioning
       First of all, enterprises should be familiar with the characteristics and advantages of their own products or services, and think about the needs of customers. On the basis of analysis and prediction of the overall market, detailed market segmentation and accurate market positioning are to be carried out.
   (2) Selecting suitable marketing media and marketing channels
       When choosing the marketing media and marketing channels, private SMEs should make scientific decisions in the light of their own resource size, technical ability and operation capability. They can choose traditional media, new media, or the combination of the two to carry out marketing.
   (3) The choice of marketing strategy
   (4) The construction of marketing effect and innovation ability evaluation system
       Enterprises should build a scientific and effective evaluation system of marketing effect and innovation ability. The effective evaluation system will enable them to understand their own weaknesses in the course of construction and development and guide the said to strengthen the marketing management and improve their core competitiveness.

2. Suggestions to marketing strategy innovation
   In the new media era, enterprises must establish new marketing and competition concept. New media marketing has many advantages. How to integrate new media and traditional media for marketing innovation is an important issue that every enterprise must take into account. They should pay attention to the introduction and training of marketing innovative talents, and
set up some new media marketing specialization teams to better serve the innovation of enterprise marketing strategy. When carrying out new media marketing, they can choose the following strategies of new media marketing:

(1) Portal marketing
Enterprises carry out the marketing of products or services through their own portal websites. The website interface style should match with their self-images and proprietary products. They can use the necessary network marketing tools such as query tools and statistical tools to advance the implementation effect of network marketing. They should choose appropriate promotion methods, such as advertising on industry websites and using the search engine for keyword advertising.

(2) Search engine marketing
When advertising on search engines, first of all, enterprises should choose appropriate ones according to the budget, the characteristics of the customer groups, and different search engine features. Baidu has the highest market share in the search engine market in China, and can offer services of search engine ads in accordance with different provinces, which has large quantities of users. Google users are characterized by their high education and high incomes. When items go on sale, the products or services can be registered on the classified catalogues of some search engines (such as Sina, Sohu, NetEase and other portals). Enterprises can increase the chances that their own site will be searched by exchanging links on other websites. When private SMEs are carrying out the search engine marketing, the keywords could be selected according to the characteristics of their own products or services and some current social hot words.

(3) Social media marketing
According to the characteristics of products or services, investment size and so on, private SMEs may consider one or more combinations of marketing methods, such as blog marketing, micro-blog marketing, WeChat marketing, SNS marketing, and forum marketing, etc. Before carrying out blog marketing, they should select the appropriate third party blog platform (such as Sina blog, Sohu blog, Baidu space, QQ space, Renren, etc.) or build their own blog platforms. The selected blog platform should have higher visibility and weight advantages of search engines, which is conducive to the promotion of their products or services. While carrying out Micro-blog marketing, they should pay attention to the accurate positioning of target customers, attract valuable fans, and capture commercial value from micro-blog fans. They should pay attention to differentiated micro-blog marketing, shape the personalized features of their own micro-blogs, and continue to accumulate target fans. The frequency and total number of micro-blog releases should be controlled. In general, the total number of micro-blog items released is about 10-20 a day. Enterprises should choose the active time of micro-blog users for the release of
marketing information. Companies may also choose the right SNS platforms for web advertising and implantable marketing (such as SNS game placement ads) based on the nature and characteristics of their products or services, or achieve viral marketing through the SNS platforms. When carrying out viral marketing, they should first select the source of the virus transmission, such as influential users on the SNS platform. Secondly, the content of viral marketing should be suitable for sharing between users. For example, enterprises can provide free resources for users, and conduct interesting tests to achieve product placement. Finally, the marketing effect evaluation is essential.

(4) Mobile marketing
When carrying out mobile marketing, enterprises may use two-dimensional code marketing, LBS marketing, mobile advertising, APP marketing and so on. Attention should be paid to marketing innovation. When carrying out two-dimensional code marketing, they may create vivid, interesting and real-time two-dimensional codes. They can also combine two-dimensional code marketing with event marketing to achieve better marketing effect. LBS marketing is often used in enterprise brand APP. LBS marketing can usually promote the actual purchasing behaviors of customers, and increase marketing interest, interaction and sales revenue by encouraging consumers to sign up at a certain store of the brand.

(5) Micro film marketing
First of all, enterprises should know whether their products or services are suitable for micro film marketing. In 2017, Internet users in China show a trend of being younger. Therefore, when carrying out micro film marketing, advertisers must consider the actual situation of Internet users in China, identify the target customers, and select appropriate micro film marketing strategy that meets the customers' needs. When choosing micro movie marketing strategies, SMEs can consider entertainment marketing, emotional marketing, word-of-mouth marketing, star marketing and other strategies. A frequently used strategy of entertainment marketing is to inject entertainment elements into the plot of the micro movie and establish contact with customers so as to achieve the purpose of product promotion and brand image promotion. When using emotional marketing strategy, enterprises may implant the product or service image in the emotional stories. In order to achieve consumer level resonance, the emotional stories planned must deeply touch the hearts of them. When enterprises launch word-of-mouth marketing, they should try to find influential audiences and encourage their spontaneous comments, sharing and forwarding.

(6) Virtual game marketing
Enterprises should choose the appropriate way of virtual game marketing according to their own brand influence. The virtual game marketing mainly includes brand customization and brand implantation. How to achieve the
balance between brand information and game experience is very important.

Enterprises should make clear the degree of overlap between the target customers and the game players. Under the premise of ensuring the players’ gaming experience, they organically integrate their own brand content and game. Some marketing strategies are as follows: First, after purchasing goods in the real world, consumers can obtain brand customization game props and special rewards in the game. Second, the brand information appears in the game in the forms of game props, game rewards and so on. Moreover, enterprises should allow consumers to use game currency in the real world. Third, they should design the related game sessions according to the needs of brand marketing.

Fund Project:
This research was supported by Xi’an Social Science Foundation Project “Research on Marketing Strategy Innovation of Xi’an Small and Medium-sized Private Enterprises in New Media Era” under Grant 16XF07 as well as Xi’an FANYI University Science Foundation Project “The Research on Marketing Model Innovation of Private Enterprises in Xi’an in the Time of Internet Plus” under Grant 16A01.

About the authors:
Chunli Huang, lecturer of Xi’an FANYI University, research field: business management, marketing.
Cong Wang, professor of Xi’an FANYI University, research field: international trade.

References