

Analysis on the Changes of Internet Marketing and Its Influence Under the Guidance of Integrated Marketing Communication: Taking Genki Forest as an Example

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ABSTRACT

With the progress of information technology and the change of business environment, the marketing strategy adopted by brands or companies is changed from traditional marketing to Internet marketing. In this process, marketing communication as the main means of implementing marketing strategy is the part that produces the biggest change. Therefore, this paper puts forward the concept of integrated marketing communication, and studies the differences between traditional marketing and Internet marketing in the implementation of marketing strategies (4Ps) from the perspective of marketing communication based on relevant literature, mainly in the choice of marketing channels. In addition, this paper also studies the reasons why the emerging Internet beverage brand Genki Forest has developed rapidly in just four to five years, and analyzes the application of integrated marketing communication in the current Internet era from the three aspects of product power and pricing, digital marketing communication and new retail offline distribution, so as to provide a reference for other brands and companies.

Keywords: *Integrated marketing Communication, Internet marketing, Traditional marketing, 4Ps, Genki Forest.*

1. INTRODUCTION

With the advancement of information technology in human society, the Internet and emerging technologies are fundamentally changing the way the world interacts and communicates[1]. In order to adapt to the change of consumer behavior in a timely manner, the marketing strategy and the corresponding marketing communication built by the brand based on its own business environment need to complete the transformation from traditional to digital or even Internet-based, so as to improve the brand's influence and competitiveness in the market as much as possible. Therefore, it is important for managers to discover the differences between traditional marketing strategies and modern, highly internet-integrated marketing strategies, especially the evolution in marketing communication. Modern integrated marketing communication can help brands or

companies better choose the optimal marketing mix so as to better meet the needs of contemporary consumers. In just four of the past five years, China's emerging beverage brand Genki Forest has been valued at \$2 billion. And it surpassed Coca-Cola for the first time to become the best-selling beverage brand in China at the 618 Shopping Festival during the COVID-19 epidemic in 2020[2]. Genki Forest is the successful use of modern Internet marketing strategy, from multiple aspects to the target group to fully convey its brand and product information, so as to achieve incredible achievements in a short time. At the same time, it will be a good example for other brands or companies. Therefore, this paper will take literature review as the research method. First, the author will compare the difference between traditional marketing and modern marketing from the perspective of marketing communication. The comparison provides a reference for the

transformation of traditional marketing to digital marketing. Secondly, this study will analyze the impact of modern marketing strategies on the application of Yuanqi Forest products, in order to inspire more Internet companies to develop better marketing strategies. The author finds that if companies properly apply the integrated marketing communication strategy, it will help the start-up brand to grow rapidly, especially the connected enterprise.

2. THE DEVELOPMENT OF THE INTEGRATED MARKETING COMMUNICATION

Due to information technology innovation in the mid and late 20th century, the business environment began to develop towards media diversification, consumer market popularization, and Internet value maximization[3]. Such change led to essential changes in the field of marketing communication and promoted the emergence of integrated marketing communication[4]. Since then, IMC has played a significant and growing role in brands' and companies' marketing strategies. In the decades of IMC development, there have been many different definitions of IMC, but no agreement has been reached[5]. However, based on a critical review of previous IMC definitions, the researchers reduced IMC to five key attributes[6]: Firstly, communication should be directed at consumers and thus influence their behaviour. Secondly, customers need to be prioritized when developing marketing communications strategies. Thirdly, the brand or company needs to build a good and healthy relationship with its customers. Fourthly, in order to deliver the message correctly, all communication activities should be included in the strategic point of contact. Fifthly, in order to create a competitive brand, there needs to be coordination between communication disciplines. With the help of IMC, marketers can understand the needs of their customers while building long-term relationships in a competitive market. In addition, IMC can also deliver a highly consistent message to a brand or company's stakeholders through a variety of communication tools and channels, helping to improve the efficiency of marketing strategy implementation.

3. THE DIFFERENCE BETWEEN TRADITIONAL MARKETING AND INTERNET MARKETING

According to the Strategic Planning Process Hierarchy, there are three levels of strategy, the corporate strategy, the marketing strategy and the marketing communication strategy. It is obvious that marketing communications strategies need to be developed according to marketing strategies. Similarly, different marketing communications strategies can also reflect the differences between traditional and Internet markets. This part will analyze the differences between traditional and Internet marketing through 4Ps from the perspective of marketing communications.

3.1 Traditional Marketing

Traditional marketing mainly refers to the mainstream marketing strategy before the widespread use of the Internet. The communication channels used by traditional marketing mainly include newspaper, television, radio and mail advertising [7], which represents the one-way or linear output of the brand or company to consumers[8]. Because the marketing communication channels used by traditional marketing make it impossible for consumers to timely express their desired demands, which has imposed great restrictions on the company's 4Ps (product, pricing, promotion, place) marketing strategy. From a product perspective, the company cannot make correct adjustments to products or pricing due to the inability to obtain consumer feedback within a short period of time after the marketing information has been disseminated. Since consumers cannot be further segmented, products and pricing can only be targeted at consumer groups with a large base, such as ordinary consumers and high-end consumers. Moreover, companies cannot make timely improvements and upgrades to products and services because they lack the channels and means to quickly obtain customer reviews. In terms of promotion and location, because traditional marketing communications are carried out in offline and offline forms, brand promotions cannot take online promotional activities. This puts forward greater requirements for the selection of promotional locations. Only when the brand sets the event in a more convenient location for consumers, will consumers be more likely to participate in promotional activities. In this way, the brand can achieve better marketing effects.

These offline channels that traditional marketing based would require companies to invest a large amount of marketing and communication funds, which would cause a great burden for small companies. In addition, these channels rely heavily on print advertising (such as magazines, coupons, billboards, and other printed promotional materials) to reach consumers. The way this is imposed on consumers is likely to make consumers tired of such marketing, which further reduces the effectiveness of marketing communication. However, traditional marketing can cover the consumer groups that cannot use the characteristics of the Internet well in the modern era where Internet marketing is prevalent, such as the elderly.

3.2 Internet Marketing

Internet marketing mainly refers to the way that brands or companies promote their services or products to consumers online. Compared with traditional marketing, Internet marketing is not only limited to online business (e-commerce) but also can help offline stores to achieve marketing communication strategies. Internet marketing communication channels are more diversified and two-way interactions between brands and consumers, mainly including search engine optimization, website banner or short video advertising, social media, pay-per-click advertising and email marketing[8]. The multiple channels could help brands better lay out the company's marketing strategy in 4Ps. In the term of products and pricing, the data and qualitative results collected by the Internet's big data can help brands and companies have a more comprehensive understanding of customers to launch products or services with a higher matching degree for market segments and increase consumer response. In addition, the company can make timely adjustments according to customer experience so as to provide appropriate and reasonably priced products and services for different consumers. In terms of promotion and positioning, online marketing supports brands and companies to conduct online promotional activities, and even conduct both online and offline channels at the same time. Consumers can enter the promotion page of related products through social media or links contained in the information sent by the brand official. This allows consumers to consciously complete the entire process of AIDA on smart devices, thereby reducing geographical location restrictions on consumers and marketing activities, and improving

the consumer coverage and efficiency of marketing activities.

Finally, Internet marketing communication channels are a good choice for startups and small companies because of their lower cost compared to traditional marketing. However, for large companies or brands with sufficient marketing communication budgets, choosing an integrated marketing communication that combines traditional and Internet can help enterprises better achieve their strategic goals[9].

3.3 Difference Summarize

According to the above analysis, Internet marketing can provide brands and companies with more diversified and efficient choices in 4Ps marketing strategies than traditional marketing. Especially in terms of brands and promotions, because large-scale data statistics can enable brands to fully understand the differences and needs between different consumers, so as to launch products and services in different price ranges for them, and improve product services. The statistical method also makes the brand staff more efficient and faster. And brands can also use big data to analyze consumer behavior to launch promotional activities that maximize sales as much as possible, and conduct them online, without being subject to geographical restrictions. For brands and companies with sufficient marketing communication budgets, combining traditional and Internet marketing will achieve the best results according to the situation.

4. ANALYSIS OF THE INFLUENCE OF INTEGRATED MARKETING COMMUNICATION ON GENKI FOREST

Genki Forest is a Chinese beverage brand specializing in the production of sugar-free and low-calorie products. Its main product is fruit-flavored, sugar-free soda. With the help of China's mature Internet platform, Genki Forest has only taken four to five years to become a well-known health drink brand in China since it was founded in 2016. From the perspective of market performance, the sales volume of Genki Forest in May 2020 reached 260 million yuan, exceeding the total sales volume of 2018^[10]. In terms of financing, Genki Forest completed a new round of financing in July 2020 with a valuation of \$2 billion. Therefore, Internet marketing and corresponding integrated

marketing communicators have played a huge role in Genki Forest in just over four years, so this part will be analyzed from three aspects: product power and pricing strategy, digital marketing communication, new retail and off-line marketing distribution.

4.1 Product Power and Pricing Strategy

In the current Internet-based market environment, big data provides the possibility for brands and companies to further understand consumers, because brands can determine the needs of consumers through data analysis and prediction so as to create products or services that can meet consumers' needs. As people's awareness of health consumption increases and most consumers seek a green and sustainable lifestyle, their attitude towards food and beverage products has changed significantly accordingly. As stated in the Global Soft Drinks Trends Report[11], health and well-being have never been more important in today's global consumer value system. Therefore, in the food industry, especially in the soft drink industry, the brands that focus on consumer health will be the most successful. And Genki Forest sees an opportunity in a specific segment of the beverage market — diet soda — and is positioning itself as a healthy, fresh alternative to carbonated beverages. Its brand slogan "0 sugar, 0 calories, 0 fat" is all the rage among the younger generation because it fits the consumption habits of contemporary young people looking for products that promote a healthy lifestyle. In terms of product packaging, Genki Forest has learned from the experience of another Chinese brand MINISO. MINISO is a well-known grocery retail store in China. Because it imitates the famous Japanese grocery store MUJI, it has achieved great success. According to big data statistics, there are a large number of young two-dimensional users in China, so Japanese-style packaging products will be more attractive to these consumers, and they are more willing to pay for it. In the field of non-candy-flavored sparkling water, Japanese brands are in a leading position, so Genki Forest also decided to adopt Japanese-style packaging. The brand uses the Japanese word "ki" instead of the Chinese word "qi", plus pictures and text. Many people think that this drink is a Japanese product when they see it for the first time, and they want to buy it even more. In terms of product pricing, Genki Forest sets the retail price range at 5-6 yuan in order to strengthen the differentiation of other soda brands. Since the prices of mainstream soda brands such as Coca-Cola, Sprite, and the

general price of Fanta is around 3 yuan, these brands already have a relatively large number of regular customers. This makes the target consumer group of Genki Forest Sugar Free Sparkling Water more special, mainly for young consumers who are keen to experience new products, urban white-collar workers and sports people with strong health consciousness. These consumers value the health of products more and tend to buy fashionable products and are willing to pay a premium for them.

4.2 Digital Marketing Communication

As an Internet brand, Genki Forest uses social media as its main marketing communication channel to promote its brand and products, thus enhancing its brand awareness. First of all, picture and video advertisements are placed in a targeted and quantitative manner through WeChat and Weibo to make consumers aware of the existence of this brand and to attract some potential consumers through the unique product strength and appearance of the product. Secondly, Genki Forest has invested a large amount of budget into the KOL live broadcast or short video promotion of Little Red Book and TikTok, which has increased consumers' credibility and reputation for the brand. High-quality products can make consumers who have bought them voluntarily become brand promoters. Digital marketing through social media has greatly helped Genki Forest increase brand awareness and sales. In addition, Genki Forest has also titled some popular reality shows and variety shows, which not only greatly increased the brand exposure, but also enabled celebrities to become representatives of the brand in the shows, thus driving a large number of fans to buy. Therefore, Genki Forest's Internet-based digital integrated marketing communications help brands target specific consumer segments and measure sales conversion rates by establishing traceable sales channels[12]. In 2019, the Chinese bottled water giant joined the fruity sugar-free sparkling water track and launched a new product of "Changbai Mountain Natural Mineral Soda Water". The main product is sugar-free, airless and weakly alkaline. It has white peach and lemon flavours, and these are priced at 4-5 yuan. Although this is similar to the product positioning of Genki Forest, its sales have not been able to meet expectations due to the lack of a large number of effective Internet marketing communications.

4.3 New Retail and Off-line Marketing Distribution

New retail is a new model of offline retail that uses digital and big data tools to create new dynamics among consumers, producers, wholesalers and retailers in the physical business space. Genki Forest still values the value of offline sales and its ability to influence impulse buying decisions while conducting marketing activities such as e-commerce through the Internet. In China, convenience stores are not only the main place for consumers to generate consumption behavior, but also an important channel for new retail. As a result, Genki Forest does not focus its sales on supermarkets or complexes like other soda brands, which avoids direct competition with mature brands with larger consumer volumes. Instead, Genki Forest has shifted its focus of offline sales to convenience stores, and now offers a wide range of products under its brand in more than 80,000 convenience store chains and 100,000 offline stores, Such as Family and Lawson[12].

5. CONCLUSION

With the support of advanced information technology, IMC has become increasingly important in today's business environment. IMC enables greater consistency between various communications messages and functions, reduces costs, simplifies synergies between different departments, and makes better use of media and promotional mix elements. As a result, brands or companies using IMC are able to better coordinate traditional marketing channels with Internet marketing channels, and thus better establish a close and efficient connection with consumers. In addition to introducing the concept of IMC, this paper also analyzes the differences in strategy (4Ps) between traditional marketing and Internet marketing from the perspective of marketing channels. In addition, this paper also studies how Internet beverage brands use a series of Internet marketing tools to achieve success.

AUTHORS' CONTRIBUTIONS

This paper is independently completed by Xinjie Xu.

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