

# The Influence of New Media and Online Marketing on Shopping Festivals

## A Good Example: JD 618 Shopping Festival

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### ABSTRACT

With the development and popularization of the Internet, various short video live broadcast platforms have sprung up, such as TikTok and Kwai. The rise of the platforms, along with the existing ecommerce system, has made shopping festivals diverse and exciting. From Black Friday in the U.S., to the Double Eleven Shopping Carnival Night in China, to the JD 618 Shopping Festival, Viya Shopping Festival and various e-commerce platforms' "Good Commodity Festivals" that have emerged in recent years, every time shopping festivals will bring huge traffic and revenues. For this reason, this article mainly studies the influence of these new media platforms and a series of activities on the shopping festival via the strategic analysis into the case of the JD 618 Shopping Festival. With the analysis and suggestions in this article, firms, or platforms, are able to improve their promotion method more efficiently. At the same time, consumers can find out that what strategy these firms use to earn much money from them.

**Keywords:** *new media, JD 618, shopping festival, 4P's marketing model, promotion strategy.*

## 1. INTRODUCTION

As new media platforms come into commercial use in the development of online marketing industry, it's gaining increasing attention from both the academic and the industry to study the comprehensive impact from new media and online marketing on ecommerce. One of the most significant sides of the impact comes from shopping festivals, where diverse new media marketing platforms and the latest marketing strategies are well accepted to drive overall business growth. This study tries to delve into the details of the impact taking one of the most famous shopping festivals in Mainland China, JD 618 Shopping Festival, as the typical example, with its focus on how the new media marketing platform and the online marketing strategy benefit overall business performance. This study would also provide good strategic reference for future research into the thriving global shopping festival landscape, especially considering the fact that online shopping festivals are rapidly outrunning other traditional promotional marketing strategies today.

## 2. RESEARCH METHOD

This research applies a combination of case studies and analytical models. This report chooses a specific shopping festival, "JD 618 Shopping Festival", and does a case study to find out the influence of new media and other online marketing methods on shopping festivals. Additionally, the report applies SWOT and 4P's model to analyze the JD 618 Shopping Festival.

## 3. CASE INTRODUCTION: WHAT IS JD 618?

In 2021, multiple e-commerce platforms, such as well-known shopping platforms such as JD.com, Taobao and Tmall, will hold 618 Shopping Festival related activities. Among them, we choose "JD 618 Shopping Festival" as the typical case. Every June is JD's anniversary month, and June 18 is every year's JD anniversary day. During the store celebration month, JD.com will launch a series of large-scale promotional activities, with "June" as the promotional keyword. Among them, June 18 is the day JD.com has the annually biggest sales promotion. This day has also become a large-scale online shopping carnival.

#### 4. AN ANALYSIS of JD 618: WHY IS IT SUCCESSFUL FROM A 4P'S MARKETING MODEL PERSPECTIVE?

The 2021 “JD 618 Shopping Festival” sales have increased a lot compared to those in 2020. From 0:00 on June 1st to 14:04 on June 18th, JD 618's cumulative order amount has reached 343.8 billion yuan and it is 42.4 billion more than that of last year [1].



Figure1: JD 618 sales in 2021

According to Figure 2, the cumulative order amount of JD 618 Shopping Festival gradually achieves a growth trend from 2017 to 2021 [2].

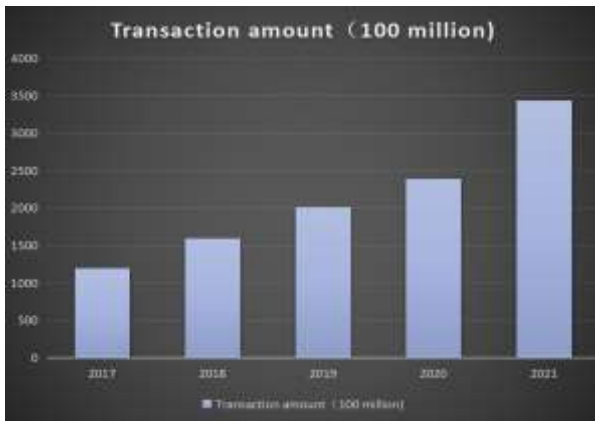


Figure2: History Sales Records

According to Figure 3, the cumulative order amount has been increasing throughout the whole shopping festival, from June 1 to June 19, and the growth rate was particularly high on the night of June 18.



Figure3: JD 618 Grand Promotion Transaction Volume Growth Curve

With the “4P’s marketing model”, we could better

understand the reason behind the success of JD 618 in 2021.



Figure4: 4 P's Marketing Model

#### 4.1 Product

In terms of products, the classification of goods on the JD platform is relatively clear. Meanwhile, JD 618 launched 44 new services and upgraded 38 services to create the excellent consumer experience. There are many official stores of well-known brands for each type of product. The products of these famous brands are guaranteed in quality, and also have better services throughout the sales lifecycle, which makes consumers feel dependent on the brand. Also, more than 30,000 new brands participated in the event this year [3]. Thus, these huge numbers of famous brands themselves could attract plenty of consumers to purchase on JD 618, especially with some discount, such as LEGO and Perfect Diary.

At the same time, JD.com has many official stores directly owned and managed by brands that are popular with young people. According to the data of JD 618, the performance of young people among the users participating in the pre-sale is particularly outstanding, and the proportion of shopping users of 16-35-year-old consumers is 12% higher than that of the whole site [4]. This also makes young consumers with higher purchasing power in shopping festivals more inclined to purchase on JD.com.

Also, the JD platform not only provides goods, but also provides diversified services. According to data, from June 1 to 18, the number of consultation orders for the Department of Traditional Chinese Medicine Dermatology of JD Health and Traditional Chinese Medicine Hospital increased nearly 10 times year-on-year, and the number of sleep consultation orders for JD Health Sleep Center increased by more

than 4 times compared with the same period in May. The number of orders for targeted psychological counseling at the Psychological Center increased by nearly 240% year-on-year, and the number of consultations at JD Health Cancer Center increased year-on-year 80% [5]. The rich diversity of products in turn increases the demand for them through JD platform.

#### **4.2 Price**

The JD platform and each merchant have their own pricing strategy for JD 618. First of all, the JD platform have certain coupons for various categories of goods. For example, if a consumer purchases a certain amount of goods, she or he could get more discounts. At the same time, the JD platform have a limited time sale event. Specifically speaking, if consumers pay the bill at midnight of 618, they can enjoy a higher discount, so that more customers tend to purchase at 12 o'clock.

Secondly, each brand also has its own promotions. For instance, consumers who buy a certain amount of goods or spend a large amount of money can get a gift from the brand, thereby increasing consumers' desire to buy more. However, there are price issues rising from the campaigns that are worth looking into. Some merchants will increase prices before the start of the shopping festival, and reduce prices during the shopping festival, so that consumers will have the illusion of saving money and buy more goods. This is obviously against the policy of the platform and should be banned, which has attracted growing concerns from both JD.com and its loyal consumers.

#### **4.3 Promotion**

JD.com applies two major promotion methods for the 618 event. The first promotion method is traditional offline and TV advertising. This type of promotion includes billboards or paper leaflets in offline physical stores, and advertisements interspersed between TV programs.

The second promotion method introduces new media channels that have emerged in recent years, including some social platforms with large user groups, such as QQ and WeChat, and users form diversified video playback platforms, such as Bilibili and YouTube, and are frequently viewed by young people, an app with more bloggers such as RED. JD platforms and merchants put on-screen advertisements on these websites respectively to create a shopping festival atmosphere with the "Buy-them-all" message. At the same time, when the shopping festival is approaching every year, users often find some related videos in their feeds that are recommending the goods purchased in the 618 Shopping Festival. These videos often give users a

psychological hint to purchase goods, and also enable users who do not have strong shopping needs to follow the trend to buy products.

The unique way to promote this year is to hold programs and special variety shows. JD 618's Shopping Crazy Evening invites some well-known actors, singers or idols with many fans to perform on the show [6]. At the same time, brands are mentioned in the show to pay sponsorship back and more importantly, encourage the audience to buy from the brands. JD 618's party pays more attention to the visual effects of the stage, so it attracts more audiences, in comparison to other shopping festivals. In some special variety shows, celebrities with high popularity will gather together to record, play games, and recommend some products to attract more fans to watch and buy. More importantly, these two activities are not carried out on the same day to avoid diversion. This year, JD 618, which went online in advance on May 31, avoided the peak of the party shows, and still received more than 200 search trends and 250 million cumulative viewers [7]. Additionally, JD platform invites some famous stars to have live show during the long period of JD 618 to appeal to more consumers.

The other is to launch JD 618 limited or cross-industry brand co-branded products. For instance, according to data, there are nearly 2.44 million new products on shelves during 618. "Limited" and "Limited time" sales can more trigger consumers' desire to shop. And cross-industry co-branded products will attract more consumers who like these brands to buy them. For example, some personal care products have Line Friends on them, just to attract more consumers with the help of the cute cartoon.

#### **4.4 Place**

JD's reliable technology supports a huge number of visits. In the early morning of June 18, the peak user visits per second on the JD platform increased by 152% over the same period last year.

In addition to the traditional direct search for goods on the JD platform, this year JD.com has cooperated with many bloggers with a large number of fans. For example, some brands will find some beauty bloggers to recommend cosmetic products, and mark the purchase link on the JD platform at the bottom of the video, so that consumers are more inclined to buy the product with simply a click on the video interface.

Besides 4P's model's analysis, the technology also promotes the fulfillment of JD 618. During the 618 period this year, 92% of districts and counties and 84% of townships across the country achieved same-day and next-day delivery [8].

## 5. CONCLUSION

The 2021 618 Shopping Festival has been innovative in many aspects, especially in new media marketing. Compared with traditional marketing models, new media marketing can attract young people with higher purchasing power, thereby increasing shopping festival sales. The integration of new media, online marketing and business didn't only benefit the shopping festival, but also helped people from various social classes to share the convenience and pleasure of ecommerce.

## 6. SUGGESTIONS

### 6.1 Suggestion 1

Firms are suggested to pay attention to the commercial promotion before the shopping festival. Both online and offline promotion are significant, and it is best to create a shopping festival atmosphere via the core marketing messages and the details of the promotion. Online promotion often focuses on choosing channels with a high degree of attention from young people. For example, promoted brands would find some bloggers on bilibili, RED and other App or websites to post some recommending videos or summary posts of goods worth buying, and also mention the discount during the shopping festival. Offline promotion should be in place with a large flow of people. For example, various counters in shopping malls should have advertisements for shopping festival activities, so as to let more customers know about shopping festival activities.

### 6.2 Suggestion 2

The duration and span of the shopping festival should be longer. Due to the untimely dissemination of information and the increasing number of products people want to buy, the shopping festival can last a little longer, allowing customers to purchase more products [9].

### 6.3 Suggestion 3

Brands should improve the quality of products and after-sales service so that consumers have a positive impression of the brand, and further make consumers dependent on some brands in an industry, thereby promoting sales.

### 6.4 Suggestion 4

Artists invited to perform in live shows by the platform must have a good reputation and a large number of fans, such as popular singers, idols, actors, etc. At the same time, the quality of the program should also be high, to attract more viewers, and to encourage them to buy more products through advertising in the program [10].

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