



Research on the Improvement of Marketing Strategy of Real Estate Projects Based on the Perspective of Capital Chain

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Abstract. The economy has switched from high-speed development to high-quality development in recent years as China's GDP growth rate has slowed, and businesses have steadily changed from high-speed capital development to structural adjustment. The country has developed more precise and clear strategies for economic development in the next five years, and the scale of industries has been adjusted as well as financial regulation and taxation. These changes have been made with the gradual release of the "14th Five-Year Plan" and the outline of the vision for the following five years. In order to achieve sustainable development, businesses in the future will need to consistently improve the internal management system that supports business operations in addition to pursuing sales and market share.

Keywords: marketing · capital chain · financial risk management; real estate

1 Introduction

All are involved in the real estate marketing sector, which has transitioned from the golden age to the gold rush era, as is well known after decades of experience. People's living standards are rising, and the idea of real estate house consumption has increased demand as a result of China's economy's ongoing expansion and fast urbanisation. Activities related to marketing strategy are carried out in the real estate industry to better meet the marketing goals of real estate firms, building the groundwork and maximising income. To summarise the research framework and further clarify this research, a survey of pertinent literature has been done in the context of real estate marketing.

The current state of capital chain management is examined, along with the factors that contribute to risk in the real estate sector from the perspectives of fund raising, use, and return flow. Beyoncé Garden is used as a case study for the financial risk management of the capital chain in this essay. Through literature induction, case study analysis, and statistical analysis, we examined the current state of financial risk from the perspective of the capital chain. We discovered that Beyoncé has a number of issues, including an illogical financing structure and a high asset-liability ratio. Based on this analysis, we made recommendations to strengthen financial risk management.

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2 Literature Review

Due to the demands of the nation's economic construction over the past three decades, the real estate market has developed and grown quickly, and real estate trading has become a well-liked form of national investment. As a result, the national economy and national income have grown quickly, making the real estate industry a crucial support sector for China's economy.

In comparison to overseas studies, China's real estate market is developing relatively slowly, and the literature on the capital chain is few and the research's depth is insufficient. Foreign academics rarely conduct thorough research on the entire process of capital raising, capital use, and capital return when it comes to capital chain studies. Instead, they tend to concentrate on one particular aspect in the capital chain. Foreign academics rarely examine the entire capital chain, from capital raising to capital use and capital return, and instead tend to concentrate on a particular capital chain operation. They do not fully assess the capital chain as a cycle in its entirety. Chinese academics' studies on the capital chain the reasons of capital chain failure, capital chain security alerts, and capital chain management recommendations are the core topics of capital chain study. Despite the fact that there are more studies on capital sources in China than abroad, the most of them are a smaller amount of study has been done on the examination of capital usage and return flow, focusing more on financing channels, debt composition, etc. The majority of studies on the sources of capital are macro-based, although they are rarely coupled with actual businesses.

The impact of the new crown epidemic and industry policies are posing unprecedented hurdles to the real estate sector, forcing many businesses to change their focus from general profitability to stability in their business operations. The market economy has been quietly changing with the successive introduction of China's "six stability and six protection" and "housing without speculation" policies. The economic benefits of enterprises are declining, obtaining bank loans is getting harder, and getting your money back is difficult. Various factors are also working together in the real estate industry. The negative effects of the industry's quick growth started to gradually become more apparent. According to Lv Xin (2010), marketing capabilities are the most crucial component of enterprise capabilities. He conducts a theoretical analysis of marketing capabilities and the components of marketing capabilities, analyses the flaws in the current theories, and points out where theory and practise should be combined. The majority of the current theory focuses on a single, in-depth topic, and the overall framework is rather vague [1]. Teng Jin (2010) notes that the current issues in real estate are due to outdated marketing concepts, unscientific marketing strategies, poor marketing management, a lack of depth in the development of new markets, and a lack of specialised marketing tools. Teng Jin suggests strengthening the marketing strategy of Chinese real estate enterprises from four angles: the first is market segmentation, the second is the selection of target markets, and the third is the use of specialised marketing tools. These tactics can significantly impact the real estate market and are particularly crucial in small and medium-sized cities [2].

Based on STP theory, Wang Lei (2017) conducted an analysis of three aspects of the real estate market in Shanxi Province, including market segmentation, target market, and market positioning [3]. He then proposed three strategies, including network

indirect marketing, network direct marketing, and network promotion mix. According to Ding Zhengyun (2019), the market industry is growing more and more competitive due to the expansion of national urbanisation, thus it is important to think about how to execute marketing strategies for real estate projects, such as market positioning and product positioning [4]. According to Dong Wenjuan (2020), the real estate sector has experienced both growth possibilities and new problems, and the market is continuing to mature [5]. Song Hongling (2020) contends that real estate businesses must build efficient marketing strategies, increase information technology, and continuously enhance their management in order to effectively advertise to their target audiences [6]. Real estate projects have been the subject of academic and professional research, creating a strong body of information for the study.

With China's economic development, the real estate industry in China has developed more quickly, and real estate enterprises are expanding as well. As the real estate industry has faced rising land prices, rising costs, competition among peers, and other issues over time, large and medium-sized businesses in the industry are continually refining their prior marketing strategies and good real estate market knowledge to address these issues.

The growth of the real estate market is the first. In the new situation, emphasis on real estate market research, pay attention to market analysis, real and effective marketing publicity effect, improve network marketing technology, propose cooperative marketing am, according to Peng Xingfang (2010), who believes that the market research in real estate marketing strategy is not careful and deep enough, lacking creativity, too many exaggerated marketing plans, detached from the actual project publicity, and insufficient sales management [7]. The real estate industry is facing increasingly severe challenges due to national policy restrictions and supply-side structural reform. Experts and scholars' recommendations for financial risk management in terms of capital chain need to be further improved.

2.1 Working Capital Management

Working capital management is the intentional control of liquidity and liabilities over the course of an enterprise, enabling it to function with the most effective capital structure possible. The following are some of the goals of working capital management:

Boosting business value - the primary goal of operations is to maximise revenue and value creation for the business. As a result, working capital management becomes an important aspect of the business' financial management and is compatible with those goals. We can fully utilise all of the firm's capital, boost capital utilisation efficiency, decrease corporate input, generate revenue for the operating company, and enhance operating efficiency and competitiveness through sensible working capital management; maintaining liquidity - working capital management reveals an organization's effectiveness, financial stability, and profitability. Working capital management must consider how to run the business sustainably over the long term while also fulfilling daily operational needs. For instance, a company's ability to pay off its debts affects both its business reputation and the security of its cash flow. In the event of unforeseen events, working capital management provides the essential resilience, and having enough money can significantly lower the company's financial and operational risks.

2.2 Stakeholder Theory

Companies have historically insisted on the idea of prioritising shareholder interests and made increasing shareholder profits the main goal of business management. However, this propensity frequently results in the neglect of other interests, such as social concerns and sustainable development, in favour of the pursuit of economic ones. This status quo was broken by the development of stakeholder theory.

Stakeholder theory's central claim is that social organisations ought to balance the interests of various stakeholders rather than concentrating just on building up corporate assets. Businesses must pay attention to both the social benefits their operations provide and their financial performance. Business managers must acknowledge and value each person who contributes to their efforts and outcomes, and they must make every effort to meet their requirements. According to stakeholder theory, the collective decision-making of stakeholders is both an ethical requirement and a strategic asset that can improve the competitive advantage of the firm. Stakeholder theory, however, mandates that businesses use limited resources and efforts to address all parties' interests, and it is obviously challenging to do so simultaneously.

2.3 Market Segmentation

The adequate level of capital will be directly related to the regular operation of real estate firms and the accomplishment of defined objectives as a typical representative of capital-intensive industry. Generally speaking, real estate businesses expand after obtaining the right to utilise land resources. Real estate firms' primary focus is on maintaining the safety of the capital chain because their typical business model entails first obtaining the right to utilise land resources before offering a variety of property services based on the construction of homes. The real estate industry's capital chain has the following specific characteristics.

The rapid expansion of various real estate industry indicators serves as a significant assurance for real estate businesses that projects will be completed successfully. Without the strong support of capital, the real estate industry's rapid expansion of many indicators cannot be realised, and the development of the industry as a whole uses large amounts of working capital. Along with the gradual growth of the living standard of the residents and the gradual increase of the urbanization level in China, the demand for housing at this stage also increases. This has led to an increase in the price of land, and real estate companies need to pay more money than before to obtain the land use rights required for their projects. This has led to an increase in the price of land and the need for real estate companies to pay more than before to obtain the land use rights needed for their projects, and along with the increase in land premiums, the capital investment of companies has also reached its peak. Old city repair initiatives demand significant compensation costs in addition to expensive land premiums, all of which require businesses to have adequate For each of these, businesses need adequate capital resources. In addition to the initial phase, adequate cash must be given to suppliers and contractors promptly throughout the project's development and operation. In addition to the preliminary stage, the project development and operation process necessitates the prompt payment of adequate funds to suppliers and builders in order to guarantee the project's usual start. Additionally,

production management, engineering management, and asset management must be paid for by the real estate businesses themselves. The cost of human resources is also increasing in production management, engineering management, and asset management. These and other reasons contribute to the real estate industry's high capital requirement.

Despite a later start, China's real estate sector has grown quickly, adopting various marketing methods at each stage. Since there are many different types of real estate on the market today—this project, for example, is a new real estate enterprise—the real estate market has been inundated with new real estate businesses in recent years. As a result of this constant influx of businesses, the real estate market is now somewhat saturated; small real estate businesses therefore use local resources to research and advertise in their local markets. It is crucial to evaluate one's own strengths and build on them in order to counterbalance one's deficiencies when dealing with internal variables. Given the company's small size, the company should evaluate its own economic strength and management capabilities, can be internal digestion, the launch of staff to buy and push the best, such that enterprises want long-term development, must make benchmarks in this project, to establish the needs of the market. Marketing should gather information about the surrounding area, summarise, organise, and use analytical methods to determine the needs of the market and predict future development trends in the market. In order to understand the laws governing the surrounding market's development and to anticipate the future market, real estate projects should gather and study nearby built and under-construction projects. Competition strategy is directly tied to the survival and development of businesses. Real estate projects should thoroughly research the surrounding, developed area, draw, register, organise, and analyse the benefits and drawbacks of the competing products. Avoid similarity, identify a strong market, divide market demand before understanding the market, conduct a fresh study of the project, identify the value, and encourage positioning and accurate placement. Strengthen the market research and their own capabilities, moving away from the conventional idea and actively adjusting to the times.

3 Conclusion

The capital use step in the capital chain is important for real estate businesses. The enterprise should have a clear understanding of its current situation and create a strict internal management plan based on its development advantages and business status in order to effectively utilise its capital. This will allow it to timely adjust the flow of capital and grasp the capital plan dynamically during the capital utilisation stage. Enterprises should prepare raw materials, make reasonable and scientific project cost quotas, make financial budget plans, and clarify the specific project costs, such as construction material costs, labour costs, and land costs, at the early stages of project development in order to better implement the implementation budget. Additionally, in order to better manage their spending, businesses should create a sophisticated financial budgeting system that allows them to understand the overall goal of their capital flow, carefully examine their expenditures, promptly cut unnecessary costs, and relieve pressure on their capital by reducing the amount of interest they pay to raise money in a competitive environment.

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