



The Research on the Innovation of Marketing Models Driven by Digital Advertising

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Abstract. With the rapid development of information technology, digital advertising has gradually become a core instrument in commercial marketing. Particularly propelled by the digital and networked environment, both advertising formats and marketing strategies are continuously innovating. This paper analyzes the distinctions between digital and traditional advertising, systematically reviews the four major marketing models currently driven by digital advertising, and provides theoretical support and practical guidance for enterprises undergoing marketing transformation and pursuing sustainable, high-quality development in the digital economy era.

Keywords: Digital advertising; Marketing model; Model innovation.

1 Introduction

Against the backdrop of the rapid development of information technology, the process of digitalization has comprehensively permeated all levels of society, triggering significant transformations, especially within economic activities. Along with the continuous maturation and widespread adoption of technologies such as mobile internet, artificial intelligence, and big data, marketing methods are undergoing an unprecedented transformation. Traditional marketing approaches are being progressively replaced by digital marketing, which offers greater accuracy, interactivity, and measurability. In this wave of change, digital advertising has swiftly become an indispensable driving force in the modern marketing system. From search engine ads and social media advertising to programmatic buying and native advertising, digital advertising, empowered by technology and driven by data, provides enterprises with enhanced market reach and deeper consumer insights. Digital advertising itself has evolved from a mere tool for information dissemination into a strategic means for enterprises to reshape brand image, expand market channels, enhance user experience, and increase commercial value.

Against this backdrop, digital advertising is not only a product of technological empowerment but also a core driver for enterprises to achieve innovation in marketing models and upgrades in business strategies. How to accurately grasp the trajectory of technological evolution within the rapidly developing digital advertising ecosystem,

clarify its distinctions from traditional marketing, and explore its model innovations have become common concerns for both academia and industry. Starting with the definition and characteristics of digital advertising, this paper clarifies the differences between digital and traditional advertising, proposes marketing models driven by digital advertising, and provides theoretical support and practical insights for enterprises in their marketing transformation in the era of the digital economy.

2 Definition and Classification of Digital Advertising

The development of digital advertising commenced in 1994 when the first banner ad appeared on the HotWired website, marking the birth of digital advertising. In 2000, Google launched the AdWords advertising system, which pioneered search engine advertising by introducing keyword matching and a bidding ranking mechanism. With the rise of social media platforms such as Facebook (2004), Twitter (2006), and Instagram (2010), the digital advertising ecosystem further diversified. Advertisers gained the ability to leverage user-generated content and the viral effects of social networks for precision marketing [1]

Digital advertising is an integral part of the modern marketing system. It utilizes technological means to achieve automation and personalization in advertising delivery, driving profound transformations in marketing models. This paper defines digital advertising as an advertising model developed within the context of digital technology. Based on technologies such as 5G, big data, artificial intelligence, and cloud computing, it employs programmatic purchasing as its transaction method, utilizes various types of online and offline digital media as channels, and adopts diverse digital content formats as carriers. With the goal of achieving full-funnel marketing, it enables intelligent delivery and real-time monitoring of advertising effectiveness. [1]Compared with traditional advertising, digital advertising exhibits distinct characteristics such as precision targeting, interactivity, and measurability. Digital advertising can be classified in various ways. Based on placement channels, it can be categorized into search engine advertising (e.g., Google AdWords), social media advertising (e.g., WeChat, Twitter ads), display advertising (e.g., web banners), and video advertising (e.g., YouTube pre-roll ads). According to advertising formats, it includes banner ads, native ads (which blend into the content environment), and interstitial ads (pop-up ads). In terms of billing models, it can be divided into cost-per-click (CPC), cost-per-thousand impressions (CPM), and cost-per-action (CPA), among others. [2]These classification methods provide a foundational framework for studying the diversity and complexity of digital advertising, while also reflecting its flexibility and adaptability driven by technological advancements.

3 The Differences Between Digital and Traditional Advertising

In the digital era, the advertising communication system is undergoing a profound transformation and restructuring. Significant differences between digital and traditional advertising are evident in aspects such as communication methods, target positioning,

interactivity, cost-effectiveness, and effectiveness evaluation. These differences represent not merely an evolution of technological means but, more importantly, reflect a fundamental shift in marketing logic, as illustrated in Table 1.

Table 1. Differences between Traditional and Digital Advertising

	Traditional Advertising	Digital Advertising
Communication Channels	It primarily relies on mass media such as television, radio, newspapers, and outdoor billboards. The communication mode is predominantly one-way, where brands deliver information to consumers who passively accept it, resulting in a lack of interactivity. [3]	Compared to the one-way communication of traditional advertising, digital advertising is characterized by bidirectional interaction. It utilizes social media platforms (e.g., WeChat, Instagram), short video platforms (e.g., TikTok, YouTube), and interactive ad formats (e.g., immersive ads, gamified ads). Within this environment, consumers, acting as "cyborgs" who navigate both physical society and virtual cyberspace, are no longer merely passive recipients of advertising messages but active participants in the communication process. [4]
Target Positioning	Mass coverage. This approach relies on extensive media placement to reach as broad an audience as possible. However, it struggles to precisely target specific consumer groups, often resulting in a 'scattergun' approach to dissemination. [5]For example, newspaper advertisements or outdoor billboards.	Precision marketing. Leveraging big data analytics, user profiling technology, and artificial intelligence algorithms, digital advertising enables precise delivery tailored to consumers' interests, behaviors, geographical location, and purchase history. [5]This recommendation engine, based on user data, not only enhances the relevance of advertisements but also significantly improves conversion rates.
Content Update & Adjustment	It is characterized by high costs and a slow process. It cannot make real-time adjustments based on market feedback, competitive dynamics, or unexpected events. This makes it difficult to respond quickly to market changes, perform effective real-time optimization, and results in a high cost of error tolerance .	Digital ads can be rapidly created, modified, tested, and optimized. "Speed and flexibility" are among their core advantages, as they are not constrained by physical carriers or fixed schedules.
Geo-targeting Precision Control	Its targeting is typically broad, such as covering an entire city or region.	It can target as granularly as a neighborhood or specific location. This approach delivers messages to specific demo-

	Traditional Advertising	Digital Advertising
		graphic groups with precision, at predetermined times and locations, aiming to drive immediate in-store visits. It represents a seamless integration of online advertising with offline scenarios .
Effectiveness Evaluation	Vague. It typically relies on indirect metrics such as viewership ratings, circulation, or brand awareness surveys, making it difficult to accurately trace the direct impact of advertising on consumer behavior. [3]For instance, the exposure level of outdoor advertising can be estimated based on pedestrian traffic flow, but its specific contribution to purchase decisions cannot be accurately measured .	Quantifiable. Through metrics such as click-through rate (CTR), conversion rate, and return on investment (ROI), advertisers can monitor advertising effectiveness in real-time and optimize their strategies.

The table above distinguishes traditional advertising from digital advertising across multiple dimensions: the former relies on unidirectional communication through media like television and newspapers, employs a "scattergun" approach to mass coverage, incurs high costs for content adjustments, targets broad geographic areas, and depends on indirect metrics such as viewership ratings, making it difficult to measure effectiveness accurately. In contrast, the latter utilizes social and short video platforms for bidirectional interaction, leverages data-driven technologies for precise user matching, allows rapid content iteration, enables hyper-local targeting down to specific neighborhoods while integrating online and offline scenarios, and employs quantifiable metrics like click-through and conversion rates for real-time performance monitoring. These differences highlight a stark contrast in communication logic, reach efficiency, and operational flexibility between the two advertising paradigms.

The distinctions outlined above reveal that traditional advertising is media-centric, whereas digital advertising is fundamentally user-centric. Traditional advertising emphasizes reach and exposure frequency, aiming for broad dissemination through chosen media channels. In contrast, digital advertising, built upon the internet ecosystem, leverages algorithmic recommendations to achieve real-time, precise matching between ads and users. By enhancing consumer participation and fostering brand loyalty, it optimizes marketing efficiency and resource allocation. This approach grants enterprises greater flexibility in strategic adjustments and a higher Return on Investment (ROI), serving as an efficient, quantifiable core tool for building differentiated competitive advantages in the digital economy era.

4 Marketing Models Driven by Digital Advertising

Driven by digital advertising, marketing models have overcome the limitations of traditional marketing in terms of communication efficiency and effectiveness evaluation. Guided by technology and data, they are reshaping conventional marketing paradigms. This paper summarizes four major marketing models, as shown in Table 2.

Table 2. Core Characteristics and Typical Cases of Marketing Models

Types of Marketing Models	Core Characteristics	Typical Cases
Data-driven Precision Marketing Model	Based on big data and AI-driven user profiling, hyper-personalized advertising delivery (often described as "thousand-person-thousand-face") is achieved.	Tmall's "Thousands of Faces, Thousands of Personas" system analyzes users' browsing, searching, and purchasing data across the entire consumer journey to dynamically generate personalized advertising creatives.
Content Marketing Model	Using high-quality content as the carrier, brand information is integrated to achieve "advertising as content," as well as the real-time interaction and immediate conversion of live-streaming e-commerce, where there is zero time gap between advertising and sales.	In 2025, Xiaohongshu's brand-native advertising revenue increased by 42% year-on-year, with a conversion rate of 8.9% for its "grass-planting notes." Dongfang Zhenxuan achieved over 20 million views for a single live-streaming session through its "knowledge-infused sales model," with a conversion rate of 12%.
Social Marketing Model	Leveraging social relationship chains to achieve viral spread.	Luckin Coffee's "9.9 yuan coffee coupon" viral marketing campaign generated over 120 million shares within 48 hours, attracting 3.2 million new users. The essence of social marketing lies in "making users the communicators."
Omni-channel Marketing Model	Integrating online and offline data to achieve full coverage of the consumer journey. Brands seamlessly integrate into the platform ecosystem, becoming an integral part of users' lives.	Starbucks China, through its "Starbucks Rewards" mini-program, has integrated online ordering, offline verification, and social fission and self-compensation. In 2025, member activity reached 92%, and the repurchase rate increased by 31%.

This table delineates the logic and practice of four mainstream innovative marketing models empowered by digital advertising: Precision marketing, underpinned by data technology, achieves personalized adaptation of advertising delivery by profiling user behavioral characteristics. Tmall's creation of differentiated promotional plans based on full-funnel user behavior data serves as a typical manifestation of this model. Content marketing utilizes high-value content as a vehicle to facilitate brand information penetration while simultaneously linking with live-streaming scenarios to achieve instant connection between marketing and sales. Xiaohongshu's consumption-sharing content and Dongfang Zhenxuan's knowledge-infused live streams are both effective

implementations of this model. Social marketing leverages user social relationships to achieve fission-style information diffusion. Luckin Coffee's low-coupon campaign rapidly expanded its user base by relying on social sharing. Omnichannel marketing breaks down online and offline barriers, embedding itself into users' daily consumption journeys through scenario integration. Starbucks' membership mini-program exemplifies this by enhancing both user stickiness and repurchase rates via data integration. All these models utilize digital advertising as a core nexus, driving the evolution of marketing from one-way reach to deep interaction.

In summary, in the era of the digital economy, advertising is no longer merely a tool for commercial communication but has evolved into a core element for brand building and consumer relationship management. The four major marketing models driven by digital advertising, ranging from "precision" to "symbiosis," form a comprehensive blueprint for digital transformation. Enterprises can flexibly combine and apply these models based on their own resources and industry attributes to create unique marketing approaches, thereby propelling corporate marketing toward a data-driven, intelligent, and ecosystem-oriented leap.

5 Conclusion and Future Outlook

5.1 Conclusion

Focusing on the theme of "Research on the Innovation of Marketing Models Driven by Digital Advertising," this study systematically explores the defining characteristics, development trends, and distinctions from traditional marketing of digital advertising, as well as the pathways for innovation. It aims to reveal how digital advertising, empowered by technology and driven by data, promotes the transformation and innovation of marketing models. Through literature review, theoretical analysis, and trend forecasting, this paper draws the following main conclusions:

First, digital advertising, characterized by its precision, interactivity, and measurability, significantly differs from the unidirectional communication model of traditional marketing. Facilitated by artificial intelligence, digital advertising has genuinely transitioned from mass reach to precision targeting. [6]

Second, the development trends of digital advertising are providing new impetus for marketing model innovation. The deep integration of AI, the strengthening of privacy protection, and the application of immersive technologies (such as AR/VR) are transforming marketing methods, driving the advancement of digital advertising, and reshaping the market ecosystem. [7] Digital advertising is not merely a technological tool but also a pivotal force driving the evolution of marketing models toward intelligent, interactive, and sustainable development.

Third, the innovation pathways of digital advertising provide practical guidance for enterprises undergoing digital transformation. Through AI-driven personalized marketing, cross-channel integration, and ecosystem building, enterprises can optimize resource allocation and enhance consumer experiences; they can refine advertising strategies to better align with users' actual needs, thereby improving advertising effective-

ness and user conversion rates. [8]These pathways not only enhance marketing efficiency but also lay the foundation for creating long-term enterprise value.

5.2 Future Outlook

The innovation of marketing models driven by digital advertising will continue to deepen under the combined influence of technological advancements, changes in consumer demands, and policy regulations. Future research should further explore the following four aspects: (1)With the deeper integration driven by technology, the further maturation of technologies such as artificial intelligence, blockchain, and the metaverse will propel digital advertising toward greater intelligence and automation. [9]Generative AI will play a more significant role in advertising content creation, consumer behavior prediction, and cross-cultural adaptation. For example, AI-powered dynamic advertising can adjust content based on a consumer's real-time mood or context, creating a more engaging experience. (2)Consumers' increasing demands for personalized, immersive experiences are continuously driving innovation in digital advertising, aiming to fulfill their higher-level demands for media interactivity. [6]Future research should delve deeper into the impact of immersive experiences on consumer decision-making, particularly analyzing their differential effects across various cultural and age groups, in order to provide enterprises with precise strategic guidance. (3)The future of digital advertising will place greater emphasis on ecosystem development, achieving resource sharing and value co-creation through cross-boundary collaboration. The rise of live-streaming e-commerce, influencer marketing, and the creator economy indicates that digital advertising is deeply integrating with industries such as entertainment, education, and retail. Enterprises should explore the possibilities of cross-industry alliances, such as collaborating with educational platforms to promote personalized courses or partnering with the financial industry to develop targeted advertising products. Future research may focus on the synergy mechanisms within ecosystems, analyzing how data sharing and platform integration can drive innovation in marketing models. (4)Under the concurrent trends of globalization and localization, digital advertising must strike a balance across different markets. In the future, multinational enterprises will need to leverage digital advertising platforms to achieve global brand consistency while simultaneously adapting to local cultures and consumer habits. Research directions may include empirical analysis of cross-cultural advertising effectiveness and exploring how AI technology can enable content adaptation across diverse markets.

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