

Research on Innovation of New Business Model Based on Internet Precision Marketing

Haoyu Chang

Chongqing Jiaotong University, Chongqing, China

Abstract: Under the background of "Internet +", the development mode of enterprises has gradually moved from internalization to socialization, and the interaction between enterprises and customers has become more frequent. Under the background of industrial integration, the boundaries of enterprises have gradually disappeared, and cross-border operations have become the norm. As a new strategic resource, the Internet has been widely integrated into the economic and social system, promoting industrial restructuring and business model reform. The Internet has changed the transaction process of traditional commerce, connecting purchase and sale information, products and services, and providing conditions for the innovation of business models. This paper points out that value is the core of business model innovation through the relevant theoretical research of business model, analyzes the components of business model from the perspective of value, and proposes the types of business model innovation based on value. Based on the background of Internet development and precise marketing model, this paper analyzes the innovation path of business model.

Keywords: Internet, Precision marketing, Business model innovation.

1. Introduction

With the development of information technology, especially the rise of Internet, mobile Internet, cloud computing, big data and other related technologies and industries, enterprises have entered a new business environment [1]. Enterprises should not only compete with customers, suppliers, competitors and other stakeholders to obtain value, but also cooperate with customers, suppliers and competitors to achieve a win-win situation and create additional and higher value [2]. In the context of the Internet, enterprises focus on tapping the potential needs of customers. How to build an Internet business model that meets the needs of consumers, provide high value-added products and personalized services, and then improve customer satisfaction, loyalty and acceptance is a major problem facing many enterprises [3]. Therefore, the accurate mining of customer demand is another hot topic in the current Internet business model research, because the value of accurate marketing lies in the true implementation of the basic principle of consumer orientation, that is, all the behaviors of enterprises should be based on the needs and desires of consumers [4]. After the economic development of enterprises has gone through the two stages of factor driven and investment driven, the competitive form and profit space of business have changed. The business model has increasingly become the key factor to determine the performance of Internet enterprises. It is increasingly difficult to obtain profits by relying on the advantages of technology. In order to make sustainable profits, we must rely on the effective integration of resources and systematic fine arrangement, that is, business model innovation [5]. In combination with the continuous development of the business model innovation practice

mentioned above, enterprise decision makers gradually realize that the success of business innovation of some enterprises does not depend on advanced technology, but on the full understanding and satisfaction of customer needs [6].

2. Elements of A Business Model

Scholars' research perspectives on business models at home and abroad show corresponding changes with the actual situation, from the early business model change focusing on the enterprise's own resource elements and internal process reengineering to the current business model innovation focusing on the value network level of customers and partners. The changes in the internal and external environment of enterprises have prompted enterprises to seek new models and new structures to deal with uncertainties [7]. But in essence, the business model is an organic whole composed of interrelated activities and modules that embody the logic of enterprise value creation, which embodies the internal business operation, external network collaboration and overall value flow [8]. Many business model studies ignore the impact of the strategic level, pay more attention to the specific market operation and value chain activities, and ignore the close relationship between business model innovation and enterprise strategy. This is a one-sided understanding of business model and will make business model innovation lose its direction [9]. The business model studied here is an organic whole composed of interrelated and complementary elements in a certain structure. In general, it is composed of three parts: value module, structure module and function module [10]. Each module is composed of many elements such as value proposition, operation mode, profit mode, core competence, business positioning, cost control and processing, as shown in Figure 1.

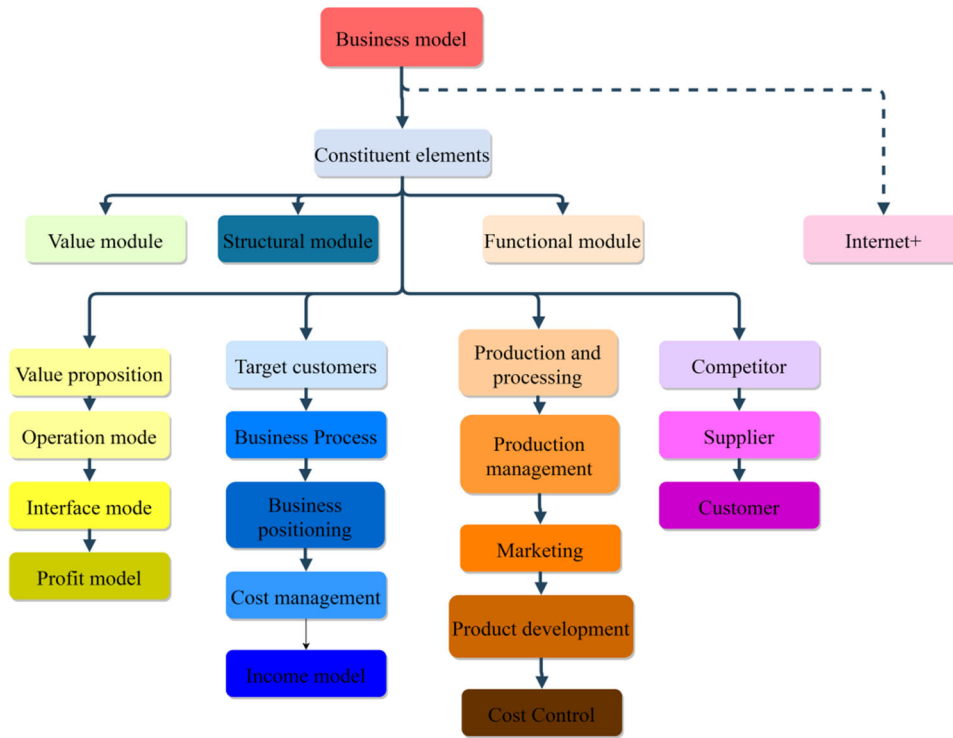


Figure 1. Components of a business model

By identifying the key value-added links in the value network, re-integrate the relevant value elements of the business model (such as information technology, service mode, core business, resource capacity, capital elements, etc.), build a flexible and efficient business model that can flexibly respond to changes in the internal and external environment, realize the overall benefit optimization of the value network, and give the business model a sustainable competitive advantage. According to the fuzzy comprehensive evaluation method, the evaluation criteria for each component are established, as shown in Table 1:

Table 1. Collection of business model evaluation results

Excellent	Promote the application as a benchmark
Good	Most can be learned from, a small part needs to be improved
Medium	Relatively large improvement is required
Poor	Most need improvement
Very poor	All need to be rebuilt

From the perspective of value network, the analysis of business model innovation of enterprises includes two aspects: one is to segment customers and locate their needs. Another aspect is to segment products and services and innovate the way they are provided. Under the background of cross-border integration, for enterprises, due to the very short update cycle of products and services, whether they can quickly update their own products or services has become an indispensable condition for enterprises to have a competitive advantage. Enterprises cannot cope with the ever-changing market demands on their own. The enterprise centered and self-interest maximized operation mode can not provide new competitive advantages for enterprises. Only by integrating stakeholders into the process of value creation and forming a

close linkage mechanism to maximize customer demand can enterprises achieve sustainable development. Customer's real-time behavior tendency is the most effective customer demand information, but such information is fleeting and difficult to capture by traditional methods. Internet + big data can accurately obtain real-time personalized information of customers and help enterprises make efficient and targeted decisions.

3. Internet Precision Marketing

In the Internet economy, enterprises must turn their attention into economic value in order to make profits. Internet media not only needs to attract the attention of the public, but also completes the exchange of attention value, so Internet economy creates value on the basis of attracting the attention of the public. To implement precise marketing, we must first select a clear market segment as the target market of the enterprise on the basis of market segmentation, and clearly describe the demand characteristics of target consumers for the products and services of the enterprise. The most basic feature of accurate marketing is to select target consumers as accurately as possible and exclude those non-target audiences, so as to carry out the effectiveness of targeted communication strategies (see Figure 2). Accurate marketing emphasizes that the communication strategy should be as effective as possible, which can well touch the economy of the audience's communication behavior. Accurate marketing emphasizes the high return on investment of communication with the target audience, and reduces the waste of measurability of communication results. It requires the results and costs of communication to be measurable as much as possible, and avoids the dynamics of "by feeling" accuracy.

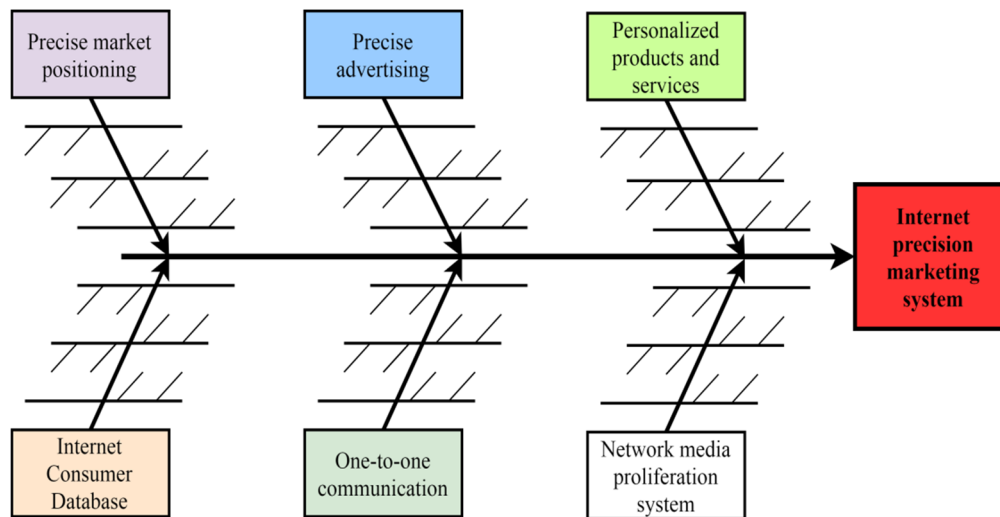


Figure 2. Internet precision marketing system

The "precision" degree of precision marketing itself is relative and dynamic. Internet-based precision marketing is to identify the consumption psychology and behavioral characteristics of netizens through the Internet, and relevant enterprises will then carry out highly targeted marketing activities based on the salient characteristics of these netizens. Its role lies in the following aspects.

(1) Precision marketing requires accurate market segmentation, using information technology to collect, process, store and analyze a large amount of consumer information, positioning and analyzing the needs and shopping behavior characteristics of target consumers, and conducting targeted product and service information publicity for target consumers, so that it can be accurately transmitted to target consumers. Therefore, this greatly improves the accuracy and hit rate of advertising, saves the cost of marketing advertising, and enables enterprises to concentrate on using limited marketing resources to obtain a relatively high return on investment.

(2) Precision marketing reduces transaction costs and improves transaction efficiency. Internet precision marketing reduces the search and transaction time of consumers, compresses the marketing chain, reduces the marketing team, and saves the storage cost of products, so as to reduce the transaction cost and improve the transaction efficiency and marketing effect for enterprises.

(3) Accurate positioning and communication with precise marketing concepts and tools can discover and "wake up" as many differentiated needs as possible. At the same time, it is also necessary to selectively meet the needs of consumers to achieve differentiation and the optimal balance of scale and cost, to meet the effective needs of consumers as much as possible, and to obtain better economic benefits.

4. Innovation Path of Business Model Based on Internet Precision Marketing

Business model innovation involves many factors such as core competitiveness, value allocation, income structure and partners. With the arrival of the strategic cooperation stage, the integration and utilization of external resources is the core of the success of the business model. In fact, the business model is a system, which is the overall solution for a series of

business activities to achieve the profit goal of the enterprise. The Internet eliminates the time limit and space distance, opens up a broad space and freedom for business model innovation, promotes new ways of business transactions, and provides more forms for business models. In addition, the business ecological network in which the enterprise is located is becoming more and more complex, the stakeholders and value network forms are gradually diversified, and the Internet business model is constantly innovating. The business model innovation paths based on Internet precision marketing can be roughly divided into the following categories.

(1) The establishment of a community centered on customer needs. The business model with novelty as the core is reflected in the value acquisition by using new technologies to provide customers with new digital products and services. The establishment of community is a novel and highly efficient marketing interaction mode. How Internet enterprises interact across multiple communities and build a dynamic and balanced ecological mechanism is the future direction for all communities to realize value-added.

(2) Build an efficient supply chain system. Through digital technology, on the premise of the final demand of customers, the raw material suppliers, intermediate service providers, etc. will be coordinated with the final sales network, so as to create more customized services for customers, meet the needs of customers in real time, and create an efficient supply chain system.

(3) Marketing audience accuracy based on big data. As the marketing level directly faces the market, its environment changes very quickly. Enterprises must constantly adjust their marketing strategies to cope with the changes in the market environment. At the same time, the rapid changes in the market environment also provide opportunities for business model innovation at the marketing level.

5. Conclusions

In the network era of cross-border integration, any product or service delivered to customers may involve many different fields, and the connection and interaction among customers, enterprises and partners are more frequent and close. "Internet +" has promoted the development of emerging business models and given new vitality to platform enterprises. The interaction between customers and enterprises and between

enterprises has become increasingly close and frequent. On the premise of accurately understanding the meaning and concept of precision marketing, enterprises should always take the needs of consumers as the starting point and end point. According to its own actual situation, make full use of modern information technology, summarize experience in practice, dynamically analyze and discover the consumption trend and potential demand of consumers, and meet their needs. At the same time, we will attract and maintain consumer groups and business consumer relations, improve consumer loyalty, enhance core competitiveness, and achieve win-win results for consumers and enterprises.

References

- [1] Ji Huisheng. Value-based business model innovation of Internet enterprises [J]. Journal of Beijing University of Posts and Telecommunications (Social Science Edition), Vol. 15(2017) No. 5, p. 65-72.
- [2] Liu Lu, Song Yuanfang. Research on the driving force of business model innovation of Internet companies [J]. Modern Management Science, 2016, No. 7, p. 3.
- [3] Wang Qiang. Discussion on business model innovation strategies in the era of mobile Internet [J]. Market Weekly, 2017, No. 2, p. 2.
- [4] Xie Jieli. Research on innovative ways of mobile Internet business model [J]. Economic and Trade Practice, 2017, No. 1X, p. 1.
- [5] Yang Tao, Shen Yiping. Innovation Path of Internet Enterprise Business Model——Based on Differentiation [J]. Enterprise Economics, Vol. 36(2017) No. 9, p. 5.
- [6] Peng Yang. Transformation Path of Media Convergence: Personalized Distribution + Precision Marketing [J]. China Press, 2017, No. 4, p. 2.
- [7] Zhou Jianfa, Chen Hui. Analysis of the relationship between big data capabilities and enterprise precision marketing [J]. Modern Marketing: Management Edition, 2020, No. 4, p. 2.
- [8] Zhang Xumei, Deng Zhenhua, Chen Xu, et al. "Internet +" fresh food e-commerce cross-border cooperation business model innovation - a case study based on the cooperation between Yiguo Fresh and Haier [J]. Journal of Chongqing University (Social Science Edition), 2019, No. 1, p. 39.
- [9] Ji Xuehong, Wang Qin. Research progress of Internet business model [J]. Discussion on Modern Economy, 2017 No. 3, p. 5.
- [10] Qi Ershi, Tian Ye, Liu Liang. Visual Analysis of Internet Business Model Research Based on Knowledge Graph [J]. Science and Technology Management Research, Vol. 038(2018) No. 004, p. 190-196.