

Marketing Strategies of Selected Online Small and Medium-sized Toy Enterprises in Shantou City, Guangdong, China

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Abstract: The development of the Internet has promoted the development of e-commerce. More and more people are shopping online, especially with the development of e-commerce, which brings new opportunities and challenges to the marketing of toys in small and medium-sized enterprises. The effective utilization of e-commerce can improve the economic benefit of enterprises. This study, from the perspective of marketing, discusses the application of Guangdong province Shantou Chenghai toy e-commerce. Based on the present situation of the Shantou small and medium-sized toy enterprises, it provides insight into the product characteristics, consumer price expectations, channel selection, promotion participation, and the toy product marketing problem targeted to put forward a marketing strategy optimization scheme. Therefore, small and medium-sized enterprises must study the marketing strategy under the new economic situation and the resulting changes in the marketing mode. This paper aims to actively explore the innovation of the 4P marketing strategy for toys based on the current development of e-commerce.

Keywords: Marketing strategy, Product strategy, Price strategy, Place strategy, Promotion strategy.

1. Introduction

(1) Background of the study

With the continuous improvement of living standards and the growth of income, parents pay more attention to their children's education and entertainment problems, and their willingness to consume toys has greatly increased.

Shantou City has more than 16,000 toy enterprises, 80% of which are small and medium-sized enterprises (Lin et al., 2022). At present, e-commerce has achieved rapid development in the whole world, and its large-scale practical application has also changed the development mode of toy enterprises, which has greatly changed the sale modes of toy enterprises.

In this context, online shopping has gradually become one of the most popular ways for people to buy toys. Consumers can easily buy a variety of toys through the Internet. Online shopping has become an important marketing channel for the toy market.

Through the research on the marketing status of toy products, based on the questionnaire survey and marketing theoretical knowledge, this paper puts forward the marketing strategy for the toy products of small and medium-sized e-commerce enterprises in Shantou City.

(2) Literature review

Toy products have educational and entertainment properties at the same time, and their market demand is further released, so the market prospect of the toy industry is still broad. However, He(2022) mentioned that small and medium-sized toy enterprises are not aware of their brands, and the sales and promotion methods are single. With increasingly severe competition, rising labor costs, rising raw material prices, and many other unfavorable factors, small and medium-sized toy enterprises are facing severe challenges.

Saing et al., (2020) revealed that because small and medium-sized enterprises need to innovate constantly to avoid being surpassed by competitors in the industry, they need marketing to help them achieve their goals, so they need different marketing strategies to achieve long-term goals.

In China, Deng et al. (2019) agreed that the most important thing in the current marketing analysis of SEMs is establishing new ideas and carrying out new strategies. Furthermore, Wang (2020) also stated that under the background of e-commerce environment, enterprises want to get development, should actively make use of its characteristics, take consumers as the center, constantly promote the change of their marketing strategy and management mode, establish their brand and image, to adapt to the changing e-commerce environment. Ma (2022) concluded that the digitalization of e-commerce and social platforms has become the standard, and the marketing cost of enterprises is reduced. As long as the market is found, the new brand can quickly become a web celebrity brand.

Li (2020) suggested that enterprises should use the right marketing strategy to close the relationship with customers so that they can continuously create profits for small and medium-sized enterprises. Cui (2020) summarized the advantages and disadvantages of Hape's marketing strategy, analyzed the current development of the baby toy industry in detail, and put forward the optimization suggestions for Hape brand marketing in the future.

(3) Theoretical Framework

Jerome McCarthy put forward the marketing theory of 4Ps in his book Basic Marketing, namely product, price, place, and promotion, which is to summarize and analyze the controllable factors affecting the marketing activities of enterprises and to help enterprises develop effective marketing strategies. In 1967, Philip Kotler further clarified the marketing combination method with the 4Ps as the core of his Marketing Management (Zhang,2022).

1. Product strategy refers to the goods and services provided by the enterprise, including the product brand, quality, design, function, and so on.

2. Price strategy refers to the price that consumers pay to buy a product or service, including the basic price of the product, discounts, payment periods, etc.

3. Place Strategy refers to activities conducted by enterprises to deliver products to consumers, including sales channel management, product storage, and product transportation.

4. Promotion strategy refers to the activities carried out by enterprises to promote consumers' consumption, including advertising, marketing, publicity, and so on.

(4) Research Objectives:

This paper investigates and analyzes the requirements of toy products under the background of e-commerce, and has an in-depth understanding of the toy industry. Confirm that the objectives of this study are:

1. To explore consumers' buying requirements and preferences for toys, deeply understand the product characteristics of toys, consumers' expectations of prices, the choice of channels, and the participation degree of promotional activities.

2. To formulate corresponding marketing strategies for small and medium-sized toy e-commerce enterprises from the perspective of consumer requirements, SEMs can meet the requirements of consumers and find their development direction and goals in the fierce competition pattern under the background of e-commerce.

Based on the 4Ps marketing theory, combined with the development trend of e-commerce and consumers' buying requirements for toys, this paper puts forward corresponding marketing strategies for small and medium-sized toy enterprises. Especially in the changing market with changing demand, increasingly fierce competition, and innovative e-commerce technology, the systematic thinking of marketing can effectively solve the marketing problems faced by small and medium-sized enterprises, and it can also play a certain reference role and significance for the management and construction of toy enterprises in Shantou City.

2. Design and Methodology

(1) Study Design

The study used the descriptive survey method of research. Based on the marketing theory, a questionnaire was designed for respondents to understand the consumer's requirements for toys. The requirements of consumers were obtained by survey questionnaire, and the data were analyzed by quantitative analysis.

(2) Sample of the Study

The survey was mainly carried out in the form of an online questionnaire, and the questionnaire was released through the "Questionnaire Star" platform. There were many small and medium-sized toy e-commerce enterprises in Shantou City. With the popularity of e-commerce, more and more toy companies in Shantou City opened shops online, which also attracted more consumers to choose to buy toys online. Therefore, the object of this survey was the buyers of toys, and the questions included single-choice and multiple-choice questions to understand their consumption tendency in buying toys. Sent questionnaires through family, work, and

community WeChat groups, and got the consent of group administrators in advance, indicating the purpose of this survey, so that users in the group who have bought toys can actively participate in the questionnaire. Those who were willing to participate would be required to fill out an informed consent form.

The sample size was obtained from the collected questionnaire. A total of 194 questionnaires were collected. The actual data collection took place in 2023.

(3) Data collection tools

The tool used was a questionnaire made by the researcher. Collect the target sample data that met the requirements through a questionnaire survey. A questionnaire survey can understand consumers' requirements and opinions on toys from the perspective of consumers and help enterprises meet the requirements of consumers and point out the marketing direction.

Referring to the 4Ps marketing theory, this questionnaire survey mainly designed questionnaire questions from four dimensions: product, price, place, and promotion.

(4) Data Gathering Procedure

For a more systematic gathering of data, the researcher would seek help to remind friends and families to fill out the online questionnaire and the procedure will be undertaken. The researcher also would ask for the approval of the group owner of the community to agree to put the questionnaire on the WeChat group to let more people answer the survey questionnaire. Results and recommendations would also be published in the Wechat group.

(5) Treatment of Data

The EXCEL table software was mainly used for the data analysis.

Percentages are used to analyze and establish profiles of respondents. The higher the proportion indicates the more people choose.

(6) Ethical considerations

Ethical considerations were observed during the questionnaire survey through the following aspects:

First, informed consent was given as part of the preliminary statement and instructions. If the respondents do not want to continue to answer, they can withdraw to answer the question.

Second, the survey was anonymous, and the implementation process remains objective, without subjective guidance and interference to the respondents.

Third, the confidentiality of the answers of the respondents would be strictly followed. Data gathered would be kept in a password-protected device. Data privacy would be followed. Results would be disseminated to the respondents.

3. Results and Discussions

Consumers who buy toys, their concept, behavior, toy consumption characteristics, and changes in demand, are an important reference for toy enterprises to explore the market and develop marketing strategies. To this end, according to the consideration of consumer toys and the influence of products, prices, channels, and promotion of four aspects of the investigation and analysis, for small and medium-sized enterprises to develop the corresponding marketing strategy.

Product strategy

As He (2022) mentioned there are many kinds and forms

of toys, which can be divided into plush toys, plastic toys, wooden toys, and so on in terms of material. Functionally, it can be divided into electronic toys, animation toys, educational toys, model toys, etc. Thematically, it can be divided into cartoon toys, sports toys, and educational toys. Different products can meet the needs of consumers of different ages and preferences, and can also adapt to different occasions and festivals. According to the survey, consumers in this survey have also bought related toy products.

Toys not only bring joy but also have a certain educational effect on children's mental growth. Therefore, parents will buy different types of toy products to stimulate the development of children's thinking. For the collected questionnaires, the effective questionnaires are classified and analyzed by spss. The specific situation of the importance of various factors that consumers should consider in purchasing toys is shown in Figure 1:

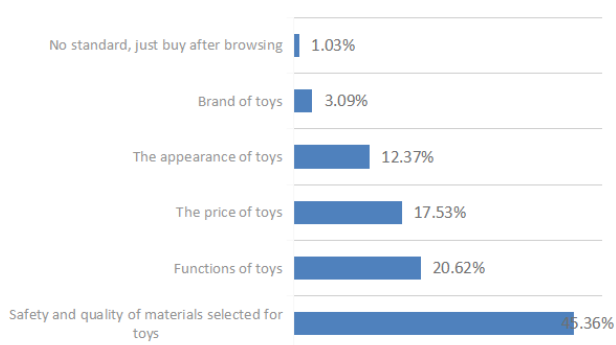


Figure 1. The factors of choosing toys

When choosing toys, the overall consumer has two main considerations: safety and quality, which are the key factors affecting the purchase of toys. The second consideration is the function and the price.

Whether toys are used by oneself or given as gifts to others, the first and most important thing is safety and quality, and its quality is related to children's health and personal safety. Although some toys on the market can also be bought at a very low price, their safety may be hidden. Toys are important products consumed by children. According to Cui(2020), due to their skin sensitivity and lack of prevention awareness, children are prone to accidental injury when using toys. Consumers hope that toys can meet the relevant quality standards and safety specifications, do not contain harmful substances or sharp parts, and will not cause harm or allergies to the human body.

Toys are partners for children's growth, and also important tools for developing children's intelligence and practical ability. The latest study by Zhang (2022) revealed that children's toys can stimulate imagination, arouse curiosity, and help children's physical and mental development. Parents hope to stimulate children's thinking and cultivate curiosity through different types of toys, and parents are willing to buy toys that are safer, more functional, and more helpful to children's learning. Of course, choosing toys should also meet children's abilities and needs.

Therefore, firstly, small and medium-sized enterprises should start with product design and raw materials. Product design should avoid sharp parts that are easy to cause injuries and small parts that are easy to be swallowed by mistake. Raw materials must strictly meet the requirements of safety and

harmlessness. Toy enterprises can design and create quality-guaranteed toys with different functions and selling points according to market demand.

Secondly, with the vigorous development of the toy market, many small and medium-sized enterprises have chosen the product combination strategy of full category coverage to meet the changing needs of consumer groups. Shantou, as the production and sales base of the toy industry, has a big lead in toy products, but under the situation of rapid changes in the market environment and consumer demand, it also needs to optimize and improve its product portfolio, form a rich and reasonable product structure, and provide consumers with diversified choices.

Price strategy

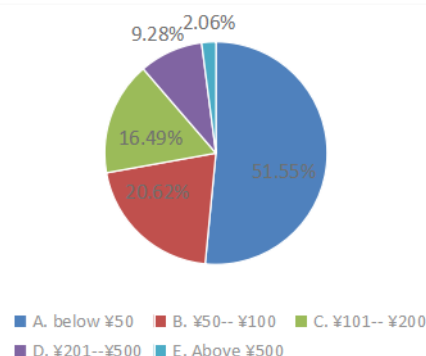


Figure 2. The price range of toys purchased by consumers

According to the survey, as shown in Figure 2, consumers' spending on toys is mainly concentrated below 100 yuan, and the proportion above 500 yuan is only 2.06%, which shows that consumers are more rational about buying toys. Children's toys are characterized by fast updating and quick elimination. The pricing of several tens of dollars is easy for consumers to try, which is in line with consumers' economic psychology. For young consumers, low unit prices can reduce the economic burden of a single purchase. Children are in the stage of not forming a complete understanding of money, and high-priced gifts are not high-value gifts for them. In many cases, children's value demands for gifts are not whether the gifts are expensive or not, but may only be direct needs such as fun and beauty. Parents should know the real needs of their children instead of spending a lot of money on expensive gifts.

For small and medium-sized toy enterprises, the product price level can be improved. In the three different product categories of low, middle, and high end, the price can be divided for each separate product category, so that each category can have enough price options for consumers with different consumption power to choose. For example, first, enterprises can start with the size of their products, make products of different sizes within the same product category, and match the products of different sizes to different price standards. Second, enterprises can start from the material and process of the product, according to the price degree of the material and the complexity of the process to distinguish the price.

Enterprises should make reasonable pricing, formulate pricing strategies based on consumers' expectations and needs, standardize the pricing strategies of series products; by expanding the variety of derivatives, encourage consumers to select corresponding new products through points or

exchange, and continue to improve product design and product quality, increase brand value by improving product positioning, and apply new materials and new technologies and adopt pricing strategies that consumers are willing to accept.

Place strategy

With the popularity of the Internet, modern people are more and more dependent on the Internet. The network has narrowed the distance between people, but also unknowingly changed people's ideas and way of life. In similar findings in the study of Zhou (2020), The development of e-commerce platforms uses the Internet, social media, and other channels to provide consumers with more convenient, efficient, and diversified purchase methods. There are a wide variety of network goods, convenient and fast to buy, which has brought a lot of convenience to our life, emitting an irresistible temptation to the consumer market. The survey found that most consumers buy toys through online e-commerce stores, which is summarized in Figure 3, which shows the proportion of places for consumers to buy toys. The advantage of buying toys online is the variety of online goods, convenient shopping, and so on.

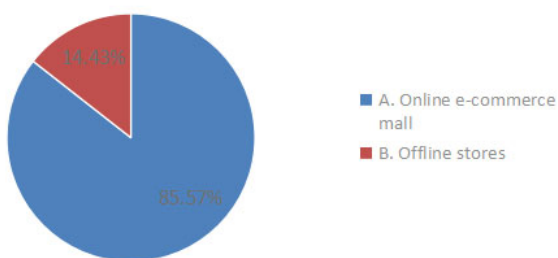


Figure 3. Proportion of places for consumers to buy toys

The survey shows that online e-commerce mall (85.57%) is the main channel for parents to buy toys. E-commerce has changed the toy business. A study by Li (2020) found that E-commerce not only makes toy prices transparent but also with the development of network information, a large number of small and medium-sized enterprises occupy the global toy market.

On the other hand, the emergence of the epidemic has accelerated the process of mass consumption shifting from offline to online. Avoid health risks and prefer to complete the shopping process online. The trend of online consumption has prompted enterprises to continuously improve their comprehensive operation ability and marketing planning abilities.

First, small and medium-sized toy enterprises should pay attention to developing diversified online channels if they want to win the competition with many competitors in the same industry. They can not only sell on shopping platforms but also sell on various online platforms, for example, based on Weibo and WeChat, with the help of popular websites and apps such as TikTok and Xiaohongshu, to achieve comprehensive coverage of multiple media channels. Through digital marketing, it expanded the consumer groups, met the needs of the audience, and established a reputation among the audience. Constantly improve the promotion mode of emerging online channels, increase online channel investment, create online channel marketing potential, promote product recommendation and live broadcast, and

guide the centralized participation of fan groups, thus attracting more consumers' attention and expanding the influence of products.

Second, with the rapid development of social media in recent years, enterprises push brand and product information to consumers through social media. Enterprises can transform customers, commodities, marketing, transactions, and other information into data through the integration of sellers' backstage and various technologies, and can also track customers' preferences and purchasing power. From the analysis of these big data, enterprises can provide customers with personalized product promotion more accurately, such as pushing electronic coupons of related products to customers of maternal and child products through WeChat to attract customers to buy.

Promotion strategy

Promotional incentives are instant promotional activities taken by e-commerce merchants, including price discounts, red envelope activities, limited-time snapping up, recommended rebates, and other forms (Luo, 2019). Promotional incentives are the most intuitive concessions that consumers can feel. Whether it is direct discounts or indirect discounts, they can effectively convey enough perceived value to consumers. In the face of specific promotion methods, 49.48% of consumers said that direct discount was their favorite. Discount promotion incentives directly meet the psychological needs of consumers in pursuit of benefits, and play a role in touching and stimulating consumers' willingness to buy. As Lin et al. (2022) mentioned, the interactive product display of social e-commerce helps consumers realize the value of products, and the promotion incentives of merchants have a significant impact on the sense of benefits generated by consumers.

The survey found that most consumers are not disgusted with the promotion activities, as shown in Figure 4, which shows consumers' attitude towards the promotion, and most people think it can bring some concessions. Therefore, enterprises can use rebate promotion activities to attract consumers. We will use online promotion activities and theme game points to rebate consumers and further enhance their consumption viscosity. Enterprises can make use of the network platform to let consumers win small profits through promotional activities such as the June 1st group purchase promotion, to narrow the distance between them and enterprises, attract more consumers to participate, and gather higher popularity for Shantou toy products.

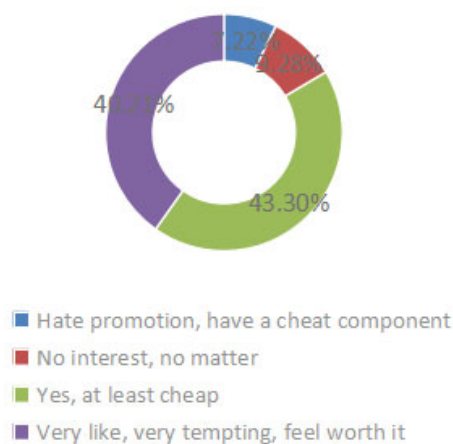


Figure 4. Consumers' opinions on promotion

In addition, consumers are getting younger and younger today. To adapt to the aesthetic and taste of young consumers, more attention to the pursuit of self-identity and belonging behind the goods while consuming goods. The sharing and promotion of social media play a certain role in promoting interaction with consumers and narrowing the distance between consumers in the booming development of social media nowadays. Therefore, during the promotion cycle, small and medium-sized enterprises can plan some creative activities that can resonate with their products on social media. Users only need to forward and share through their social media accounts, and they can get the corresponding toys and gifts from the company. Through this means, consumers can be more convenient to share their choices and experience with toys, get more feedback and interaction, and improve the influence and reputation of toys. The customer's social media for the second publicity, has brought more new customers to the enterprise publicity.

Conclusion

Facing the complicated and changeable market environment, enterprises should assess the situation and constantly explore and innovate. Enterprises should identify target customers through data analysis, improve marketing accuracy, and reduce marketing costs. Adapt to the e-commerce environment, better meet the needs of customers, optimize the marketing strategy under the background of e-commerce, strive for greater market share, and realize sustainable development.

Based on the questionnaire survey, this paper locates the target consumer groups, understands the different ideas of consumers in the shopping process of blind box products, and analyzes the marketing strategies of toy e-commerce enterprises in Shantou city with the 4P marketing theory.

In the process of implementing a marketing strategy, we should combine marketing mix theory to analyze practice. Based on consumer demand, we can gain consumers' continuous attention, improve consumers' recognition of toy products, meet consumers' emotional needs, and resonate at the level of values. Focusing on the content of high-quality products, paying attention to the cost performance of products, arranging all channels, and perfecting promotion activities can increase the advantages of products, make products more competitive, and be recognized by consumers. Only by putting these into the whole marketing process can we reflect the marketing value steadily.

Recommendations:

Based on the theory of the 4 Ps marketing combination strategy, the marketing strategy combination for small and medium-sized toy e-commerce enterprises, ' contents are as follows:

1. Product strategy: product diversification and ensuring product quality and safety.
2. Price strategy: a reasonable division of product prices.

3. Place strategy: the comprehensive layout of online channels.

4. Promotion strategy: the formulation of promotion activities and the improvement of the strategy of using network media marketing.

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