

# The Implication of the Development of Chinese Online Marketing Strategy for The USA

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## Abstract:

Along with the development of the digital world, digital marketing has received extensive attention in recent years. Compared with Chinese and American digital marketing, American is somewhat limited. This paper analyzes the development and strategy of the Chinese and Americans. As a result, the challenge lies in American digital marketing: too many apps that consumers do not concentrate on in the same place which leads to dispersion; complexity of software usage--need to jump into different pages, sign up a lot of information--lead consumers abandon to pay; consumer privacy; and Failure to effectively use live streaming to increase purchase rates. China's digital marketing has created many new and successful strategies. Innovative and diverse marketing strategies have injected fresh blood into the market, making it more dynamic. Platform centralization has made it easier for businesses to acquire customers and promote their products. Private domain traffic leverages interactions with customers to build connections and maintain customer loyalty. Based on this, this article proposes that China's digital marketing innovation, diversified marketing methods, platform centralization, and private domain traffic can inspire American digital marketing strategies.

**Keywords:** Digital marketing; online marketing strategy; private traffic

## 1. Introduction

Rapid development of the digital market already infiltrates into the daily life, and becomes the part that can not lack from life. The digital strategy improves the relationship between consumer and producer. Each country finds the immeasurable value of digital

marketing which is a high efficient business strategy that supports and focuses a lot. The USA is the leading pointer who realizes the commercial opportunity of digital marketing and begins to support this industry earliest. Significant apps such as Instagram and FaceBook were born in the USA that laid the foundation for the development of digital industries

in other countries. In recent years, up-rising Chinese digital marketing releases WeChat, RedNotes, Chinese TikTok which digital marketing strategies push the industry into the highest never seen before. E-commerce, private advertising, and live streaming, change the traditional advertisements to online digital advertisements. There is a huge difference between the USA and China with digital marketing strategy. The main tactics of America most focus on traditional things like SEO and content marketing and China creates a diversity of methods like private domain traffic and live streaming. This article discusses the difference between the differences in the development and digital marketing strategies between the United States and China, and the implications of China's new strategies for the US market.

## **2. The USA's Online Digital Marketing Development and Problems**

### **2.1 The Development of American Digital Marketing**

The leader of the digital world on earth, the processing of American digital marketing has run for decades. Their marketing planning mainly stays on SEO, social marketing, content marketing and so on. In 1998, Google founded, people started to find what they want on the search app. Hence, increasing with searching, the searching advertising shows up. Through optimized websites and content that makes the position of the website can move to the top of the page which consumers can see easily. Additionally, content marketing creates special advertising of products and services to contrast the consumers, and the fantastic contents can enhance the high brand awareness and company competitiveness [1]. It causes consumers to have an impression of brands that become potential consumers. With the popularization of electronic products, social apps such as FaceBook and Instagram began to rise. The companies create accounts and advertise their products on the app. The content from social apps seriously affect consumers' willingness to buy, like the interactivity, immediacy, and formality of content, companies develop and change marketing plans by monitoring consumers' attitudes toward brands and their willingness to buy [1]. Exposure and popularity from social apps increase the brand awareness, and also can get the attitude and reaction from consumers then changes or improves products or strategy. In addition, video advertising has become the mainstream of digital marketing in recent years and video apps like TikTok and YouTube have become the indispensable strategy of brands. The system in those apps can count consumer's favor to suggest the video. It makes the way to display advertising more effective, because by pitching to

interested people, they are more likely to buy and become potential future customers. America has wonderful successes on SEO and social marketing. However, with the progress of the times, these solutions cannot adapt to the current environment efficiently and the market needs new things.

### **2.2 The Problems of American Online Marketing**

The first problem is consumer dispersion which is hard to become a complete marketing scope. The theory -Audience fragmentation- reflects this problem. Facebook, Instagram, Google, Amazon, and TikTok are the largest social shopping platforms in the United States and even the world, and are also the platforms with the most online advertising. They are all powerful in their own way. Because of the dispersion of apps, consumers have too many choices which are hard to focus on one app. For example, there are so many apps under one company, but each of them has a high degree of independence and independent operation. When consumers find the advertising that they are interested in, they need to jump into another app or website. In this complicated process, there is a high percentage with losing consumers. The company's various applications encourage users to experience different services on different platforms. Although they can be connected to each other, they are not centralized and are relatively dispersed [2]. It makes advertising harder, because companies need to spend plenty of time to post content in different apps. It is difficult to capture consumers. Many channels of social apps, middle-small businesses are hard to have enough budgets and time to take care of all the apps which are not conducive to the development of small and medium-sized enterprises.

In addition, the complexity of software use cannot be ignored. Many apps in America only offer one service, which means one consumer needs to move in multiple apps to finish their plan. For example, if one consumer wants to plan a trip, he has to download an app for buying a flight ticket then change to another app for reserving a hotel [2]. The spreading services let consumers do more work - finding apps- which makes it less efficient for customers to find services. Secondly, the complex channel of disbursement impacts the consumer's decision—online payment also lacks concentration. Online payment in America mostly relies on bank cards. Therefore, when consumers get into a new website they need to fill in the personal information like bank account or home address. Pain of Paying refers to a negative psychological feedback of consumers during the consumption process. The more complicated the payment method is, the stronger the "pain" will be. Thus, complex payment processes can cause customers to feel a strong sense of "pain" and abandon their

purchases. According to Forter's 2024 "Consumer Trust Premium Report", 77% of consumers abandoned purchases due to complex payment processes [3]. This data reflects the importance of integrated payment and simple processes.

In the age of big data algorithms and personalized recommendations, consumers care about their privacy more and more. In America, 79% of consumers worry about privacy because they do not know where the information those companies get. Consequently, they formulate related bills—limited collecting data, transparenting the date they collect, and have third-party cookies update their privacy policies and provide more information [4]. The privacy bill leads to third-party difficulty to collect the information about consumers and the advertising hard to hit potential consumers which makes the efficiency lower.

The live streaming is different between China and America. America cares more about the exquisite content. During the live streaming, they do not have high strength marketing which is low tempo and lets consumers know more about the product [5]. Low tempo marketing makes it difficult for consumers to quickly understand the product and some consumers do not have enough patience to watch to the end then lose the consumers.

### 3. Chinese Online Digital Marketing Development and Characteristic

#### 3.1 Chinese Online Digital Marketing Development

In recent years, Chinese digital marketing has grown fast. From traditional strategy transforms to innovative online marketing which become advertising favored companies. From 2016, E-commerce, social commerce platforms and modern logistics systems have developed. By that time, the scale of E-commerce gradually expanded, and livestream also increased a lot [6]. People rely on the cyber world more and more by the time running. The life behavior gradually shifts from offline to online. Therefore, the online shopping apps such as Taobao, Jingdong which provides door-to-door delivery within three days, without leaving home, etc., makes shopping convenient and time-saving for customers going stronger, and ushering in the era of online shopping. Moreover, online chatting app-WeChat, QQ-replaces telephone to become the main way people contact. Private domain traffic such as Moments/QQ Space, Video Account, and Mini Programs provide new advertising spaces for major advertisers. The short video platform, TikTok and Kuaishou video, rises to bring interesting and special content marketing, fast and cheaper livestream, online influencers with distinct personalities promoting products are the mainstream of new online

advertising and have become a major feature of online marketing in China today. The beginning of Chinese digital marketing also from initial display ads and SEO. Differences, the popularization of digital devices in China, diversity of social apps appears in rapid sequence, Attracting everyone to social platforms is one of the reasons why social advertising has developed so rapidly.

#### 3.2 The Characteristic of Chinese Digital Marketing

The characteristics of Chinese digital marketing analysed from four different points, Innovative and diversified marketing methods, platform centralization, and private domain traffic.

Innovative and diversified are one reason that Chinese online digital marketing can be successful. Like short video diverting and the new marketing strategy of live streaming has injected fresh blood into the entire environment and made the market more active. Those strategies are more suitable for contemporary people's habits, like the cyber world, staying at home, then hitting target customers. TikTok as the most authoritative and influential app that brings traffic and value are invaluable. Tik Tok's 15-second short videos fit in with the fast pace of life of modern people, and the personalized recommendations and traffic generation of big data algorithms help retain consumers [7]. Those personalized recommendations and traffic generation of big data algorithms provoke consumers' interest to do more things at app. Additionally, when the big data algorithms control the information of consumers, the system will recommend the ads based on information. The recommended ads with a purpose and accuracy have more chances to promote consumers to pay or become potential consumers. The display with high pertinence lay the foundation of livestream. Livestream e-commerce is through online video that consumers can see the introduction and buy products from livestream. Nowadays, live streaming is not just for brands themselves. Major brands will send their products to the live streaming rooms of celebrities or internet celebrities who have a fan base and are more influential. This celebrity effect is more likely to encourage consumers to make purchases. The Chinese livestream is not the same as America that focuses on brand value and refined product content. The Chinese livestream has a fast pace. During a commercial livestream, the host will quickly introduce a product, highlighting its features to attract interested customers. TikTok's big data algorithm will also make personalized recommendations, increasing the likelihood of purchase.

Platform Integration provides a convenient workflow. For example, Chinese online shopping apps with simple and easy work that support flourishing e-commerce. Consumers choose to shop online rather than go to the stores that

they want to save time for the most reasons. Thus, a quick and easy app is crucial. In China, the leader of e-commerce apps undoubtedly is Taobao. According to the survey, Taobao has a merchant base of over 8 million and an active user base of over 350 million on the e-commerce platform managed by Alibaba. Combined with other Alibaba platforms, the total revenue exceeds RMB 76.2 billion. Taobao is considered to be the most widely spread e-commerce platform in China [8]. Taobao allows producers to post videos to promote their products and consumers can see the Transaction records, information, and reviews of products [8]. The engagement lets consumers know the products better and producers can check feedback positively then improve it. The strong advantage of Taobao is the convenient usage method. Alipay, the same company as Taobao, is an online payment app. Taobao consumers can use Alipay to pay directly which does not need to redirect to another page. Platform integration reduces the middleman and workload; Platform integration concentrates the traffic together which does not spread to different apps, which decreases cost and increases efficiency; all businesses concentrate at one app which composes a bigger market and is easy to promote. Therefore, consumers usually choose Taobao.

The privacy domain traffic developed into the new strategy of digital marketing. The definition of privacy domain traffic means business or person can control consumer resources and have their own channels to get consumers which means do not pay for ads cost to third-party platforms and not rely on system algorithms. Privacy domain traffic is more private and reinforces the long term relationship between brands and consumers which is not managed by third-party platforms like video rate limiting. It is an enduring investment to consumers which increases confidence and preference for brands. Currently, WeChat has become the famous platform for privacy domain traffic. Privacy platforms mainly depend on the reach out to consumers and retain them: such as QQ group, WeChat group, Moments, WeChat Official account, etc; in other app, they have the store or group chat about their brand; including some brand have individual app—all of them include into privacy domain which does not have third-party platform, just producer and consumer. In those brand's apps or group chat, brands will promote their product and give some benefits, such as discounts or free gifts which can not be obtained in the public domain [9]. The unique information one can get from privacy makes the consumer have a better shopping experience, and consumers can buy the products with lower prices. The frequent relation between producer and consumer becomes more solid and high user stickiness. This is the charm of private domain traffic.

## 4. Valuable Insight

By learning the features of American and Chinese digital marketing infer the conclusion. America currently has a lack of innovation. By analysing Chinese digital marketing, America can improve development at livestream e-commerce, such as more engagement with consumers during the livestream. Launching more ads on TikTok, it's not professional made which is more close to real life, implementing hidden marketing. In addition, platform integration is also important. For keeping consumers, the convenience consumer experience is essential. In different fields, America has too many apps. Although it can promote the development of the business ecosystem, prevent monopoly, but users are too dispersed. First, when a brand starts to market that needs to be promoted on a different platform, because consumers spread everywhere. Each platform has a different usage. As a result, companies can not focus on one platform which needs distraction, and higher cost and time of marketing. This form does not be unfavorable to middle-small businesses, because they do not have enough budgets for promotion. So, each platform can co-operation and optimize software operations that make consumers have a better experience. Moreover, the various platforms can cooperate and communicate with each other to connect all markets, which is more conducive to the dissemination of information and more convenient for businesses to conduct marketing. Privacy domain also can emphasize development. The same issue, America has too many social apps and everyone uses different apps. So, privacy domain traffic is difficult to achieve. The companies can create group chats in different apps and provide their brands new or discounted information that if somebody interested can join the group which strengthens the relationship between producer and consumer then gain more profits. As the times change, traditional strategies must always transform into innovative strategies that can adapt to the contemporary era—traditional marketing strategies need to be updated [10].

## 5. Conclusion

The article discusses the development of Chinese digital marketing strategy to insight American digital marketing strategy. In conclusion, creativity, diversity of marketing strategy, platform centralization, and private traffic create a huge contribution for Chinese digital marketing. The problems of American digital marketing are consumer dispersion, complexity of software usage, consumer privacy, and differences in live streaming. Hoping that the success of online marketing in China can serve as a reference for online marketing in the United States.

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