

Research on Marketing Elements under the Background of Belt and Road Initiative

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Keywords: the Belt and Road Initiative; marketing elements; convergence effect

Abstract: The study on marketing elements and relevant methods under the Belt and Road is a challenge for enterprises to be connected to market, especially to produce new market segmentation, new market positioning, new products, new channels and other marketing mix. If enterprises carry out these activities at the same time, the marketing exploration level shall be higher. Therefore, the marketing exploration depends on the convergence effect of these activities. The marketing elements under the Belt and Road Initiative are studied in this paper, so as to provide reference for marketing ability of Chinese enterprises in the Belt and Road Initiative.

1. Introduction

The Belt and Road initiated by China and its development connects various aspects of countries along the route, and the city network composed by nations along the Belt and Road is doubtlessly considered as the important behavior group of global governance in regional perspective. Whereas, marketing in the Belt and Road requires to be closely related to marketing audience. “Along Silk Road” refers to nations and regions along the Belt and Road, and it is a hinge with important strategic status and influence for economy, society, culture and foreign economic exchanges of these nations and regions. Most of them are nodes and growth pole of nations and regions, playing a supporting role in the development of nations and regions. The research on marketing elements under the background of Belt and Road in this paper is of significance.

2. Marketing Exploration of Marketing Elements in Belt and Road

2.1 Marketing exploration of marketing elements

At present, studies on the introduction of exploration and development in marketing filed are less. Studies clearly stating marketing exploration and marketing development are mainly from the perspective of strategy and ability. On the one hand, scholars from the perspective of strategy believe that marketing exploration is to challenge current marketing strategy, proposes marketing strategies such as new marketing segmentation, new products or new channels, and marketing development is to extract or improve skills and program related to current marketing strategy, including segmentation, positioning, distribution and marketing mix. Scholars focusing on marketing ability, whereas, hold that marketing exploration and marketing development are two basic adaptive procedures responding to environmental changes. To be more specific, the former is to develop new skills, procedures and marketing ability through the application of new market knowledge, and the latter is to improve or re-define current skills, procedures and marketing ability and produce valuable output from current market ability.

2.2 Marketing exploration of marketing elements in Belt and Road

Under the background of Belt and Road, the decision-making of marketing function involves target market selection, market segmentation, market positioning and marketing mix. Although there is not definite boundary between the exploration and development of Belt and Road, the marketing development strategy of Belt and Road is to improve and extract skills and programs

related to marketing strategy, including current market segmentation, positioning, distribution and other marketing mix strategy. If these aspects are improved in enterprises at the same time, they can be considered as high-level marketing development strategy of Belt and Road. Marketing development depends on the convergence effect of these aspects, by strengthening current convention, core competence and ability. Typical development strategy is experience curve for enterprises to obtain low price by accumulated production. It can promote existing skills of enterprises and marketing exploration strategy is to develop new knowledge and skills.

Marketing element development under Belt and Road Initiative is to improve or extract skills and procedures related to current marketing strategy, including current market segmentation, positioning, distribution and other marketing mix strategy. If enterprises improve these activities at the same time, marketing development is higher than simply improving one activity. Thus, marketing element development under Belt and Road is the convergence of improving these activities, by strengthening current convention, core competence and ability and playing a role in enterprises' learning curve.

3. Product and Price Strategy of Marketing Elements in Belt and Road

3.1 Product strategy

It is necessary for marketing product strategy to find out new opportunity on the basis of consolidating original business, which requires to make a choice between exploration and development, consistency and innovation, thus it is difficult to implement a strategy which needs to make a choice. In addition, in order to seize market opportunities, the business development department hopes to start selling new products still in research and development, however, the department that develops new products often cannot commercialize the products successfully. Enterprises need to make a choice between market-driven strategy and market-driving strategy, but enterprises with two types of characteristics are often more conducive to innovation. At the same time, product strategy in the context of the Belt and Road Initiative also faces the challenge of localization or integration of globalization, the pursuit of differentiation or low-cost strategy.

Marketing in Belt and Road must weigh the contradiction of new product development. In terms of product innovation, developmental and exploratory product innovation capabilities belong to different types of innovation behaviors, and there is a certain contradiction between the two. Progressive new product innovations are based on the original products to improve the product, the return is determined and the risk is low, closely related to the current customer experience. However, enterprises will ignore the breakthrough of technology and products, leading to "capability weakening paradox". The marketing in Belt and Road must be linked to innovation to make the breakthrough. The use and reliance on existing capabilities enhances progressive innovation, but it may hinder breakthrough innovation, and excessive focus on gradual product improvement makes the enterprise lack technological innovative ability when competing in new product development. Enterprises need to have both progressive and breakthrough innovations in their new product development strategies.

3.2 Price-oriented strategy

The price-oriented strategy in Belt and Road is consistent with its market orientation, which involves enterprise behaviors in two basic behaviors. When enterprises try to discover, understand and meet the customers' explicit needs, the reactive market orientation is in line with the characteristics of development, emphasizing local search, meeting current customer needs, focusing on current marketing areas, and improving marketing strategies. When enterprises try to discover, understand and meet the customers' implicit needs, the active market orientation is in line with the characteristics of exploration, emphasizing long-range search, meeting future and potential customer needs, expanding current marketing areas, and reconstructing marketing strategies. Products are priced according to the demand of different customers and current marketing range and strategy.

The marketing price of the Belt and Road marketing needs to choose different market orientations, which means that enterprises have different concept orientations and even behavioral characteristics. Therefore, enterprises also face choice in selecting or practicing the market price-oriented process. The core of the enterprise is the ability to drive customer value. However, effectively integrate active market orientation and reactive market orientation have important practical significance for enterprises to create customer value. At the same time, the price-oriented strategy should adapt to it to better adapt to the current situation of the development of the Belt and Road.

4. Channels and Promotion Strategy of Marketing Elements in Belt and Road

4.1 Marketing strategy

In the context of the Belt and Road Initiative, its marketing channels should be diversified. Firstly, the channel structure should be diversified. The Belt and Road marketing channels need to be carried out in different units due to different characteristics and requirements of exploration and development. The breakthroughs can only be pursued in separate business units. The diversified marketing channels means that enterprises should conduct separate exploration or development activities in separate business units; Secondly, the marketing channels should be consistent with the practice of the Belt and Road. Different enterprises have different marketing changes in the context of the Belt and Road. They cannot develop according to the original marketing channels, but pay close attention to the countries along the Belt and Road and their development; Finally, the channel strategy of different enterprises in the context of the Belt and Road Initiative should also be consistent with the national conditions of the countries along the Belt and Road, and at the same time adapt to the relevant policies of the Belt and Road Initiative, which is the top priority of the marketing strategy in the Belt and Road.

4.2 Promotion strategy of marketing elements

The marketing strategy in Belt and Road must weigh the contradiction between customer service satisfaction and sales efforts. Customer satisfaction is recognized as one of the key factors for an enterprise to achieve marketing success, but at the same time, marketing practices also propose to increase efforts of sales while serving activities. However, it seems difficult for the after-sales service personnel to improve service satisfaction and sales volume. In the context of the Belt and Road Initiative, enterprises shall provide support for the role of service salesmen, so that they can take into account service satisfaction and sales efforts, and their promotion strategies should be compatible with both.

The complex market environment and decision-making problems in the Belt and Road require the promotion strategy to have two distinct capabilities. For example, in many marketing activities such as advertising, while pursuing customer commitments, the commitment to customers depends on the communication with customers and delivery of brand promises. On the one hand, enterprises need to inform the brand promise through advertising and marketing means, on the other hand, they also need to rely on employee input, to deliver brand promise through the employees and actions, and to improve the profitability through the combination of the two, which is also the best choice for promotion strategies in the context of the Belt and Road.

5. Innovations of Marketing Elements in Belt and Road

5.1 To pay attention to the difference in marketing personnel from different nations

Marketing in the context of the Belt and Road Initiative often involves differences between countries, and the differences in personnel among marketing elements are particularly evident. Marketing employees in different countries engage in contradictory activities while pursuing multiple goals, such as efficiency-oriented regular marketing tasks and highly variable unconventional marketing tasks, and sometimes they need to explore cross-selling opportunities.

The marketing staff of some countries will pursue these two goals at the same time, requiring the customer service representatives to have different marketing requirements for their time, effort and attention between the two types of activities, and often the differences between marketing personnel in different countries is the key to determining the success of marketing.

Based on the difference between the marketing activities of different countries in the Belt and Road, it is necessary to establish research framework for the causes and performance results of marketing employees' different behaviors. The marketing orientation of marketing representatives can promote their different behaviors, and has a positive interaction effect with the evaluation orientation. However, team identity and limited processing authority constrain this valuable interaction. In the marketing activities, the differential behavior is also linked to the improvement of customer satisfaction and sales performance, so that a database of different countries' differential marketing is established and evaluated to develop a more diversified management of marketing personnel in different nations.

5.2 To cross the functions in marketing

Marketing in the Belt and Road achieves the duality of marketing by integrating exploration and development within functions and between functions. By combining internal and external exploration and development, different cross-border dualities can be constructed. The cross-functional duality of the marketing has a loosely coupled structure, which alleviates the tension between exploration and development. The cross-functional integration of exploration and development in the marketing field is characterized by a duality across product and market segments. For instance, in the product area, product exploration emphasizes the development of new products, technologies and product capabilities, while product development emphasizes to increase revenue from existing product capabilities. In the market, the marketing explores marketing programs that attract new customers, while market development emphasizes marketing plans maintaining and enhancing existing customers. According to the particularity of the Belt and Road, the impact of product exploration, product development, and market exploration and integration strategies on business performance.

The cross-functional integration of the marketing in the Belt and Road is characterized by a duality across products and markets, that is, on the one hand, the ability to develop existing products and the goal of attracting new customers, equivalent to market development and growth strategies, on the other hand, the ability to develop new products with existing customers as the target, equivalent to product development and growth strategy. In terms of functions, product duality means that the enterprise has the ability to simultaneously explore new products and develop existing products, while market duality means that the enterprise simultaneously explores new customer markets and develops existing customers. Cross-functional dual integration has complementary interactions with performance, and the conditions for enterprises of different sizes to implement dual-strategy are also different.

In addition, in the marketing management practice in the Belt and Road, if a new business or unit inherits or replaces the original business or unit and evolves on the basis of the original one, the successor leader should make breakthrough innovations rather than simple improvements. The consistency of marketing elements in the context of the Belt and Road Initiative is more important than others.

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