

Research on Promotion Strategy of Business Platform Based on Behavioral Economics

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Abstract: With the rapid development of e-commerce in China, enterprises have begun to pay attention to investment in the field of e-commerce. China's e-commerce industry has achieved rapid development, and online shopping has become an indispensable part of many people's lives. From a personal perspective, the rise of online shopping has not only brought huge benefits and convenience to people's lives, but also changed people's consumption habits and lifestyles. The survival and development of the e-commerce platform is closely related to the marketing strategy of the platform. This paper firstly introduces behavioral economics and e-commerce, analyzes the consumer behavior based on promotion, and proposes a strategy based on behavioral economics.

1. Introduction

After years of development, the competition in China's online shopping market has become more and more intense [1]. At present, the scale of the e-commerce market continues to grow steadily, and the market as a whole presents a diversified development trend [2-3]. Various emerging e-commerce shopping websites are emerging one after another, but they are faced with the brutal competition of the survival of the fittest [4]. The e-commerce shopping website has driven the number of social employment to increase year by year, and the in-depth development of the market has become more and more demanding for the level and ability of employees [5-7]. The consumer's consumption concept has gradually changed, and the pursuit of high-quality life has become increasingly strong [8-9]. Most economists' interpretation of consumption is mostly based on traditional economics, that is, the research method of neoclassical economics, but neoclassical economics is based on the assumption of "rational economic man", so for many consumers Irrational economic behavior lacks theoretical assumptions and foundations, which embodies the limitations of "rational economic people" [10-13]. Therefore, the research of behavioral economics starts from the irrational economic behavior of consumers, fills the blank of irrational research on consumers, and provides a more realistic research perspective for marketing research based on consumer behavior.

2. Overview of Behavioral Economics and E-commerce

2.1 The Meaning of E-Commerce.

E-commerce usually refers to the wide range of commercial trade activities in the world. In the open Internet environment, based on the browser server application method, buyers and sellers do not face all kinds of business activities, realizing consumers' online shopping and merchants. A new type of business operation model between online transactions and online electronic payments, as well as various activities, trading activities, financial activities and related integrated service activities. With the promotion of the Internet economy in China, the e-commerce model has also evolved. The booming development of many e-commerce platforms has brought new business opportunities and growth points, as well as traditional industries. After the rapid spread and universal acceptance of concepts such as C2C, B2B, and B2C, online group purchases gradually developed the O2O model on the basis of B2C, becoming one of the most popular development trends in e-commerce. After the ups and downs and integration optimization in the early stage, the

pattern of domestic group buying websites has become more stable.

2.2 Theoretical Tendency of Behavioral Economics.

Behavioral economics theory requires that the study of economic behavior must be consistent with the psychological characteristics of people in reality, but not based on abstract behavioral assumptions; from the perspective of psychology, actors exhibit limited rationality, mainly through heuristics, Psychological accounts make decisions, compare relative gains and losses, and frame effects; actors' preferences show instability, which will not only result in the reversal of preferences due to changes in the decision-making framework, but also change over time; These decision-making patterns and behavioral characteristics of human beings are manifested through economic variables, resulting in the noisy market hypothesis being no longer established, and the previous economic policies need to be re-evaluated. Behavioral economics also challenges the selection model that neoclassical economics is proud of, transforms from two aspects of invariance and possessivity, and establishes a behavioral decision model represented by expectation theory. Behavioral economics is a discipline that studies economic phenomena such as market price, investment, savings, and change under the assumption of non-traditional economics. It is the interaction between economics and psychology. Behavioral economics solves the economic problems encountered in daily life and economic activities that traditional economics cannot explain by integrating psychology into economics. The core viewpoint of behavioral economics is to transform the traditional rational economic analysis, and to add psychological factors that cannot be ignored in the analysis of economic behavior, thus expanding the horizon of economic theory and making it more explain to the economic phenomena we encounter. For the sake of detail, the prediction is more accurate.

2.3 Development Trend of Behavioral Economics.

The assumption of breaking the economic man is an inevitable trend in the development of economics. However, it is impossible to analyze the definition of each choice of human beings. It seems that it is impossible or necessary to study a map with the same proportion as the original one. Economic theory should study the commonality of human behavior rather than individuality. Behavioral economics is mainly to analyze people's actual economic behavior and its results, an economic phenomenon, and to provide a support point for the establishment of a logically rigorous economic system. The purpose of their research is neither to show how they oppose traditional economics, nor to prove how wrong with a theory of traditional economics. So far, the theoretical views of various schools of economics have their rationality, but they also have their own limitations. Behavioral economics can make an independent interpretation of the economic phenomena that exist in a certain period of time, and can explain the traditional economic theory well. Problems that cannot be explained. Since contemporary behavioral economics focuses on the study of irrational people and their behaviors, its research direction will naturally focus on the analysis of the ways and effects of irrational decision-making in economic life. In a nutshell, it focuses on two aspects: defining the behavioral economic theory that is different from the traditional general economic model; pointing out how behavioral factors affect and influence the economic environment.

3. Research on Consumer Behavior based on Promotion

3.1 Customers are Cheap.

The birth and success of "Double 11" is the successful use of the consumer's cheap psychology, in the "double 11" activities in recent years Sales, as shown in Figure 1. When formulating the promotion strategy, the consumer's greedy psychology is fully considered. By using various tools in the promotion, the consumer feels the price is cheap, so that he can make the consumption decision immediately. In the face of huge temptations in the face of promotional prices, consumers gave up their original judgment. The price war strategy helps expand market share, increase sales, lower

than the price of competitors, and is able to win more customers from competitors. Therefore, take advantage of the price to attract them to their online shopping platform for consumption. It can also be seen from this problem that the current low price of products is still one of the most effective means of attracting consumers. For example, in the special promotion of home appliances, considering the particularity of such goods, the unit price of such consumer goods is higher than that of other products, and its discount will make consumers think that the "discount value" is greater than the value of other categories. Moreover, digital products of home appliances can be stored for a long time without deterioration, and the promotion time is extended to give consumers longer activity time. Consumers may make repeated purchases and expand the sales volume of purchased goods.

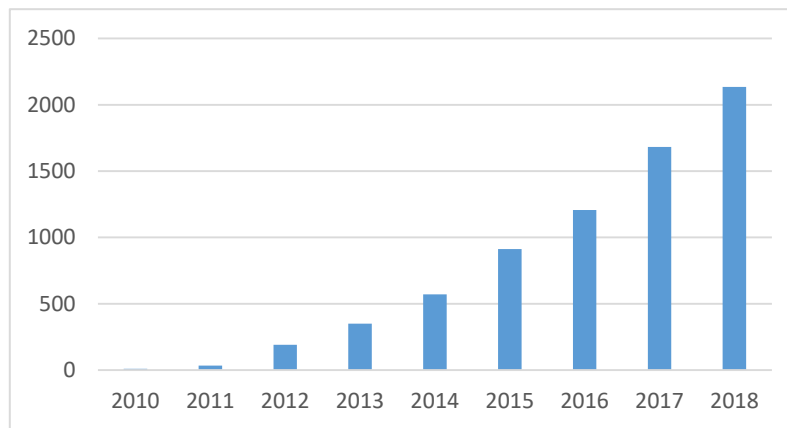


Figure 1. Taobao Tianmao "Double 11" sales (100 million)

3.2 Time Pressure.

Time pressure refers to the awareness of the available time when consumers process product information and promotion information or make consumption decisions in the promotion state, including objective time limit and subjective level opportunity cost perception. In the online shopping environment, the e-commerce holiday promotion strategy not only includes price discounts, but also gives consumers a certain time pressure to make purchase decisions in a short period of time, thereby stimulating their impulsive purchase intentions and behaviors. . Studies have shown that time pressure will inevitably give consumers a sense of urgency in the purchase process, and it is this urgency that makes consumers only pay attention to the price of promotional products when they are tempted by price discounts. Ignore the risks that the promotion may bring. Due to the "promotional deadline effect", consumers generally accelerate the purchase of products before the end of the promotion. At the subjective perception level, time pressure brings consumers not only the limit of objective purchase time, but also the change of consumer sentiment caused by time pressure, and the value of the purchase behavior is expanded. Usefulness and loss caused by loss of purchase opportunities. Under the above-mentioned time pressure, consumers often generate purchase intentions and even purchase behaviors without excessive consideration before making decisions.

3.3 Tools to Promote Consumption.

The consumer groups of the e-commerce platform promotion activities are surveyed. As shown in Figure 2. Nearly 82% of consumers are willing to take the time to participate in the e-commerce activities during the event, such as red packets and robbing orders, with nearly 64% of consumption. Those who sign up to participate in red packets and robbing orders, nearly 42% of consumers will always insist on participating in red packets and robbing orders, which shows that the use of promotional tools is very significant for stimulating the consumption effect of promotional activities. The use of sales promotion tools not only provides consumers with preferential prices for the purchase of goods, but also consumers are affected by the shortage of psychology, which will increase the attention to the company's promotional information on a limited number of discount

opportunities. For consumers who have the opportunity to grab discounts, they usually use these discount opportunities as soon as possible through platform consumption. For those who do not have the opportunity to grab discounts, they have a big "gambling" heart. I look forward to the next time I can successfully compete for discounts, which further increases the attention of these consumers to the platform and achieves the goal of attracting potential consumers. When formulating the promotion strategy, the consumer's greedy psychology is fully considered. By using various tools in the promotion, the consumer feels the price is cheap, so that he can make the consumption decision immediately. When consumers can easily obtain different prices of the same product on different online shopping platforms, consumers tend to purchase from relatively cheaper platforms, and the existence of this price psychology accelerates consumers' purchasing decisions. Using the consumer's price psychology helps companies to win more customers from competitors, which will promote the company's sales and market share.

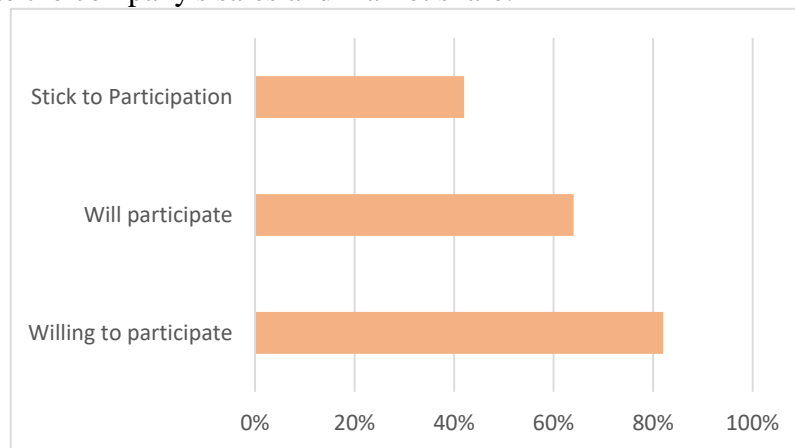


Figure 2. E-commerce platform promotion tool activity participation

4. Promotion Strategy of Business Platform Based on Behavioral Economics

4.1 Do Content Marketing Well.

Content marketing is to attract and sustain customers by creating valuable, creative, and relevant content. Today's consumers want to see something creative, content, and connotation. The survey found that 70% of consumers prefer to know a company through a creative article rather than an advertisement. The cost of content marketing is only 62% of traditional marketing. Content can be embodied in a variety of forms, such as sophisticated product descriptions, even eye-catching photos, video content, blog content, and social media content that clearly capture product features. Different marketing "themes" can be set up in different seasons, holidays, etc. In the spring, the theme of "Spring Break" clothing decorations can be formulated. Around the young audience, the theme related to high-tech digital products can be formulated in the summer vacation. For different time periods and different audiences, different marketing strategies should be formulated, and products that implement promotion should also be differentiated.

4.2 Brand Promotion Marketing.

Brand development is the only way for e-commerce companies to seek survival and development. The future e-commerce market competition is the competition of e-commerce brands. The brand image has already established a good start. The website team should make full use of communication to shape and enhance the core value of the brand on the basis of clear corporate brand positioning, further strengthen brand building and maintenance, continuously enrich the brand connotation and enhance the brand effect. At the same time, with the successful operation of the website's credit evaluation mechanism, the brand concept is infiltrated into all corners of the company's operations, and the use of community, traditional media, new media and other communication channels to continuously enhance brand awareness, brand loyalty and reputation. Many e-commerce websites have carried out many kinds of event marketing activities at the

beginning of development, which has played a good role in branding of websites. For example, seize domestic and international large-scale events to carry out event marketing activities, promote website brands through sponsorship, cooperation, etc., or operate some distinctive marketing promotion events and activities.

4.3 Rational Price Marketing.

It is unscientific to adopt a "one size fits all" pricing strategy for big and small buyers, which ignores the buyers who expect low-cost transactions and has been proved to be a mistake by many shopping websites. The principle of product pricing should strive for maximum profit and expand market share on the premise of customer acceptance. In the current situation of fierce competition in the same industry, websites can consider increasing value-added services, at the same time, appropriate value transfer to customers, in order to attract some customers with higher price sensitivity. Different pricing methods are adopted for different levels of customers. For those customers who reach a certain level, they can get additional discounts or discounts on the basis of the normal price of the product. The main purpose of differentiated pricing is to motivate high-level customers with high loyalty, while attracting low-level customers and new customers, not only to enable customers to get more benefits, but also to further enhance customer dependence and loyalty to the business platform.

5. Conclusion

The price discount strategy in the e-commerce promotion strategy is significantly positively related to the consumer's purchase intention and purchase behavior. The time pressure strategy in the e-commerce promotion strategy is significantly positively related to the consumer's purchase intention and purchase behavior, and the brand promotion in the e-commerce promotion strategy. The strategy is significantly and positively related to consumers' willingness to purchase and purchase behavior. Accurately grasp the timing and adopt a price discount strategy in a timely manner. The so-called timing mainly refers to major festivals, anniversaries, and network events. E-commerce operators need to combine their own advantages, use network communication tools, timely and appropriate price reduction promotions, increase consumers' impulse purchase intentions and purchase behavior.

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