

# ***Research on marketing mode based on the Internet economy***

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**Abstract:** With the continuous development of technology and technological innovation, the Internet has become an indispensable part of our life. Internet Plus is rapidly reconstructing all walks of life. Especially during the epidemic period, our normal life was greatly affected, and the resumption of work and production of enterprises was seriously damaged. At this time, the Internet economy, as a new economic form, has brought us new opportunities and driven the economic development forward. This paper will focus on the Internet economy, take the positive feedback mechanism of the Internet economy as the core, analyze the marketing mode under the epidemic situation and the transformation strategy of the marketing subject. [1]

## **1. Introduction**

In the past two decades, the worldwide technological revolution has accelerated rapid development of information technology, (mobile) Internet, big data, cloud computing and other technologies, which lead to the Internet economy has sprung up all over the world. With the advent of the Internet era, the market economy is changing to the Internet economy, the government promotes the implementation of the "Internet plus industry" plan, encourages the development of Internet economy, combines the Internet with the real economy, and promotes the development of the economy to interconnect, digitalization and mobility. [2]

The traditional marketing mode includes agent marketing mode, direct marketing mode, etc. These modes need to spend more time and economic cost, lack of convenience, and restrict the development of marketing to a great extent. The Internet has changed people's way of life and thinking, which makes people's life more simple, efficient and fast. The network makes the links of manufacturers, sellers and consumers on each node of the network get direct contact, forming a composite and continuous business flow network of economic activities. It significantly improves the ability of enterprises to obtain and process market information, sales information and their business information, and reduces the labor resources and time consumed in the whole marketing process.

## 2. Marketing mode in the Internet economy

### 1. The meaning of Internet economy

The Internet economy is a new type of economic phenomenon to adapt to the information network era. It is the sum of economic activities based on the Internet, including the production, exchange, distribution, consumption and other economic activities of economic entities. The Internet economy provides convenience for our life, and gradually permeates into life, learning and social interaction, leading to the continuous increase of our dependence and demand for Internet services.

### 2. Positive feedback mechanism of the Internet economy

The so-called positive feedback refers to a theory that the interaction between objects enlarges the original development trend and makes the strong stronger. In the Internet economy, a positive feedback mechanism plays a decisive role, and its essence is to make success create more value. In the traditional economy, the reason for the positive feedback is: under the premise of the given factor allocation platform, with the continuous input of production factors, the marginal income will show a decreasing trend, the marginal cost will increase, and the marginal income will decrease. The Internet economy has broken the previous law, with more participants to invest in production factors, the externality of the Internet is formed, and its price is worth realizing. At the same time, the positive feedback mechanism of Internet economy has a strong correlation with three related factors, such as the number of nodes, product configuration, software and hardware, and enterprise value, which together affect the development of Internet economy. [3]

First, it is a positive feedback mechanism of the number of nodes in the Internet economy. "Power-law" is simply to grasp the most important part of things and do the most valuable people or things. The essential and valuable part is always the small part, which determines the development direction and result of the whole thing. Power law can be understood as a law "power law", that is, a company's influence in the network is expanded in the form of an index. Similarly, Metcalfe's law points out that the Internet's value is directly proportional to the square of the number of Internet users, and the externality of the Internet is the utility each user gets from using a product, which is related to the total number of users. In short, the more users a company has, the more influential its network is, and people are more willing to join.

Second, the positive feedback mechanism of product configuration software and hardware in the Internet economy. The Internet economy is an economic model based on Internet technology, divided into hardware and software layers. In the Internet economy, the consumption speed of hardware is much faster than that of software. According to the survey, the improvement of software performance brought by 10 times of hardware speed is very little, and the effect that users feel is almost unchanged. Andy beer's law points out that no matter how fast the hardware upgrades, it will be consumed by new software. We know that the development of hardware provides a guarantee for software, and the development of software in turn promotes the renewal of hardware. The interaction between hardware and software is the positive feedback mechanism of the Internet economy.

Third, the positive feedback mechanism of enterprise value in the Internet economy. In the Internet economy, the competition of enterprises is more open and transparent, and its pricing mechanism is no longer dominated by cost and supply and demand, but more focused on user experience. In this kind of almost fair competition, individual enterprises make full use of their unique flexibility and independence, make full use of the Internet's value, give full play to their advantages, gradually

develop and become strong, and become leading enterprises. Such as bat (Baidu, Alibaba, Tencent), Jingdong and other enterprises have begun to build a leading position in a number of segments. This positive feedback mechanism of stronger enterprise value enables more enterprises to participate in market competition, promote the development of the Internet economy in the whole society, and realize the superposition of economic benefits.

### 3. Marketing subject and corresponding marketing mode under the Internet economy

First, the core enterprise is the organizer of the platform. In the Internet economy, core enterprises play a leading role, which can be called leading enterprises. Other enterprises make decisions according to the decisions of core enterprises to a certain extent. Under the Internet economy, there is a strong positive feedback mechanism of enterprise value, and the core enterprise is structured in the form of platform. Platform is a kind of real or virtual space, which can provide a place for enterprises, user groups and other objects to communicate and trade. Its characteristic is that it can contact and communicate with each other, stimulate each other's potential, and make one party grow up while the other party grows up. In the process of development, core enterprises need to pay close attention to the latest information, timely adjust the overall strategic layout of enterprises, and thoroughly deal with unfair competition and changes in the overall economic situation.

Second, node enterprises are providers of weak communication in the form of modularization. From the perspective of the whole system, the whole system can be modularized and subdivided. In the era of the rapid development of the Internet, modularization can provide node enterprises with high-quality resources, and can quickly dock with other enterprises to obtain the maximum benefits. In the Internet economy, there are relatively more connections among node enterprises, which overcomes the difficulties of time and space, and can stably and efficiently grasp the latest market demand.

Third, the customer is the center of the business model. Customers are the center of all business activities of enterprises. The decision-making and product production of enterprises are determined according to the needs of customers, that is, the interaction between customers and enterprises jointly constructs a new model of the Internet economy. Due to the progress of technology, the change speed of customer demand is accelerated, and the overall demand for products is gradually increasing. Enterprises need to develop a new business model to gradually reach a balance with customer demand.

Through the above analysis, we can clearly see the important role of customers in the Internet economy marketing, and the choice of customers will significantly affect the judgment of enterprises. Similarly, the combination of core enterprises and node enterprises can build communication in the whole marketing market from various aspects and angles. These three marketing subjects jointly promote the development of the Internet economy and promote China's economic development to a new level.

## 3. Marketing transformation strategy under the Internet economy

### 1. Research conclusion

As a new economic model, Internet economy has the powerful assistant of Internet, which enriches the domestic industrial competition pattern. Under the influence of three positive feedback mechanisms of Internet economy, the mode of "the strong are stronger, and the weak follow" among enterprises is deepened. Core enterprises drive node enterprises. Customers and enterprises jointly

determine the direction of products, and build a fair and win-win environment.

## 2. The path of marketing transformation in the Internet economy

First, innovating the marketing strategy. Marketing strategy is to determine the target market, select the corresponding marketing strategy structure, and segment the market correctly based on enterprises' overall strategic layout according to their own conditions, considering the external market opportunities and internal resources and other factors. For example, maintaining customers through targeted development and personalized customization.

Second, enriching marketing means. With the popularity of network marketing, all kinds of goods and commercial activities are more and more closely connected with the network. Network marketing can bring more development space to products, eliminate the regional barriers, and bring more sales revenue. For example, opening sales channels, such as WeChat, Microblog and Short Video App.

Third, enhancing the corporate brand image. A good brand image is a powerful weapon for an enterprise in the market competition. Its tangible elements include products and their packaging, production and operation environment, production and operation performance, social contribution, employee image, etc. Effective promotion of tangible elements is the basis of improving the brand image of enterprises. By gradually improving the level of elements, we can finally form a high-quality brand image and obtain greater profits. [4] For example, cultivating professional sales personnel. In the context of the development of the Internet era, the demand for talents is more urgent, especially in the current competitive environment, where all aspects of the industry tend to mature, more refined and specialized. [5]

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