

# *A Study on the Positive Impact of Private Domain Marketing on Consumer Perception*

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**Abstract:** Private domain marketing, by building a pool of user traffic that is directly owned by brands or individuals, can be repeatedly reached, and is capable of one-to-one precision operation, is becoming an important part of the digital transformation of enterprises. As an important strategy of modern marketing, private domain marketing has a significant positive impact on consumer perception by building a direct connection between brands and consumers. The purpose of this paper is to explore how private domain marketing enhances consumers' brand awareness, trust and loyalty, and thus promotes brand value. Through literature review and case study analysis, this paper reveals the positive role of private domain marketing in consumer perception and provides valuable references for brand owners.

## 1. Introduction

With the rapid development of Internet technology, the marketing environment has undergone profound changes. The traditional public domain marketing approach is gradually facing challenges such as fading traffic dividend and rising customer acquisition costs. In this context, private domain marketing, as an emerging marketing strategy, is gradually favored by brand owners. By building a direct link between brands and consumers, private marketing achieves precise marketing and personalized services, thus enhancing consumers' brand experience and perceived value. The core of private domain marketing is to establish a private traffic pool for brands, i.e., brands establish a long-term and stable connection with consumers through social media, email, SMS and other channels. This connection not only helps brands to get real-time feedback from consumers, but also enhances brand loyalty and satisfaction. At the same time, private domain marketing also provides accurate insight into consumer needs through data analysis and offers personalized products and services, further enhancing the perceived value of consumers.

Consumer perception, as an important concept in marketing, covers the cognitive, emotional, attitudinal and behavioral aspects of consumers towards brands. Private domain marketing has a significant positive impact on consumer perception by enhancing consumers' brand awareness, trust and loyalty. This impact not only helps brands to increase their market share and competitiveness, but also promotes the long-term growth of brand value.

This paper will start from the concept of private domain marketing, explore its dynamic impact

on consumer perception, and reveal the positive role of private domain marketing in enhancing consumer perception through specific case studies. At the same time, this paper will also analyze the relationship between private domain marketing and consumer perception in-depth in light of the relevant literature, so as to provide valuable references for brand owners.

## 2. Literature Review

### 2.1 Current Status of Foreign Research

Foreign research on private domain marketing focuses on strategies such as DTC model, CRM system and email marketing, aiming to connect with users through direct channels such as websites and APPs. Don Peppers and Martha Rogers, as pioneers, emphasize that private domain marketing enhances brand loyalty and satisfaction through direct, personalized consumer relationships. They suggest that data analytics can help companies accurately understand consumer needs and enhance perceived value. Robert Lauterborn's 4C marketing theory of Customer, Cost, Convenience, and Communication is particularly important in private domain marketing, which emphasizes two-way communication, such as through social media and email, to enhance brand awareness and trust. Philip Kotler, on the other hand, points out that private domain marketing meets consumer needs through personalized information and quality service, fostering long-term relationship building and performance growth.

### 2.2 Current Status of Domestic Research

Domestic private domain marketing research mainly centers around the WeChat ecosystem, including public numbers, small programs, WeChat groups and other vehicles. Yang Minbu (2024) explored the sustainable operation strategies of private domain traffic, such as content innovation and user interaction [1]. Qianqian Hui (2024) analyzed the digital transformation of the footwear industry in the digital economy [2]. Lin Ruochen (2024) studied the content strategy of WeChat's circle of friends from the perspective of social e-commerce [3]. Cao Yan (2024) explored the needs and responses of enterprise marketing transformation in the era of digital economy [4]. Zhang Shitao (2024) studied the aggregation and value creation of private domain traffic in the publishing industry [5]. Wang Fengguo (2024) analyzed the digital marketing strategy of apparel enterprises [6]. Yang Xiao (2024) explored the reasons why WeChat marketing has become a new position for brands [7]. Li Peipeng (2024) studied the acquisition and maintenance of private domain traffic in brand exhibitions [8]. Li Hang (2024) analyzed the operation of private domain traffic of publishing units by taking Times Learning Newspaper as an example [9]. Yang Pin (2024) focused on the marketing shift of financial brands in the post-traffic era [10].

In addition, domestic studies also involve consumer behavior analysis, such as Cai Yanbing et al. (2024) studied the behavioral impact of fresh food consumption in community group purchasing based on food safety risk perception [11]; Ma Baolong et al. (2024) explored the impact of infectious disease threat on nostalgia consumption [12]; and Yan Zhaoshuo et al. (2024) analyzed the perception of the consumption experience in teahouses based on the reviews of Meituan.com [13]; Siran Zhang (2024) investigated the impact of changes in food and lifestyle trends on consumers' perceived value and consumption behavior [14]; Yuan Liu (2024) analyzed the impact of short video marketing field reduction on customers' consumption intention [15]; Wenxin Huang (2024) investigated the promotion of pro-sociality by perceived modesty in a common consumption situation [16]; Jian Zhu (2024), using the ComicupOnline as an example to study the impact of online animation and game fairs on consumer consumption behavior [17]; Chen Haa0 (2024) investigated strategies to enhance consumer value perception under the trend of consumption

upgrading [18]; Shang Xinying (2024) investigated the consumption psychology of the blind box market based on the perceived value theory [19]; Zhang Lei and Xu Xiaoyan (2024) studied the consumption psychology of the blind box market through a situational simulation experiment, studied the influence of tactile perception on online consumption willingness [20].

It can be seen that both domestic and international private domain marketing studies emphasize the establishment of direct, personalized consumer relationships and the importance of data analysis in precision marketing. At the same time, domestic research has also deeply explored the private marketing strategy and consumer behavior analysis under the WeChat ecosystem, providing rich theoretical support for the practice of private marketing.

### **3. Conceptual characterization**

#### **3.1 Private Domain Marketing**

Private domain marketing, an offshoot of digital marketing and social media advancements, introduces a fresh direct-to-consumer (DTC) approach. This model emphasizes independent traffic control via social media, where businesses have full authority over content and format, bypassing public platform restrictions on pricing and content. Examples include corporate WeChat accounts, subscription services, and IP-linked accounts. These channels allow businesses to tap into and leverage their unique traffic for marketing.

Private domain marketing aligns with SCRM principles, emphasizing interaction between businesses and consumers. Consumers are not just revenue sources but also crucial for brand reputation and loyalty. A recent report shows that 80% of businesses have adopted private marketing, indicating a strategic shift, reflecting a major marketing trend.

The key benefits of private domain marketing attract brand owners. Private traffic, a business's exclusive asset, fosters user loyalty through direct engagement. This traffic not only creates competitive barriers but also addresses challenges like high customer acquisition costs and churn rates in public marketing. Through precise profiling and tailored strategies, businesses gain insights into customer preferences, enhancing repurchases and conversions, and driving word-of-mouth referrals. Moreover, private domains enable full traffic control, reducing acquisition costs and dependence on third-party platforms. This flexibility allows businesses to adapt marketing strategies to market dynamics.

By nurturing a private traffic pool, businesses avoid public advertising pitfalls like ad blocking. Additionally, private marketing offers unique user data acquisition advantages, facilitating understanding of user behaviors and needs, essential for product innovation and strategy formulation.

#### **3.2 Consumer Perception in Private Domain Marketing**

Perception, as a core variable of consumer psychology and behavior, measures the internal psychological evolution of an individual from the reception of external stimuli to a change in attitude or behavior. In consumer decision-making, it is crucial for customers to accurately assess and perceive the value of goods. With the development of the digital economy, consumers' access to product information has become increasingly diversified, and shopping patterns and scenarios have changed dramatically. Against this backdrop, communities have emerged as a platform for individuals with common interests or hobbies. These communities attract a large number of users through the release of high-quality content, accumulate a fan base, and effectively promote the conversion of users to purchase behavior, thus forming a strong "fission" effect. [21]It is worth noting that users in these communities often have similar interest labels and a strong demand for

continuous high-quality content output. In the operation of private traffic, matching the style characteristics of the operating account with the target audience and brand personality is crucial for shaping a brand image with positive reputation.[22]

### 3.3 Multidimensional Analysis of Consumer Perception

Consumer perception, as an object of study in psychological and behavioral sciences, is an esoteric and multifaceted concept, which presents multidimensional and intertwined characteristics in private marketing. The success of private marketing, as a marketing strategy centered on building long-term customer relationships and enhancing customer value, depends to a large extent on the shaping and management of consumer perceptions. **Brand image perception** becomes the core element of consumers' overall impression and cognition of the brand, and this perception dimension involves consumers' comprehensive evaluation of the brand's external performance and internal value. Private domain marketing carefully builds brand image through consistent brand communication strategy and high-standard content output, in which elements such as the brand concept, core values, and social responsibility are conveyed, which not only directly affect consumers' purchase decisions, but also have a significant impact on the brand's relationship with customers. Purchase decisions, but also establish an emotional connection between the brand and consumers, thus promoting the formation of brand loyalty; **marketing communication perception** involves the communication methods in private marketing, such as one-to-one customer service, community interaction, etc., which have a direct impact on the consumer's communication experience, and communication efficiency, response speed and information transparency and other perceptions, which become an important yardstick for assessing the quality of brand services; **user experience perception in private marketing; user experience perception in the private domain marketing.** **Experience perception** also occupies an important position in private marketing, through the provision of personalized products and services, committed to enhancing the satisfaction of the user experience, consumer perception of product features, service quality, interface design, ease of use, etc., which is directly related to their overall evaluation of the brand and loyalty, and the brand needs to continuously optimize the user experience, in order to enhance the positive perception of the consumer, and thus promote word of mouth Spread and repeat purchase behavior; **community atmosphere perception** should not be ignored, in the community operation, the brand through carefully planned activities and content, to create a unique community atmosphere, in order to enhance the consumer's sense of belonging and identity, the consumer's participation in community activities, the frequency and quality of interaction between community members, as well as the perception of community culture, is to assess the degree of activity of the community and the cohesion of the important dimensions, a positive, A positive, healthy and energetic community atmosphere can effectively enhance consumers' brand loyalty and community participation.

In addition, there is no specific standard for the dimensions of consumer perception, and the entry angle of the dimensions of perception changes with the changes in different industries, sectors and other fields. For example, in the context of the service industry, researchers have developed the SPERVAL scale, which emphasizes that CPV is the acquisition of value based on context and perception, and analyzes the dimensions and drivers of consumers' perceptions of products or services through a combination of qualitative and quantitative research[23]. Meanwhile, for mobile services, the researcher analyzes the dimensions of consumers' perceived value for such consumption through empirical research, including seven dimensions such as affinity value, trust value, price value, quality value, convenience value, social value and cognitive value[24].

## 4. Case Study - Private Domain Strategy of Cloud Collective Platforms

### 4.1 Overview

Since its inception in 2015, Yunji platform has been committed to building an efficient supply chain and a convenient mode of carrying goods with “selected” as its strategy and “explosive commodities” as its core. By building a private traffic pool, Yunjie Platform has successfully attracted a large number of individual entrepreneurs, provided them with high-quality goods and services, and provided consumers with a positive consumer perception and experience, in which the private domain strategy of Yunjie Platform has played a crucial role.

On August 23 this year, selective e-commerce platform Yunjie announced its unaudited financial results for the second quarter ended June 30, 2024. The financial report shows that the total revenue of Yunjie in this quarter was 106 million yuan. Since its establishment more than nine years ago, Yunjie has always adhered to the original intention of “helping millions of entrepreneurs to change their destiny with their hands”, as a private e-commerce entrepreneurship platform, it takes “explosive commodities” as the core driving force and adopts the “selected” strategy, which is dedicated to providing individual entrepreneurs with the best products. As a private e-commerce entrepreneurship platform, it takes “explosive commodities” as its core driving force and adopts the “selected” strategy, which is committed to building an efficient supply chain system and convenient mode of carrying goods for individual entrepreneurs. Up to now, Yunjie has accumulated more than 100 million registered users and has more than 30 million registered members, which shows that the positive perception of its private domain strategy on consumers has a great effect and creates actual attraction.

### 4.2 Case Study of Private Domain Strategy of Yunji Platform

#### 4.2.1 Selection Strategy and High-quality Goods

Adhering to the “Ultimate Selection” product selection strategy, Yunci's e-commerce platform strictly selects products through the insights of the current mainstream consumer demand from the first-line social user data to ensure that all the products sold on the platform are high-quality, medium-priced and cost-effective products. In the field of e-commerce, where the importance of private traffic operation is increasingly emphasized, the Yunji e-commerce platform has achieved rapid growth in the scale of users by virtue of its unique “Ultimate Selection” commodity strategy.

In order to further enhance the accuracy of product selection and consumer satisfaction, Yunji has also innovatively introduced a “social product selection” mechanism, which encourages and invites members' KOLs (Key Opinion Leaders) to deeply participate in the purchasing, trial and evaluation of products, so that only products recognized by members' KOLs can be sold on Yunji's platform. This kind of product selection based on real user experience not only enhances the trust and reputation of the platform, but also promotes the effective connection between products and consumers.

At the same time, on the basis of the “socialized product selection” mechanism, Yunjie further launched the “Yunjie Select” project. The program carries out more stringent evaluation and screening of the goods on the shelves, and the evaluation criteria cover the best-selling index (based on the cumulative number of people who purchased the goods after the goods were first put on the shelves), the food expert recommendation index (weekly inviting the food experts of Yunjie to score the goods, and through the comprehensive scoring of many experts), the re-purchase index (through the ranking of re-purchase rate of the goods on the shelves for scoring), the quality and stability index (controlling the The quality stability index (from the source to control the quality of



goods, combined with professional logistics services) and evaluation index (based on the ranking of the commodity positive feedback rate for scoring) five aspects. This product selection based on user feedback further strengthens consumers' trust in the platform.

#### **4.2.2 Differentiated Supply Chain and Private Label**

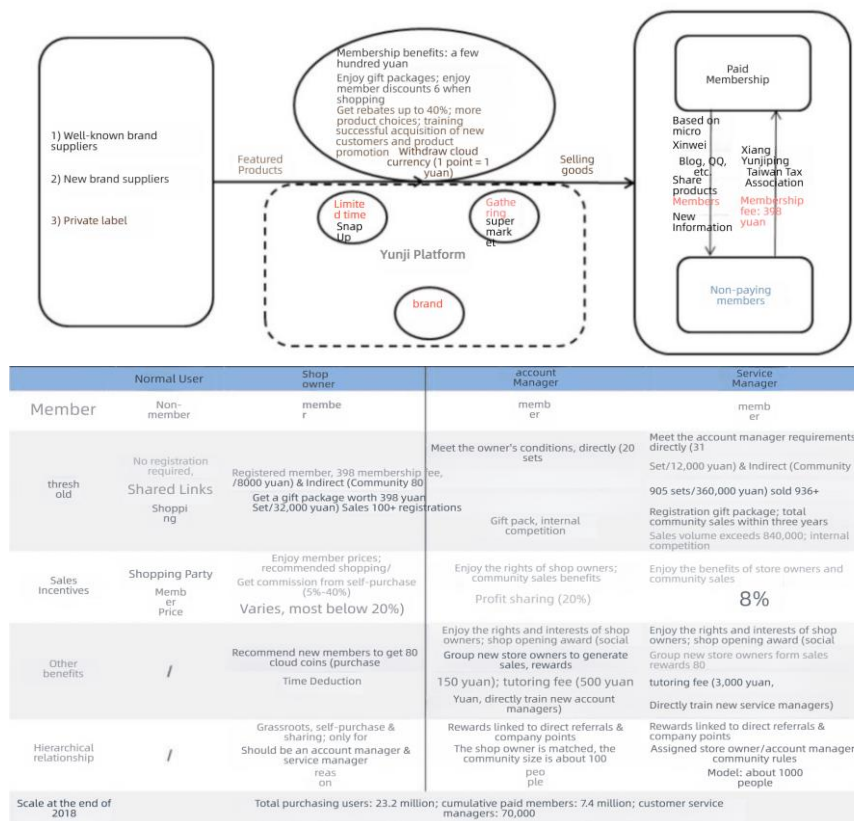
With its private domain advantage, Yunjie has successfully launched many popular pop-up boutiques favored by users and provided diversified services, achieving the transformation of differentiated value. However, over the past few years, due to the pyramid scheme controversy triggered by its member distribution system, Yunjie's repurchase rate has declined and its operating profit has fallen into the red. In order to reverse this situation, in the first quarter of 2022, Yunjie launched the “Yunjie Select” strategy, focusing on the layout of the beauty, food and health sectors, and increased investment in private brands. This adjustment seems to be bearing fruit, with Yunji realizing an operating profit of \$2.4 million in the quarter and announcing the launch of a premium product line under the Suno brand.

In recent years, with “beauty” as its core, Yunjie Select has further strengthened its advantages in the field of beauty and apparel by building a differentiated supply chain and enriching its own brand product line. By launching two super models every week, one artisanal quality traceability activity and selecting 1,000 super single products, Yunjie Select goes deep into Chinese manufacturing, and with the help of live broadcasting and private traffic, it shows high-quality products to consumers in a more intuitive way. Not only has it enriched the variety of products on the platform, but it has also won the favor of consumers with its high quality and cost-effective price, and improved consumer satisfaction.

#### **4.2.3 Private Domain Traffic Platform Operation Mode**

As another major new e-commerce sect rising in the WeChat ecosystem, Yunji platform's private domain membership system is one of the core elements of its success. Since its official launch in May 2015, Yunjie has built a social e-commerce platform based on members pulling in new members and promoting goods based on paid membership. On this platform, the S2B2C model has been fully utilized, with the membership tier system and the pull-new reward mechanism becoming an important driver of the platform's growth. In Yunjie's S2b2C model, “S” stands for the organizational structure of the supply chain, “b” refers to Yunjie's member groups, which play a key intermediary role, and “C” refers to the end consumers. This process not only facilitates the reverse flow of information from the consumer end to the supply chain end, including sales forecasts and market trend analyses, but also realizes a comprehensive linkage between the supply and distribution chains, shortening the distance between the supply chain and the consumer.

Under this model, Yunji's general user group is similar to most social e-commerce users, and their shopping experience mainly relies on direct purchases through shopping links shared by acquaintances, a shopping model that is quite similar to that of the group-pooling model that is prevalent on WeChat by Pinduoduo. In contrast, members of Yunjie enjoy a more unique treatment. You need to pay a membership fee to become a member of Yunji, but this investment will soon pay off through membership privileges. Not only do members enjoy member discounts, but they can also earn commissions on sales made by new users (i.e., inviting new users to join) or by purchasing their own products. What's more, Yunjie's membership system has tier promotion opportunities, and members can enjoy a higher percentage of share and more generous rewards by continuously working to improve their tiers. This private domain membership system not only enhances consumer engagement, but also establishes a positive image of the platform in the minds of consumers.



(Image source: GF Securities)

Figure 1: Private Domain Marketing Strategy

As seen through the case study Fig1, all the private domain marketing strategies of Yunjie platform are user-oriented, starting from consumers and taking consumer perception as the goal and guideline at the core of the strategy, which has produced a series of positive impacts. Through the construction of accurate user profiles, it grasps user needs and provides personalized commodity recommendations and services, while adhering to the strategy of high-quality commodities and services, supplemented by efficient social fission mechanism and continuous community operation, which enhances user interaction and stickiness and forms a good community atmosphere. In addition, the platform is able to flexibly adjust its market strategy according to market changes and user needs, always maintain close contact with users and meet diversified needs, thus enhancing user satisfaction and loyalty.

## 5. Conclusion

In summary, private domain marketing, as an emerging marketing strategy, achieves precision marketing and personalized service by constructing a direct link between brands and consumers, which has a significant positive impact on consumer perception. By enhancing brand awareness, strengthening brand trust and improving brand loyalty, private domain marketing not only promotes brand value, but also strengthens the brand's market competitiveness. In practice, brand owners should make full use of the advantages of private domain marketing to establish long-term and stable contact with consumers through social media, email and other channels, respond to consumer needs and feedback in a timely manner, and provide personalized products and services. At the same time, they should also pay attention to data analysis, accurate insight into consumer demand,

and continuously optimize marketing strategies and service processes to enhance consumers' perceived value and satisfaction, thus promoting the enhancement of brand value and market competitiveness.

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