

Marketing Strategies for A New Platform for Livestreaming Marketing

- A Case Study of East Buy Holding Limited

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Abstract: In recent years, with the rise of the digital economy, various innovative marketing models have flourished in agricultural sales. Live-streaming e-commerce has become a mainstream trend, fuelling the rapid growth of rural e-commerce. Among them, New Oriental, a leading company in the education industry, has launched a live e-commerce platform for agricultural products, "Oriental Selection", to achieve transformation. Based on the theory of the 5c marketing model, this paper takes the East Buy Holding Limited(EBHL) platform as a research case study. The study concludes that the e-tailing industry of agricultural products has been developing rapidly. Under the support of rural revitalisation and other policies, e-commerce marketing breaks through the shackles of traditional agricultural product sales, directly faces the majority of consumers, obtains a broader consumer market, and promotes farmers' income and industrial structure transformation. In this paper, by analysing the advantages of the EBHL platform marketing model, the author found that the platform mainly has the benefits of live users, live scenes, anchor team, product selection and sentiment. However, the EBHL platform marketing model exists in the selection of quality is not easy to control, small scale, and other issues. This paper focuses on these phenomena and summarises the innovative initiatives in the platform's e-commerce marketing. Moreover, this paper proposes to expand the platform sales layout, increase brand marketing, optimise the industrial chain and other suggestions. The research in this paper can provide a reference for the e-commerce marketing of similar agricultural products.

Keywords: East Buy Holding Limited, Live Streaming Bandwagon, Marketing Model

1. Introduction

In recent years, under the new wave of the digital economy, all kinds of marketing models have emerged. The sale of agricultural products is experiencing unprecedented changes. Many enterprises choose to live e-commerce marketing channels, and all types of marketing models blossom. There is no lack of e-commerce marketing mainly for agricultural products [1]. According to data from the National Bureau of Statistics, in the first half of 2023, the national online retail sales of agricultural products amounted to 0.27 trillion yuan, an increase of 13.1% yearly, reflecting the good growth

momentum of rural e-commerce [2]. Rural e-commerce relies mainly on the live e-commerce model. According to data from the Information Office of the State Council, the number of rural online shops in the country has reached 17.303 million, of which 5.732 million are live e-commerce [3]. In the country since 2015, the annual central No. 1 document has proposed the development of rural e-commerce. Led by the national policy, agricultural products e-commerce marketing has flourished [1].

On 1 September 2021, as the country introduced the "double-decrease" policy, China's education industry leader, New Oriental Education and Technology Group began to transform. On 7 December 2021, New Oriental founded the New Oriental Online Live Streaming Cargo Platform: East Buy Holding Limited(EBHL). EBHL moved into the field of agricultural marketing through the form of live e-commerce. EBHL has ushered in its opportunities after more than half a year in the doldrums. 27 May to 25 June 2022, "Oriental Selection" carried goods live broadcasting for a total of 34 occasions, and the average sales of goods reached 19.806 million. From 5 to 11 July 2023, the APP of EBHL launched its first live broadcasting activities. The live broadcast mainly focuses on the sale of agricultural products, using the professional advantages of the live broadcast team, creating a unique light knowledge-based live broadcast with goods, creating a fantastic road of agrarian products with goods in the New Oriental, which is instructive for the same type of marketing products [4].

This paper analyzes the marketing model of EBHL, using the 5C model to analyze their strategies, and studies the reasons for their popularity, as well as their transformation into the field of e-commerce live marketing strategy. These analyses provide a successful reference case for the successful transformation of "Live broadcast + agriculture" carrying mode in the future.

2. 5C Marketing Model

The 5c model of marketing is a comprehensive analytical tool for analysing the market environment and can help identify the strengths and weaknesses of a brand's sector. Thinking in terms of these 5c's is a fundamental disc for identifying product positioning and determining strategic direction by analysing market trends. It consists of five parts: customer, company, competitor, collaborator and environment.

They are visualised in the 5C framework as a set of concentric circles, as shown in Figure 1. The target customer is at the centre, the collaborators, competitors and the company are in the middle, and the environment is in the outermost circle. The target customer's central position in the 5C framework reflects their decisive role in the marketplace. The customer is the foundation. The other components are centred around customer needs. The other three market players, firms, collaborators and competitors, work to create value for the target customer. The outer layer of the 5C framework is the market context, which determines the environment in which customers, firms, collaborators and competitors operate.

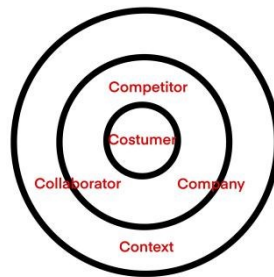


Figure 1: 5C Marketing's Concentric Circle Framework.

3. Analyse the marketing strategy of EBHL with the help of the 5c model

3.1. Customers

As shown in Figure 2, the first C in the five Cs is 'customer'. In terms of gender, female users of EBHL Live account for 70 per cent, which is higher than that of males. From the age point of view, the main force is middle-aged and young people who have entered the workplace and have a certain degree of economic freedom. From the point of view of regional distribution, most of them are first- and second-tier cities and large provinces with high school entrance exams [5]. In summary, the people who buy from EBHL Live are mostly middle-aged and young people with high purchasing power and female groups. Based on the brand trust of New Oriental for more than 30 years, customers are more likely to transform this trust into a sense of identity of "Oriental Selection", and the final result is expressed in the purchase and consumption of the main users.

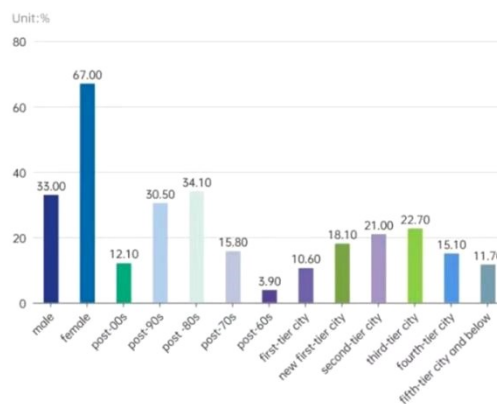


Figure 2: Distribution of East Buy Holding Limited user profiles [5].

3.2. Companies

The second c is the company, and the following are the strengths of East Buy Holding Limited, as seen below.

The first is the fun scene live broadcast, which breaks the user communication wall. Penglan proposed that in the mobile era, the scene has become another core element of the media following social, form and content [6]. Generally speaking, the scene of the live broadcast can not be built without people, goods and fields. East Buy Holding Limited's initial live broadcast mainly relied on Yu Minhong's fame and linked characters for publicity. After experiencing adjustments and attempts, East Buy Holding Limited chose the mode of carrying goods with high-quality cultural content as a carrier and finally achieved the explosive development of the live room. Continuously combining the background of bringing goods with the strong combination of the place of output of goods, it provides

constantly innovative content experience through outdoor live broadcasting and other diversified scenarios. Through various series of activities, the user's trust is strengthened, and the user's consumption experience is enhanced. For example, East Buy Holding Limited held the "Shanxi line", "Beijing Pinggu line", and other activities. Consumers in the live room without leaving home not only learn the relevant knowledge of local customs but also buy local products. Interesting scenes greatly enhance the consumer's consumption experience. The interesting scene of live broadcasting has greatly enhanced consumers' consumption experience.

The second is that the East selects a team of anchors with high education and strong communication levels. In the process of live streaming with goods, the consumer's perception of the anchor greatly affects their consumption willingness [7]. In the East Buy Holding Limited anchor team, most of them are the original teachers of New Oriental, and the team has been successfully transformed after continuous polishing, relying on their unique teacher characteristics. They have excellent knowledge and skills, and with the contrast of intellectuals bringing goods in the live broadcast and the freshness of using bilingual goods, they have achieved the empowerment of cultural attributes of goods [5]. Anchors highlight the cultural attributes of commodities through their personal knowledge and skills, creating a highly interesting live-streaming system for bringing goods. For example, the platform's well-known anchors not only impress buyers with low prices during live sales but also attract consumers through Xu Xu's knowledge points and uninterrupted golden sentences.

Once again, "New Oriental" and "Yu Minhong" are two distinctive brands which have shaped brand awareness through years of accumulation, with strong national degree and customer recognition. New Oriental transformation of agricultural products, retaining the word "Oriental", indirectly indicates that consumers can achieve cross-border education and agricultural sales in New Oriental [8]. As a leading online education service provider in China, New Oriental has high brand awareness and a good corporate image. After the "double reduction", New Oriental refunded tuition fees and compensated teachers' salaries. At the same time, New Oriental improves the teaching environment for schools in underdeveloped areas by donating desks, chairs, books, etc. In addition, New Oriental also carries out rural education programmes in rural areas. In addition, New Oriental has launched a public service programme for rural teacher training, "Candlelight Action - New Oriental Teachers' Social Responsibility Walk", to help improve the quality of teaching for rural teachers. Yu Minhong, the founder of the company, continues to launch public welfare programmes and found foundations, and considers the promotion of balanced and quality development of education in China as an unshirkable responsibility, and his charisma has attracted a large number of fans as well as potential fan groups. The pain point of agricultural products live banding has existed for a long time, and there is a scarcity of self-employment. Combined with the fact that education and agricultural products share similarities, as well as the local sentiment generally harboured by Chinese people, it is easier for East Buy Holding Limited's agricultural products banding to win consumers' psychological attention and emotional preference [9].

The last is that East Buy Holding Limited selects suppliers with very strict requirements. East Buy Holding Limited's product positioning is high-quality marketing of agricultural products and selection of products more inclined to have a higher value-added product through the deep processing of agricultural products [10]. East Buy Holding Limited gives priority to merchants with excellent quality and high praise and will select cooperation from the recognised brand, quality and price of merchants, able to control the quality of the product through the addition of self-support. Through strict control, anonymous purchase and team tasting, East Buy Holding Limited selects high-quality products as much as possible.

3.3. Competitors and the Circumstances

The third C is competitors: East Buy Holding Limited is a platform for the supply and sale of high-quality agricultural products. Its Competitors include a variety of live sales platforms that offer agricultural products, such as Pinduoduo. In the fiscal year 2023 financial report, the New Oriental talked about the company's strategic positioning: the future will continue to be committed to the East Buy Holding Limited brand of self-supporting agricultural products as the core of the product technology company, this time, competitors in addition to Pinduoduo and Taobao, Jingdong and so on.

The fourth C refers to the partner. Oriental Selection has established close cooperative relations with JD Logistics, SF Logistics and other companies. In five cities, including Beijing, Guangzhou, Hangzhou, Zhengzhou and Chengdu, they plan to set up 20 proprietary product warehouses to provide nationwide logistics services for their products. In addition, Oriental Selection also cooperates with long-term suppliers, such as Oriental Selection sausage, produced by Jiaozuo Chenghui Food Co., Ltd.; Oriental Selection pasta is contracted by Fujian Zishan Food Technology Company.

The last C is the circumstances. As a new trillion-dollar market in full swing, live streaming has been in the spotlight in recent years. Under the huge user base, the prospect of industry development is also very considerable. From the China Internet Network Information Centre to obtain the news, as shown in Figure 3, as of June 2023, China's network live streaming user scale reached 765 million people, an increase of 14.74 million people compared with December 2022, accounting for 71.0% of the overall Internet users. Among them, the size of live e-commerce users is 526 million people, an increase of 11.94 million people over December 2022, accounting for 48.8% of the overall Internet users [11]. Today's live e-commerce is gradually growing into a retail model that brands cannot ignore.

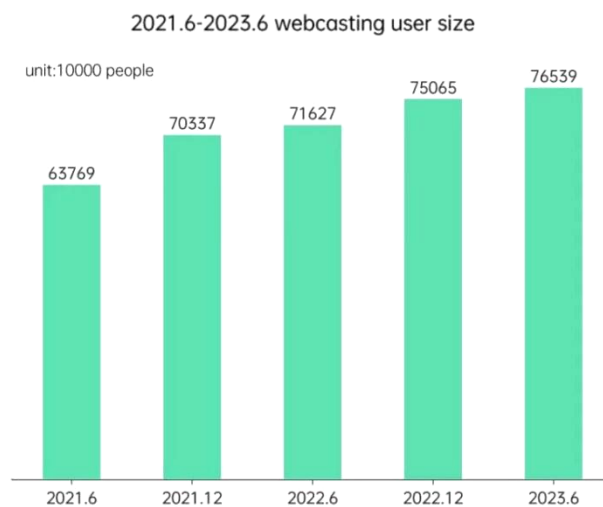


Figure 3: 2021.6-2023.6 webcasting user size [11].

4. Recommendations

4.1. Limitations

Oriental selection also has disadvantages, such as the quality of goods is not easy to control, inaccurate content marketing and small scale.

Firstly, as East Buy Holding Limited mainly sells commodities in the field of agricultural products and other commodities, the quality of the commodities is affected by the origin of agricultural products, the climate and many other factors, and the quality of the commodities may be unstable. Agricultural products and other commodities compared to its online sales capacity are weak. In a long enough time, the advantage of East Buy Holding Limited is easy to be disintegrated by excessive competition [1]. Secondly, East Buy Holding Limited's product selection remains problematic. On the International Consumer Rights Protection Day in 2023, East Buy Holding Limited was exposed to the phenomenon of substandard products. The "100% wild seafood shrimp" claimed by the anchor was farmed shrimp. After the consumer sued, the staff said the problem was with the supplier [12]. East Buy Holding Limited was indeed deceived, but it is also the responsibility of East Buy Holding Limited to check the products and quality of suppliers. This will undoubtedly make consumers doubtful when purchasing, thus depleting the trust of East Buy Holding Limited in the minds of consumers. Finally, the scale of East Buy Holding Limited is still small, compared to e-commerce platforms such as Pinduoduo, Jingdong, Taobao and others. East Buy Holding Limited's scale is relatively limited, and brand awareness is low. East Buy Holding Limited app in the first live broadcast of the highest number of people online in a single day is not more than 6,000 people, even if the East Buy Holding Limited has high popularity on the Jitterbug platform, but away from the Jitterbug platform, how to better promote the product to attract fans to buy and pay attention to the product is still a big problem [13].

4.2. Directions for Development

East Buy Holding Limited can open up the flow side, and supply chain, and effectively improve the efficiency of the system and consumer experience. Logistics is an important part of the sale of products, through logistics and transport, the products purchased by consumers online can reach the hands of consumers. Losses in the transport process and the degree of integrity of the product affect the consumer experience, whether the product can be quickly and well delivered to the hands of consumers, depending on whether the sales platform is perfect. Once the brand is established, the self-management mode is easier to form a scale to obtain bargaining power in the procurement of suppliers, forming a virtuous cycle.

Secondly, while strengthening the strong brand building and promotion, East Buy Holding Limited pays attention to its strict control of itself and does a good job of back-testing before and after the selection of products. In general, when choosing food, consumers will be more inclined to choose food through the food safety certification [14]. Choose products that are more in line with "selected" qualities, such as unique growing environments, special processing methods, and strict selection criteria. Providing consumers with open and transparent information about the products not only meets the positioning of East Buy Holding Limited but also enhances the sense of trust in the minds of consumers.

Finally, East Buy Holding Limited should carry out a diversified channel layout and open up multiple channels, such as through the self-built East Buy Holding Limited app, to reduce the operational risk of relying on third-party platforms, expanding the autonomy of the agricultural products marketing business, improve the brand's flexibility and risk-resistant ability, to avoid operational losses due to the uncertainty of the flow of third-party platforms. By timely adjusting the development strategy and path, Dongfang Selection no longer becomes a "Jingdong brand" but builds its e-commerce platform, and with the help of Jingdong, WeChat and other platforms, it establishes the impression of "high-quality agricultural products carrying platform" in the minds of users.

5. Conclusion

With the country's strong support, agricultural product's e-commerce marketing blossomed. This marketing model has changed people's previous purchasing habits, allowing enterprises to more urgently seek the road of transformation. East Buy Holding Limited actively synchronise content and products in parallel, creating unique knowledge-based agricultural e-commerce sales. This paper analyses the Internet live mode of East Buy Holding Limited and analyses the marketing strategy of East Buy Holding Limited with the help of the 5c model. The research in this paper concludes that the people who buy in the live broadcasting room of East Buy Holding Limited are mostly young and middle-aged groups with high purchasing power and female groups. In addition, East Buy Holding Limited chose the mode of carrying goods with high-quality cultural content as the carrier and finally achieved the explosive development of the live broadcasting room. By combining education and agricultural products with similarities, it is easier for East Buy Holding Limited to win consumers' psychological attention and emotional preference for agricultural products. In short, in the red sea of e-commerce live broadcast, the East Buy Holding Limited, through the knowledge + carry goods, achieved the transformation from education to live broadcast, creating their blue sea. However, East Buy Holding Limited also has disadvantages, such as the quality of goods is not easy to control, inaccurate content marketing, and small scale. In the future, East Buy Holding Limited still needs to think about how to carry out healthy and long-term development in the competitive Red Sea of live broadcasting with goods.

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