

# THE INNOVATION OF MARKETING MODEL OF RETAIL ENTERPRISES IN THE ERA OF DIGITAL ECONOMY RESEARCH--TAKE "THREE SQUIRRELS" AS AN EXAMPLE

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**ABSTRACT:** Amidst the rapidly proliferating technologies of big data and mobile Internet, numerous conventional retail enterprises find themselves compelled to reform and adapt to stay afloat. This paper harnesses the power of big data as well as other such technical tools to convey experiential information in an inexhaustibly boundless manner between online and offline outlets, fusing the entire retail channel in the process. With the rise of the digital economy, retail businesses are persistently in the throes of metamorphosis even as new modes of retailing gradually emerge. In this epoch of the digital economy, the innovation of retail marketing methods has become an indispensable prerequisite to the furtherance of enterprise development. This paper takes "Three Squirrels" as an example to discuss the marketing innovation of new retail enterprises in the era of digital economy. The purpose of this paper is to provide new ideas and methods for retail enterprises in the era of digital economy, promote the innovation and development of enterprise marketing model, and put forward corresponding optimization suggestions and guarantee strategies to promote industrial upgrading and enhance market competitiveness, hoping to provide reference for other retail enterprises of the same type and contribute to the digital transformation of Chinese enterprises.

**KEYWORDS:** *digital economy; retail; marketing mode; Three Squirrels*

## I. INTRODUCTION

With the continuous development of new science and technology, digital economy and traditional real economy have achieved convergent development and are increasingly strengthened. With the acceleration of people's social life towards the digital era, the outbreak of the epidemic has caused a major impact on the economy, resulting in a sharp decline in economic growth. In this case, the consumer's habit of online consumption is taking shape, which urges the network infrastructure to be continuously improved and the logistics and supply chain systems to be continuously optimized. At present, China's economic development is in a critical period of industrial transformation. The key is to improve the internal driving force of consumption to promote China's economic development. The impact of economic changes and the epidemic has brought heavy losses to the traditional retail business. The traditional retail business is in urgent need of transformation and upgrading. E-commerce has got rid of the restrictions on the opening time and place and combined online and offline, allowing consumers to purchase goods in different channels. At the same time, it has realized the interconnection of inventories and reduced the cost of commodity circulation. E-commerce has attracted many consumers at lower prices, opening a new retail world. Since the concept of "new retail" was put forward in 2016, internet giants headed by Ali and Tencent have invested in O2O one after another. New retail has instantly become the darling of the capital industry, and physical stores have launched e-commerce models one after another to join the wave.

## II. THE RELEVANT CONCEPTS AND THEORETICAL BASIS

### 2.1 Relevant concepts

#### 2.1.1 The Concept of Digital Economy

The digital economy is an economic development model that appears with the tide of the world's digitalization. This model is also formed after many times of industrial changes and technological revolution with continuous development. The core of digital economy is an economic model that takes data as the core factor of production, combines digital knowledge and information with traditional economy, and continuously innovates and develops on this basis. The digital economy can help enterprises digitize their products and services and provide an efficient

and low-cost information communication platform for enterprises.

### 2.1.2 The Concept of New Retail

"New Retail" is a concept proposed by Ali. On October 25, 2018, Ma Yun first proposed new retail at the Yunqi Conference. He thinks that the future business is new retail. Ma Yun said, "There will be no e-commerce in the next 10 or 20 years, only new retailing". New retailing is the use of big data, cloud computing and other means to accurately locate products, and then direct delivery to the door. The emergence of "new retail" has aroused extensive discussion. Du Ruiyun and Jiang Kan (2017) pointed out that the new retail is a brand-new retail model that uses the Internet as its foundation and uses advanced technologies such as big data and artificial intelligence to integrate online, offline and modern logistics. Zhu Guiyin and others (2018) believe that the "new retail era" business model is the traditional retail industry, which combines new technologies such as the Internet, cloud computing and big data into its own business model and realizes the whole channel through logistics.

Road and borderless sales network to promote the upgrading and transformation of retail industry. Pan Jianlin (2019) believes that new retail is a brand-new retail model that changes the retail chain and reconstructs the retail format structure and ecosystem by using the internet and big data and other technical means. Yang Yongfang and others (2020) believe that the new retail will promote the digital upgrade of traditional physical retail, establish a consumer-centric big data analysis platform, and use artificial intelligence and big data technology to accurately segment different consumer groups and scan consumer images. Although scholars have different definitions of the new retail, most believe that the development of its business model is inseparable from the Internet and big data.

## 2.2 The Theoretical Basis

### 2.2.1 Core Competence Theory

In 1990, Harvard Business Review published an article called "Corporate Core Competence". The article believed that the core competence of an enterprise or an organization comes from the integration of its internal knowledge and skills and realizes management coordination by coordinating the internal departments with different skills and the knowledge and information about the technologies. Enterprises mainly obtain revenue by selling goods or services. In the competition of goods or services to win consumers, the key factors are the level of knowledge and technological capabilities possessed by enterprises, which are the core competitiveness required by enterprises. The integration of the company's comprehensive capabilities, such as knowledge level and technical capabilities, can meet the customer's value needs and cannot be imitated by competitors for a long time, thus giving the company an advantage over competitors.

Any resources of an enterprise—if they are unique to the enterprise, scarce and not readily available to competitors—can become its core competitiveness. When an enterprise has specific resources to enable it to have a certain strength in a certain field, such strength may surpass that of its competitors, or even be difficult to replicate in the short term. These resources are an important component of an enterprise's core competitiveness. The technological resources of an enterprise include not only the technological capabilities acquired through independent research and development, but also the technological resources acquired through external purchase. In the process of independent research and development, the enterprise continuously invests time, capital and energy, establishes perfect technology research and development equipment, cultivates the staff's technology and skills, and accumulates rich experience. These technological resources enable enterprises to develop and apply new technologies, which is exactly what enterprises need to cultivate their core competitiveness. However, the core competitiveness is not formed by simply adding the single capabilities of various aspects, but by organically integrating all capabilities to enhance the overall comprehensive strength.

### 2.2.2 Value Creation Theory

The theory of value co-creation was put forward by Jonathan Kaplan, an American scholar, in his book *The Value Co-operation: The Competitive Advantage of Business*. Its core point of view is that in the process of value creation, the interactive relationship between enterprises and customers, employees and partners not only create value, but also plays a vital role in realizing value. In other words, an enterprise can realize its own value only by creating value together with customers, employees, partners, and other relevant stakeholders. The traditional theory of value creation holds that enterprises are the only subjects that create value, while consumers only use these values. However, with the change of social environment, consumers become more and more independent, and their consumption demand is more diversified. Now consumers are no longer just buying goods, but actively expressing their consumption needs. They can participate in the development, design, production and manufacturing of the entire enterprise, and feed back the consumption experience to the enterprise through the shopping process. Therefore, the value creation process includes enterprises and other relevant stakeholders, as well as the participation of all consumer groups. The value is created jointly by consumers and enterprises or other

relevant stakeholders, and ultimately determined by consumers.

### III. CASE BACKGROUND

#### 3.1 the Status Quo and Trend of Industrial Background

With the development of digital technology, mobile internet has become an indispensable part of people's daily life. This has also contributed to the continuous increase in the number of mobile phone payment and online shopping users. At the same time, the demand of consumers is also changing, and the traditional retail industry can no longer fully meet its demand.

In such a digital context, the retail industry has begun to think about using new business models and processes to adapt to this change. The traditional retail industry is upgrading using digital technology to continuously improve the user experience and improve enterprise efficiency. Manhattan collects data from e-commerce platforms and realizes automatic visualization of the data. At the same time, it takes advantage of its powerful data integration and analysis capabilities to occupy a place on platforms such as Express Train and Mama Ali, providing basic data support for the digital transformation and upgrading of enterprises and improving work efficiency. Emerging enterprises use the Internet platform to enter the retail industry and seize the development opportunity of digital technology. Retail enterprises actively promote smart stores and integrate the information of goods, customers, and orders online and offline, to better serve customers, provide high-quality products, and improve customer consumption experience and operation efficiency. With more and more enterprises implementing digital transformation and the outbreak of the epidemic at the end of 2019, the demand for big data is deeper and the application scenarios are richer. The retail industry in China is expected to continue to develop rapidly in the future. The living standard of the people of China has improved and information technology has been continuously innovated. Modern retailing has achieved an effective match between people, goods and markets through advanced technologies such as big data analysis, cloud computing, mobile payments, and the internet. This retail model has become a brand-new way of doing business and is developing towards digitalization and intelligence.

#### 3.2 Three Squirrels Company Profile

The three squirrels, established in 2012, were initially positioned as a pure internet food brand focusing on leisure snacks. Since then, the three squirrels have always maintained the strategy of integrating online and offline development, expanding the offline market since 2016, with 561 self-operated stores nationwide (up to the end of 2022). In 2018, the new online and offline retail model entered the retail chain. The new retail and new species "Alliance Store" were also launched in the same year. Listed on the Shenzhen Stock Exchange on 12 July 2019 (securities code: 300783), three squirrels are accelerating the transformation from e-commerce brand to digital platform-based enterprise, from food manufacturers to consumers, shortening links through digital systems.

#### 3.3 Three Squirrels Digital Transformation Process

From the beginning, nut products have been extended to include nuts, candied fruits, dried fruits, puffed snacks and other whole categories of leisure snacks. They have been gradually laid out in the fields of animation, real estate, film and television. The "three squirrels", whose main business is to provide green and healthy leisure food, are gradually becoming mature. The company successfully utilized the B2B platform, with the support of "internet plus", quickly capture the market. After 65 days of online sales in the first year of the company's establishment, the company entered Tmall Mall and won the trust of consumers with its lovely and romantic brand image, cordial and warm customer service reception and rich products with high quality and low price and became the champion brand of Tmall nut sales. The company continued to grow and grow, winning the nut category sales of Tmall Mall for five years in a row, achieving the goal of accumulated sales exceeding RMB20 billion in seven years, and becoming the top brand in food retail e-commerce. Its development speed is among the highest in the fast-moving consumer goods enterprises in the world. Consumers of the three squirrels pursue high quality, like to try new things, and enjoy personal consumption, and have strong purchasing power. Three squirrels, the earliest snack brand selling only nuts, now have more than 600 kinds of zero food. They control the quality of products very seriously and harshly and have established long-term and stable cooperative relationship with many partners who aim to provide high-quality and high-quality products.

With the accumulation of brand awareness and good reputation, the three squirrels combine products and services with mobile internet technology and devote themselves to creating their own brand connotation and culture through multi-channel development. These successful transformations and strategic adjustments have led to their continuous progress.

### IV. ANALYSIS on the MARKETING STATUS of THREE SQUIRRELS

#### 4.1 Macro-environmental Analysis-based on PEST Analysis

#### 4.1.1 Politics Factors

The biggest problem in the leisure food industry is to ensure food safety. To ensure the health and safety of leisure food, the government has set up a market supervision authority and the Ministry of Commerce and other supervision departments. These departments cooperate with each other and work together to ensure the food hygiene, safety and standardization of leisure food production. In addition to the government's management, the state has also promulgated laws and regulations such as "People's Republic of China (PRC) Food Safety Law" and "Measures for Investigating and Dealing with Illegal Acts of Online Food Safety". These laws and regulations have also greatly affected the standardized production and sales of the leisure food industry.

#### 4.1.2 Economy

According to the data, the per capita consumption expenditure of the national residents reached 24,538 Yuan in 2022, up 1.8% year-on-year. Among them, the per capita consumption expenditure on food, alcohol and tobacco increased by 4.2% to 7,481 yuan, accounting for 30.5% of the per capita consumption; The per capita expenditure on medical and health care was 2,120 yuan, up 0.2%, accounting for 8.6% of the per capita consumption. In recent years, the per capita disposable income of urban residents in our country has been continuously increasing, and the consumption capacity has been gradually increasing. The demand for healthy and safe leisure food, which provides an important driving force for the development of leisure food, has continued to grow. Three Squirrels Company has gradually expanded from the original nut food to the whole category of sales of leisure food, which is in line with the current huge consumption demand.

#### 4.1.3 Society factors

With the transformation of residents' consumption into enjoyment type and function type and the expansion of the category of "internet plus", more attention has been paid to the service quality, product innovation and personalized demand of consumers. Among them, the young post-80s and post-90s online consumers have become the main consumption force. They pay more attention to the current lifestyle, personalized and creative products, and the uniqueness and interest of food. The nutty snack food of the three squirrels clearly meets today's consumers' demand for balanced nutrition and healthy food and has gradually become a favorite of young white-collar workers. With the trend of consumers' consumption upgrading, sales channels are also showing a trend of diversification. With the rapid development of the new retail model, leisure food enterprises such as nuts are also growing rapidly. This trend has brought consumers more convenient and efficient purchasing services.

#### 4.1.4 Technology

Retail enterprises can make use of technological changes and mobile Internet to realize technological progress. With the application of advanced technologies such as big data and artificial intelligence, the industry system has been improved, and intelligent technologies such as 5G and AI have been vigorously developed, all of which have helped enterprises and industries move to higher levels. Big data technologies such as cloud computing have helped enterprises break down channel barriers, better integrate online and offline resources covering human, financial and information resources, and improve the management and operation efficiency of various departments. In addition, it can respond to market demand and personalized demand more quickly. Emerging technologies have also accelerated the upgrading of the logistics system, provided a more intelligent and modern logistics network, and enabled enterprises to expand domestic and foreign markets more quickly. Through the application of artificial intelligence and other technologies, the production, transportation, and storage processes of the products can be further optimized to better guarantee the safety and monitoring of the products. In addition, with the development of mobile Internet, consumers can obtain valuable information through more channels, improving the timeliness and convenience of consumption and shopping.

### 4.2 Micro-environment Analysis-Based on SWOT Analysis

#### 4.2.1 Strengths

Product advantages: the products are rich in variety and wide in coverage. With the improvement of people's living standard, people no longer only pay attention to commodity prices. And pay more attention to product quality and consumption feeling. Therefore, when considering the needs of users, the three squirrels have added various categories of bread, puffed food, candied fruit, etc. to meet the needs of different consumers in addition to nuts.

Brand advantages: The three squirrels had a clear brand positioning and personalized IP image at the beginning of their establishment, which made them well known to users.

Broad and stable user base: consumers are mostly users aged 18 to 40, most of whom are familiar with internet platforms and e-commerce sales channels and have high consumption capacity.

#### 4.2.2 Weaknesses

Nowadays, more and more people are pursuing a healthy diet and generally lose weight and fat, while the three squirrels are mainly puffing commodities with high fat content, which does not conform to the health concept.

Although the three squirrels are designed to meet the needs of all consumers, due to different tastes in different regions, some are sweet or spicy, which is difficult to cater to consumers in all regions. In addition, the brand awareness of the three squirrels is not high, and they have no impression on some older consumers and their coverage is not very wide.

#### 4.2.3 Opportunities

With the increase in the per capita wage level of the residents, the demand for leisure food is increasing. The state also supports the development of leisure food industry. However, many similar brands in the market have yet to establish their own brand awareness. The difference is that the three squirrels have identified their brand image early and have continued to develop and grow. Through unremitting efforts, they have won the honor of being one of the "Top Ten Enterprises in China for Roasted Nuts". They have established their own brand culture and left a deep impression on their customers.

#### 4.2.4 Threats

With the popularity of the Internet, the network marketing model has emerged, and fierce competition has been launched among various brands. For example, herbal flavor and three squirrels have been fighting for the first place. During the outbreak of the epidemic, Bavarian launched many instant food products, and their sales were also very hot. At the same time, as a new brand, the good product shop has also achieved excellent sales results. In 2016, their sales exceeded three squirrels for the first time. During large-scale festivals, the store will also hold promotions such as full discounts and discounts to compete with the three squirrels in the market, making the competition more intense.

### V. STP STRATEGY OF THREE SQUIRRELS

#### 5.1 Market segmentation

First, expand the customer base of different age groups. The customer demand of "Three Squirrels" is mainly snack products, and most customers are young female customers. However, as "Three Squirrels" have developed other series of snack products in recent years, the product market needs to be further segmented for different age groups. In this way, the potential target market can be more fully segmented to cover all its potential customers, and then different sub-markets can be divided according to the customer demand-oriented market scope, thus improving the efficiency of marketing strategy customization and implementation.

Second, list the needs of consumers in more detail. They can list the needs of different consumers in the sub-market and optimize the products, brands and even consumption environment accordingly. In addition, when segmenting the market, the customer's demand should be analyzed, and each demand point should be optimized accordingly.

Third, name different markets. After the market demand is divided, the consumer demand is listed according to different age groups or gender, and the customers with these demands are classified and named. For example, customers aged 18-25 can be named as the campus market, while customers aged 25-35 can be named as the payroll market, forming a market with different names after the division of market demand.

#### 5.2 Selection of Target Markets

With the support of big data technology, enterprises can make full use of internet platforms, select appropriate target markets, and formulate more efficient marketing strategies. The current products of "Three Squirrels" include more than 600 categories of products, which are different from those that satisfy consumers. Therefore, when selecting the target market, it is more necessary to combine the product characteristics with the sub-market of market segmentation to establish the right marketing strategy.

First, focus on the same kind of demand market, for different markets, establish different marketing strategy team.

According to the needs of different markets, the management of marketing activities should be targeted.

Second, specialization of products. Segmentation from product types and product requirements, such as developing different nut sizes and flavors for different products, can further enhance the specialization of product functional design and packaging, thus realizing the specialization of product research and development.

#### 5.3 Market Positioning

The market positioning strategy of "Three Squirrels" is, in a word, "to be the high end of the nut brand and the low end of the e-commerce brand". In terms of nut brands, they are committed to creating high-end products. They not only have strict requirements on taste, but also pay more attention to the origin, quality and processing technology of nuts. As for the e-commerce brand, the "Three Squirrels" focuses on the low-end and middle-end market, striving to reduce the price and improve the cost performance.

## VI. THREE SQUIRRELS PRODUCT MARKETING STRATEGY OPTIMIZATION

### 6.1 Product strategy

Based on the annual report of three squirrels, official website of three squirrels, relevant literature and interview results of Wang Shuangning, head of the user experience strategy research department of three squirrels, the product strategy status of three squirrels is summarized as follows.

The three squirrels adopted cartoon, anthropomorphic and adorable product brand design, and adopted cute and playful product images with bright colors in the modeling design. At the same time, the names of the three squirrels "Squirrel Little Cool", "Squirrel Little Beauty" and "Squirrel Little Base" are highly personified and personalized, which further highlights the company's brand design concept and product design positioning and has successfully won the attention and favor of the majority of consumers. The three squirrels can stand out among many brands by using the anthropomorphic brand-building method, relying not only on the brand design but also on the cultural guidance behind the brand. The three squirrels changed the tone of "esteemed customers" of traditional enterprises and called customers "masters" instead of "squirrels", which is vivid and full of fun. As consumers, facing this novel and unique way of communication, they will naturally be pleasantly surprised to consume with a more inclusive and open mind, to deepen the brand's impression, and even pass it on from mouth to mouth, thus deepening the brand's impression.

A successful IP must have content, popularity, and topic at the same time. From this perspective, the names of the three squirrels are a successful IP. They rely on their own IP effect to generate traffic and create content. In recent years, the three squirrels have continuously launched animation and animation based on the prototype of "three squirrels" and peripheral products of "three squirrels", continuously output the content matrix of "three squirrels" on the short video platform of tremolo, and build a large-scale entertainment project—squirrel town, etc., continuously output the content, relying on the IP effect of the brand for brand publicity and promotion. In addition, three squirrels and other popular IP jointly create IP genus Sex products, through cooperative marketing way to increase the degree of topic and heat, to deepen the brand image and popularity.

The role of leisure food as food and clothing and supplement in the traditional diet structure is gradually changing to flavor, nutrition, enjoyment, function, and entertainment. People pay more attention to the original ecology, nutrition and health of food. At the beginning of its establishment, the Three Squirrels Company has been positioned as a forest product, focusing on healthy nut products, and has been at the top of the nut category for many years. At the same time, the three squirrels established the food industry research institute, continuously developed, innovated, and expanded the category of operation, and gradually expanded from a single nut category to a multi-category and diversified category system. At present, the product categories of the three squirrels cover five major areas: nuts, baking, meat products, dried fruits, and comprehensive products. In addition, the three squirrels have also launched a combination package of different categories. This diversified product design can better meet the differentiated needs of consumers, expand market share, and increase revenue.

The product packaging is novel and unique, the service exceeds expectations, and the marketing activities are guaranteed. In addition to the usual packaging, the packaging of the three squirrel's products has also been added with volume-selling packaging, gift boxes, portable packaging, etc. to meet the needs of customers in different scenes. The outer packaging design of the three squirrels mainly uses the adorable "three squirrels" as the image endorsement, and makes the packaging creative, novel and unique by way of scene implantation. For example, the packaging of a kind of crispy rice noodles is the appearance of squirrel Xiaomei's dusty and wronged face. The packaging is inscribed with the words "Every failure must lead to a failure" and "lead to a failure!" Crispy rice! ", can bring empathy to customers, or can relax consumers in the same situation. This kind of packaging also helps to cause fission on social media and spread word of mouth. In addition, the three squirrels also launched various packaging forms for cooperation with popular IP, such as the smiling nuts, the big fish begonia, the transformers cooperation, etc.

The reason why the three squirrels can gain good reputation is due to the over-expectation service that runs through every detail. For example, product packages such as opener, paper bag and tissue paper are included to predict customers' demands in advance and meet customers' demands beyond expectations. From the perspective and experience of consumers, the three squirrels have played a crucial role in the promotion of the brand, creating a package that can effectively trigger consumer sentiment, resonate, and bring positive word-of-mouth communication that meets consumers' needs and exceeds expectations.

### 6.2 Pricing Strategy

The concentration degree of the leisure food industry is low, and the entry threshold or standard is low. As a result, the

number of employees in the leisure food industry is increasing day by day, which greatly increases the competition in the industry. Therefore, the monopoly of the industry or the head enterprise is basically avoided. To expand the market share and market scale, each enterprise continuously attracts consumers through price reduction. However, price reduction alone cannot ensure the sustainable and high-quality development of the enterprise in the long run. Compared with other brands of the same category of goods, such as hand-torn bread, for daily nuts and online celebrity giant snack gift bags, the original price of the three squirrels and the good products shop is basically the same, while the original price of the herbal flavor is on the high side; After the offer, the prices of the three brands were similar. Three squirrels were slightly higher in the price of nuts and baking activities, while three squirrels were lower and slightly superior in the price of meat products and comprehensive activities. Nuts and baking are two important revenue categories of the three squirrels. It can be seen from this that the three squirrels currently adopt the pricing strategy of slightly higher pricing for superior products and slightly lower pricing for inferior products; BaicaoWei chooses the price strategy that the original price is on the high side and the original price is heavily discounted. Good products shop adopts low price strategy.

### 6.3 Channel Strategy

Internet e-commerce has experienced a development dividend period of nearly 10 years. Internet traffic is concentrated on online platforms or mobile terminals such as Tmall and JD.COM. In the past two years, with the rise of social live broadcast platforms and short video platforms such as Tik Tok and Aauto Quicker, social e-commerce has developed rapidly and even is expected to catch up with traditional e-commerce platforms. At the same time, Internet traffic is gradually saturated, and bottlenecks have emerged due to online development alone. At present, the channel strategy layout constructed by the three squirrels is "balanced development of all online channels and balanced development of all online and offline channels". The online channels are mainly Tmall, JD.COM and social e-commerce platforms. The offline channels include Squirrel Food Store, Squirrel Store and New Distribution. As shown in Figure 3, online channels still played a major role, with annual sales of RMB7,204 million, accounting for 73.56%. Offline channels accounted for 26% of annual sales. Among them, 78 new stores were opened in the food and beverage stores, with a total of 171 stores at the end of the period, achieving revenue of RMB874 million, representing a year-on-year increase of 16.4%, accounting for 16.4% of the total revenue; Alliance Store opened 641 new stores, with a total of 872 at the end of the period, achieving revenue of RMB459 million, representing a year-on-year increase of 63.3%, accounting for 4.7% of the total revenue. At the end of the new distribution period, the cumulative total reached over 400,000 retail terminals, generating revenue of RMB1,165 million, representing a year-on-year increase of 37.7%, accounting for 11.9% of the total revenue.

### 6.4 Promotion Strategy

#### 6.4.1 Holiday Promotion to Stimulate Consumers to Buy

Like all major e-commerce platforms and enterprises, the three squirrels mainly reply on holidays for promotional activities, including the "Double Eleven" and "Double Twelve" shopping festivals, 618 CUHK promotion, Shuang Dan Courtesy years and achieved gratifying results. In the holiday promotion activities, the three squirrels topped the list of nut sales for five consecutive years and achieved gratifying results. In the holiday promotion activities, the three squirrels mainly adopt the preferential ways of price discount, full discount, coupon reduction, auction reduction, half-price sale, etc. Among them, price concessions and full reduction concessions are commonly used. Through promotion, consumers are stimulated to carry out effective promotion through discount information.

#### 6.4.2 Film and television implantation and advertising to attract consumers

The main consumer group of the three squirrels is the youth group. This group generally likes to chase dramas. The advertisement of the three squirrels is embedded in the popular movies and TV plays, which can quickly achieve the effects of promoting the brand, attracting consumers, and arousing the desire to buy in a short period of time. For example, the three squirrels performed well in the popular TV plays such as "Love O2O", "Ode to Joy" and Nothing but Thirty, and the related search volume of the three squirrels increased sharply during the same period. In addition, the three squirrels, through TV, websites, supermarkets, subways, bus stops and other advertising campaigns, relied on their cute brand IP image and catchy advertising slogans such as "identify this big head", "small beauty of squirrels is delicious", "snacks from all over the world are contracted by me", and so on, and the three squirrels quickly entered the consumers' vision. However, in 2021, the three squirrels' brand image was damaged to a certain extent due to the "advertising model squinting" and "red scarf poster" rushing into the hot search, causing controversy. Therefore, advertising plays an important role in corporate marketing. In terms of advertising language, posters, and other design, it is not only necessary to attract consumers, but also necessary to investigate the feasibility and compliance of advertising in all aspects.

### 6.4.3 IP and surrounding publicity

The three squirrels rely on their cute and IP images to design peripheral products such as "life +Q Series" and "Squirrel Tide Brand Series", such as holding dolls, tableware, trendy T-shirts, etc. At the same time, they cooperate with other popular IP to launch joint limited peripheral products. The three squirrels expanded their brand awareness, deepened their brand image, and played a role in promoting the brand through the surrounding products, animation works and the squirrel town, which was created as an entertainment experience place.

### 6.4.4 Social media campaigns

The target customer group of the three squirrels mentioned above is the young and young group, which are loyal users of various mainstream social media platforms such as Tik Tok, Aauto Quicker and Weibo. The social media has developed rapidly in the past two years and the traffic has become further decentralized. Anyone can rely on the quality content output to obtain traffic and fans. In the era of fan economy, there are more fans.

Silk and traffic mean the more likely it is to switch earnings. Different from film and television implantation, television advertising and web advertising, social media has lower advertising cost, closer links with consumers, more convenient communication and interaction with fans, more accurate grasp of consumer demand, more timely feedback of problems, and easier increase of consumer loyalty. Taking the Tik Tok account of three squirrels as an example, the three squirrels rely on "Little Squirrel Cool", "Little Squirrel Beautiful" and "Little Squirrel Cheap" to make short, animated films, and continuously output short, animated videos with novel contents, strong interactivity, and strong attraction. Up to May 11, 2023, 716 works have been published, with 1,833.0 W of praise and 569.8w of fans. The competitor of the same trade, Haoji Shop, released 1,055 works, which won the praise of 99.5w, with fans of 140.4w, while Baicaowei released 2,222 works, which won the praise of 678.6w and fans of 314.5w W. Compared with peer companies, the works of the three squirrels are relatively slow to update. Although at present, the three squirrels have made certain achievements on such popular social media platforms, they still need to firmly seize the opportunities of social media, continuously innovate and output high-quality content, and expand brand promotion and influence.

## VII. CONCLUSION

After discussing the relevant theories in the marketing model innovation of retail enterprises under the background of digital economy and the practice and case analysis of the three-squirrel marketing model, this paper draws the following conclusion summary:

Under the background of digital economy, retail enterprises need to innovate their marketing model to meet the needs of personalized, intelligent and humanized consumers. Among them, three squirrels, as a typical snack chain enterprise, have achieved in-depth integration of on-line and off-line and scene services through innovative marketing strategies and practices, and constructed new marketing models such as digitalization, intelligence, and humanization, which have won the favor of consumers. The digital economy provides a broad space for marketing innovation and promotes the development of digital and intelligent marketing model. Retail enterprises should actively use emerging technologies, such as Big Data and internet plus, to understand consumer demand and market trends and form differentiated service models. Retail enterprises should pay attention to the construction of humanized marketing model, provide personalized and customized services, and enhance the sense of consumption experience. In the new media era, retail enterprises need to use social media and other new channels to strengthen the user experience, scene experience and emotional value in their marketing strategies to create marketing sedimentation effect and brand reputation. To sum up, the new retail marketing model under the digital economy is the development trend in the future. The successful experience of the three squirrels' digital, intelligent, humanized, and other new marketing models is worth learning from other retail enterprises. Retail enterprises need to strengthen talent and management innovation, deepen interaction with users, build multi-scene marketing model online and offline, and cultivate differentiated competitive advantages of service brands.

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