VOL.3, NO.3; JUL. - SEP.; 2024, ISSN 2822-0412 (Online)

Research on Marketing Strategies of Decoration Design Company's

Supply Chain

Yingying Quan *

Received: November 21, 2024 / Revised: November 24, 2024 / Accepted: November 25, 2024

Abstract

DOI: 10.14456/scsr.2024.20

With the rapid development of China's real estate industry and improved living standards among urban and rural residents, the demand for decoration design services has surged, driving the continuous growth of decoration design enterprises. However, fluctuations in the real estate market have intensified competition, presenting challenges to sustaining business development. Marketing management plays a crucial role in addressing these challenges, with a focus on formulating scientific marketing strategies to guide enterprise growth and ensure stability. This paper examines MS Decoration Design Company, leveraging literature review and field research to analyze its marketing strategy dilemmas. Key issues include ambiguous target customer groups, misalignment between product offerings and price positioning, insufficient brand awareness, limited marketing channels, and a lack of personalized services. These challenges highlight significant deficiencies in the company's marketing strategy framework. To address these issues, this study applies SWOT analysis to propose targeted countermeasures. These include diversifying core business offerings, expanding market reach, optimizing the industrial ecological environment, and refining the company's strategic focus. Recommendations emphasize clearly defining target customer groups, aligning product and price positioning, strengthening brand planning, enhancing channel development, and prioritizing personalized service delivery. By implementing these strategies, MS Decoration Design Company can improve its marketing approach, achieve sustainable development, and contribute to the broader growth of the decoration design industry.

Keywords: Marketing Strategy, Decorative Design, Marketing Management, Brand Planning,
Channel Building

corresponding*, Private Hualian College, Guangdong, China. E-mail: 115808792@gq.com

Introduction

Research background

With the rapid development of China's economy, residents' living standards have improved significantly, leading to higher demands for material well-being. Housing has become a primary focus of consumption, stimulating a booming real estate market and driving related industries, including the decoration design sector. In this context, the demand for interior decoration has evolved, with consumers prioritizing green, environmentally friendly, and high-quality designs. While this creates significant opportunities, it also presents substantial challenges for decoration design enterprises.

The rapid expansion of China's decoration design industry has led to increased competition. By the end of 2018, the number of decoration design enterprises in China had reached approximately 150,000, creating a saturated market with intense competition (Li et al.,2024). Most companies in this sector remain small, with limited resources and capabilities. For instance, enterprises with assets exceeding 1.5 billion yuan accounted for only 9% of the industry's total output value, reflecting low industry concentration and widespread disorderly competition(Zhao et al.,2012). Consequently, many companies have struggled to survive amidst fierce competition.

MS Decoration Design Company, a small and medium-sized enterprise with over 20 years of experience, has demonstrated resilience through market challenges. During the past decade, the company thrived alongside a booming real estate sector. However, as the real estate market stabilizes and demand declines, MS Decoration Company faces increasing survival pressures. Despite maintaining stable annual sales of approximately 130 million yuan, the company's profit margin has declined from 16.75 million yuan to 13.55 million yuan over the past five years, highlighting growing financial challenges.

Furthermore, MS faces competitive disadvantages compared to large industry players like Gold Mantis, whose economies of scale enhance their market dominance. The inability to adapt to shifting consumer demands in terms of products, pricing, and distribution channels underscores weaknesses in MS's marketing strategy. To overcome these challenges, MS must refine its market positioning and adopt a robust, adaptive marketing strategy to ensure sustainable development in a competitive landscape.

Research Significance

The analysis of enterprise marketing strategies by domestic and international scholars has predominantly focused on real estate enterprises, leaving a gap in the study of related industries such as the decoration design sector. Additionally, existing studies largely emphasize large decoration design companies, with limited exploration of small and medium-sized enterprises (SMEs) like MS Decoration Company. This paper addresses these gaps by analyzing the marketing strategies of SMEs in the decoration design industry, thereby contributing to the theoretical understanding of this underserved area(Porter, 1998).

In recent years, China's real estate market has stabilized, leading to a decline in overall market demand, which has adversely impacted related industries, including decoration design. However, past research

has largely examined marketing management in the context of a booming real estate market, with insufficient focus on the challenges faced by decoration design enterprises during economic downturns. This study leverages analytical frameworks such as STP marketing strategy theory and the SWOT model to examine the marketing strategy dilemmas faced by MS Decoration Company. By combining theory with practical insights, this paper identifies transformation strategies that are significant for both theoretical research and practical applications (Kotler et al., 2016).

From the perspective of MS Decoration Company, the business faces intense market competition and increasing survival pressures. To sustain and grow, the company must promptly adapt its marketing strategies. This study identifies specific challenges within MS's marketing management and offers actionable recommendations. Such insights enable enterprise managers to recognize and address their shortcomings, align strategies with market trends, and develop marketing plans tailored to their unique needs. These findings are not only beneficial for MS Decoration Company but also serve as valuable references for other SMEs in the industry (Hänle et al., 2022).

Finally, the decoration design industry's dependence on the real estate market underscores its vulnerability to macroeconomic policies. Recent national capacity reduction policies and slower real estate growth have heightened these threats. This paper's analysis of MS Decoration Company's marketing strategy provides a broader understanding of industry dynamics and offers practical guidance for ensuring sustainable and stable development in the sector.

Literature Review

Theoretical Basis

STP Marketing Strategy Theory

STP marketing strategy theory, initially proposed by American economist Del Smith and later refined by Philip Kotler, is a foundational framework in marketing strategy. The theory comprises three key components: market segmentation, target market selection, and market positioning.

- 1) Market Segmentation: This involves dividing the market into distinct customer groups based on varying consumer needs. It outlines the structure of market segments, enabling enterprises to categorize and prioritize customer groups (Kotler et al., 2016).
- 2) Target Market Selection: Once the market is segmented, businesses identify one or more segments as their target markets, aligning the selection with the company's capabilities and strategic objectives.
- 3) Market Positioning: The final step involves crafting a specific corporate image in the minds of the target audience through effective marketing techniques. This positioning helps establish the company's presence in the market.

The purpose of the STP theory is to analyze the business conditions of an enterprise and evaluate market dynamics to identify suitable customer groups and allocate resources efficiently. Given the complexity of modern consumer preferences and product diversification, businesses must prioritize specific markets to maximize economic benefits. By focusing their efforts on well-defined market segments, enterprises can achieve higher returns with limited resources (Smith, 1956).

STP theory is highly relevant in the current competitive environment. Companies like MS Decoration Design Company can leverage this framework to identify niche markets, optimize resource allocation, and develop tailored marketing strategies to enhance their competitive advantage. This structured approach ensures that businesses concentrate on high-priority segments, enabling them to implement reliable and focused marketing activities.

SWOT Model Theory

The SWOT analysis method is a prominent tool for evaluating an enterprise's internal environment and strategic positioning. Developed in the 1980s and influenced by Michael Porter's theories on competition, SWOT combines insights from the resource-based school of thought and external market dynamics (Porter, 2008).

SWOT analysis examines four key dimensions:

- 1) Strengths: Internal capabilities that provide a competitive edge.
- 2) Weaknesses: Internal limitations that hinder growth.
- 3) Opportunities: External factors that the company can capitalize on.
- 4) Threats: External challenges that may impact the company's success.

This method employs a structured matrix to map internal and external factors systematically. By identifying these dimensions, enterprises can develop strategies that align internal strengths with external opportunities while mitigating weaknesses and threats (Gurl, 2017).

For MS Decoration Design Company, SWOT analysis offers a robust framework for understanding its strategic position. By evaluating its internal strengths and weaknesses alongside external opportunities and threats, the company can formulate and refine its marketing strategies. Using systematic analysis and matrix representation, MS Decoration Design Company can identify optimal strategic combinations to address market challenges effectively.

Application to MS Decoration Design Company

MS Decoration Design Company is a small and medium-sized enterprise specializing in decoration design. Over the years, it has developed a distinct business system and secured a modest share in the market. By employing STP theory, the company can refine its focus on specific customer groups, ensuring that its marketing efforts are precise and resource efficient. Similarly, leveraging SWOT analysis enables the company to align its internal capabilities with market opportunities and address external threats systematically.

Research Methods

This study employs a combination of the literature research method, case study method, and field research method to analyze and propose marketing strategies for MS Decoration Design Company.

1) Literature Research Method

The study systematically reviews a range of domestic and international academic literature, internet resources, newspapers, and government documents to establish a solid research foundation. This comprehensive review provides a rich source of data, offering a deeper understanding of "decoration design companies" and "marketing strategies" (Bryman, 2016). During the literature review process, emphasis is

placed on careful examination and systematic synthesis of related academic studies. This approach ensures a broad and in-depth understanding of the research topic and clarifies the problem awareness and research framework. By organizing existing knowledge, the study develops insights into the marketing strategies of MS Decoration Design Company.

2) Case Study Methodology

The marketing strategy of MS Decoration Design Company is a complex practical issue, making the case study method an appropriate choice. The study employs a typical case analysis approach, which allows for an in-depth understanding of specific problems through detailed exploration (Yin, 2018). This method summarizes the company's marketing strategy development and evaluates its current challenges and environmental factors. By observing and analyzing typical cases, the study provides valuable insights and recommendations for constructing an improved marketing strategy tailored to the company's needs. (Eisenhardt, 1989)

3) Field Research Method

Accessing primary information is crucial for the case study approach, and field research serves as the primary means of gathering this data. The field research process involves two key steps:

- 1. Initial Field Investigation: This includes conducting interviews with ordinary employees of the marketing department to gain a comprehensive understanding of the company's current marketing strategies and their implementation.
- 2. In-Depth Interviews: Following the initial investigation, detailed discussions are held with the head of the marketing department. These exchanges delve into the company's marketing strategies, exploring the challenges and specific actions undertaken by the department. The collected information is then analyzed to extract the dilemmas faced by MS Decoration Design Company and propose actionable solutions.

By integrating these methods, the study aims to provide a thorough analysis and well-supported recommendations for enhancing the company's marketing strategies.

An analysis of the marketing strategy of MS Decoration Design Company reveals that the current approach fails to align with the dynamic needs of enterprise development. The fluctuations in the real estate market and the evolving preferences of consumer groups necessitate timely adjustments to marketing strategies, enabling the company to adapt to market trends and sustain its growth.

Macro Environment Analysis of MS Decoration Design Company

Political and Legal Environment

Political and legal factors profoundly influence enterprise development, particularly through government policies. In recent years, the national real estate market regulation policies in China have significantly affected the interior decoration industry. As a dependent industry, the trajectory of the decoration sector closely aligns with the real estate market.

1) Gradual Withdrawal of Purchase Restriction Policies According to the "2018 National Real Estate Market Report" released by the Shell Research Institute, while the rapid growth in housing prices has stabilized, certain cities have relaxed purchase restrictions. This shift back to market-oriented adjustments signals opportunities for decoration companies like MS Decoration Design Company to expand during market recovery phases (Shell Research Institute, 2018).

2) Supportive Policies by the Ministry of Housing and Urban-Rural Development Policies such as encouraging the housing rental market and standardizing engineering specifications have mitigated risks and created opportunities for the decoration industry. Notably, policies targeting inventory reduction in third- and fourth-tier cities open untapped markets for MS Decoration Design Company to explore (Chen et al., 2020)

Economic Environment

Economic conditions significantly influence the real estate and decoration design industries. The current trends in China reveal key insights:

- 1) Stable Economic Growth China's GDP growth rate has hovered around 6.5% since 2015, signaling a stable macroeconomic environment. While the real estate market may appear saturated, maintaining a stable economic policy ensures steady demand in the decoration design market. Companies must innovate to capture market share within a constrained yet consistent environment.
- 2) Central Bank Policy Adjustments Interest rate reductions by the central bank since 2014 have positively influenced the real estate market by reducing borrowing costs. Lower housing loan interest rates have particularly benefited first-time buyers, indirectly aiding the decoration design industry.
- 3) Regional Economic Growth Key markets like Beijing, Shanghai, and Guangzhou, where MS Decoration Design Company operates, demonstrate stable economic and real estate conditions. However, saturation in these first-tier cities necessitates exploring new markets and strategies to sustain growth.

Social Environment

Social factors, including cultural influences and evolving consumer preferences, are pivotal for the decoration industry.

Segmented Consumer Groups Consumer groups in the real estate market include single individuals, newlyweds, and families upgrading their homes. Newlyweds and growing families prioritize aesthetics and eco-friendly materials, emphasizing the need for tailored marketing strategies (Chen et al., 2020).

Rise of Environmental Awareness Increasing environmental consciousness drives demand for green materials and technologies in home design. Decoration companies must integrate sustainability into their products to meet customer expectations.

Low Brand Awareness Despite growing brand recognition in other industries, the decoration design sector remains fragmented. Most consumers rely on recommendations rather than established brands, indicating a need for companies like MS Decoration Design Company to enhance brand visibility through marketing.

Technological Environment Technological advancements shape the future of the decoration industry, and adapting to these trends is critical.

- 1) Internet of Things (IoT) Integration IoT technology enables smart home solutions, allowing consumers to control their environments through connected devices. Developing IoT-compatible decoration services will enhance the company's competitive edge.
- 2) Popularization of Heating and Environmental Technologies Innovations like floor heating and air purification systems are gaining traction, especially in southern China. Companies offering these technologies at competitive prices will strengthen their market position (Gann, 2000; Kovacevic & Ivanova, 2014)

SWOT Analysis of the Marketing Strategy of MS Decoration Design Company Strengths

- 1. Strong Design Capabilities MS Decoration Design Company has a well-established reputation within the decoration design industry, having grown alongside the real estate market over the past two decades. A significant strength lies in its highly skilled and youthful workforce. Designers make up approximately 50% of the company's total employees, with an average age of 35.3 years, reflecting a trend toward younger, dynamic talent. Notably, 15% of the workforce holds master's degrees or higher, showcasing a strong pool of expertise and development potential.
- 2. High Market Visibility As a mid-sized company, MS Decoration Design has garnered a robust reputation through its numerous accolades and awards. This recognition has bolstered its visibility in key markets, such as Beijing, Shanghai, and Guangzhou, where consumer trust in the brand is notably strong. Market share data further highlights MS Decoration Design's competitive advantage, reflecting its ability to capture and retain a loyal customer base in these regions.

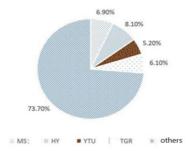


Figure 1 Market Share of MS Decoration Design Company and Its Competitors

Data Source: Annual Financial Report Statistics

3. Superior Performance MS Decoration Design Company has consistently prioritized quality in its decoration design projects, creating several iconic landmarks such as the Shanghai Haili Building, Beijing China Workers' Home, and the Dongguan Exhibition Center. These projects serve as vital showcases of the company's expertise, significantly enhancing its reputation. The company's recent project performance, presented in Table 1, highlights its consistent growth despite challenges such as a cooling market. By maintaining high-quality performance standards, MS Decoration Design has effectively attracted clients and secured its market position, even during industry downturns.

Table 1 Project Volume Undertaken by MS Decoration Design Company

Year	Tooling Engineering (pcs)	Other Projects (pcs)
2015	8	19
2016	11	22
2017	9	21
2018	12	18

Source: MS Decoration Design Inc. internal data

4. Advanced Business Philosophy

MS Decoration Design Company has adhered to the philosophy of "integrity-based, innovation and development" throughout its two-decade-long journey. This approach enables the company to adapt to dynamic market conditions by continually innovating its services and offerings. Under this strategic framework, MS has successfully entered first-tier cities such as Beijing and Shanghai, securing major contracts and earning widespread client praise.

5. Comprehensive Internal Management

Efficient management systems are critical to the success of any enterprise. MS Decoration Design Company boasts a robust internal management framework, with clear job responsibilities, detailed position descriptions, and streamlined organizational operations. These attributes contribute to the company's operational efficiency and competitive edge.

6. Strong Corporate Culture

Corporate culture plays a pivotal role in fostering employee loyalty and motivation. MS Decoration Design Company emphasizes both internal engagement - enhancing employees' sense of mission and belonging - and external branding, which builds customer trust and satisfaction. These efforts underpin the company's sustainable growth.

Summary of Advantages

MS Decoration Design Company demonstrates a customer-centric approach rooted in a forward-looking vision. Its strategic focus on past successes, current performance, and future opportunities solidifies its competitive position in the market. These strengths collectively contribute to its robust development trajectory.

Disadvantage Analysis

Despite the numerous advantages of MS Decoration Design Company, several disadvantages have hindered its development. These issues stem primarily from its business strategies and the evolving market environment.

1. Limited Industrial Chain Expansion

The economic benefits of decoration design enterprises often rely on material cost differences achieved through large-scale procurement. MS Decoration Design Company, however, continues to source materials exclusively from upstream suppliers, resulting in weak bargaining power. This dependence significantly impacts profitability, as raw material costs and total expenses have been steadily increasing (see Figure 2). Currently, the company has not ventured into raw material supply, leaving its industrial chain underdeveloped and profit margins compressed.

A significant limitation is the company's underdeveloped industrial chain. In the decoration design industry, profit margins often depend on the ability to control material costs through economies of scale. However, MS Decoration Design relies entirely on upstream suppliers for raw materials, as illustrated in Figure 2, which shows the rising costs of raw materials and total expenses. The company's lack of bargaining power with suppliers has constrained its profitability. Without deeper vertical integration into raw material supply, MS faces compressed profit margins, limiting its ability to optimize operational costs. By addressing these weaknesses, MS Decoration Design Company can enhance its market competitiveness and secure long-term growth.

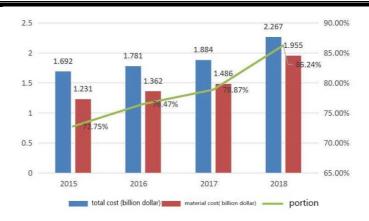


Figure 2 Rising Raw Material and Total Costs for MS Decoration Design

Data source: annual financial report data statistics

2. Shortage of Human Resources

As a decoration design enterprise, MS faces a pressing demand for skilled designers, especially senior design professionals. The company currently employs only around 100 senior designers. In large markets such as Beijing, Shanghai, and Guangzhou, each branch office operates with fewer than 30 designers, which is insufficient to meet growing market demands. To optimize resource utilization amidst this talent shortage, MS must refine its market positioning.

3. Challenges in Project Performance

Delivering quality, timely, and safe project outcomes is essential. However, MS struggles to meet these standards consistently, partly due to resource limitations. This inability to fulfill contracts according to client expectations - especially when catering to new and returning customers—has negatively impacted the company's reputation and creditworthiness.

4. Insufficient Horizontal Cooperation

In some cases, competitors can become strategic collaborators, particularly in large projects involving multiple tenders. Horizontal cooperation allows companies to share resources and expertise, effectively overcoming manpower shortages. MS Decoration Design Company, however, has partnered with fewer than 10 other enterprises, leaving it unable to secure timely partnerships when needed. This lack of horizontal collaboration limits the company's flexibility in project delivery.

Opportunity Analysis The rapid economic growth and urbanization in China have created numerous opportunities for MS Decoration Design Company to thrive in the decoration design industry.

High-End Event Hall Decoration

With China's growing international presence and its successful hosting of large-scale events (e.g., the Olympics, Asian Games, and World Expo), there is an increasing demand for high-quality decoration projects. MS has successfully undertaken notable projects, such as the Beijing Olympic Sports Center and the Shanghai World Expo venue. Future opportunities in this area are expected to grow as China continues to host high-profile events.

VOL.3, NO.3; JUL. - SEP.; 2024, ISSN 2822-0412 (Online)

Batch Decoration of Large Building Complexes

The Chinese government's push for affordable rental housing and the transition of commercial housing to unified developer-led decoration projects provide a lucrative market for mid-sized companies like MS. The company's existing partnerships with developers such as Vanke and China Resources position it well to capitalize on this growing market segment.

Periodic Renovation for Hotels and Restaurants

The cyclical nature of the decoration design industry, particularly for businesses like hotels and restaurants that renovate every 5–8 years, offers a steady revenue stream. MS has built a substantial customer base in this sector, ensuring a stable demand for periodic renovation projects in the future.

Threat Analysis

While opportunities abound, MS Decoration Design Company faces several external threats that could impede its growth.

Intensified Industry Competition

With 150,000 decoration design enterprises in China and an annual growth rate of 8%, competition has become increasingly fierce, particularly in first-tier cities like Beijing, Shanghai, and Guangzhou. As a mid-sized company, MS struggles to expand its market share and establish horizontal alliances with competitors, placing it at a competitive disadvantage.

Industrial Chain Expansion by Material Suppliers

Many material suppliers are extending their business scope to include decoration and construction. Given their significant advantage in raw material access and the low entry barriers in the decoration design industry, these suppliers pose a growing threat to companies like MS.

Integration by General Contractors

Traditionally, property owners subcontracted decoration services separately, providing early growth opportunities for MS. However, as general contractors now integrate decoration into their service offerings—encouraged by policies promoting pre-furnished housing—companies like MS face shrinking market opportunities. The rise of EPC (Engineering, Procurement, and Construction) firms further heightens this challenge by enabling tighter control over the market.

SWOT Matrix Analysis

To adjust its marketing strategy, MS Decoration Design Company must leverage its strengths (S), address its weaknesses (W), capitalize on opportunities (O), and mitigate threats (T). The following matrix highlights strategic directions:

Table 2 MS Decoration Design Company SWOT Matrix

Strengths/Opportunities (SO)

Strengths/Threats (ST)

- 1. Leverage its high-quality projects to expand into high- 1. Utilize its strong brand reputation to differentiate end event hall decoration. itself from competitors in first-tier cities.
- Deepen partnerships with developers to secure batch 2. Enhance service offerings to counteract
 decoration contracts.
 competition from integrated general contractors.

Weaknesses/Opportunities (WO)

Weaknesses/Threats (WT)

- Invest in talent acquisition to address human resource 1. Improve cost efficiency through backward shortages for expanding opportunities. integration into raw material supply.
- 2. Develop horizontal alliances to enhance project 2. Expand service portfolio to remain competitive execution capabilities.

 against new entrants.

Through the analysis above, MS Decoration Design Company can refine its strategy to ensure sustainable growth and competitiveness in the evolving market. Based on the SWOT analysis and using the SWOT strategic selection matrix, the development strategy for MS Decoration Design Company is outlined as follows:

SO Strategy (Strengths-Opportunities Strategy):

Seize External Development Opportunities: Capitalize on the ongoing urbanization and the increasing demand for high-quality residential decoration, especially in third- and fourth-tier cities. MS Decoration Design Company should leverage its strengths by enhancing its brand image and strengthening alliances with real estate developers.

Focus on Core and Expanding Markets: Strengthen relationships with existing clients, such as catering hotels, and focus on maintaining a strong presence in first-tier markets. At the same time, expand aggressively into third- and fourth-tier markets to maximize the reach and growth of the company.

ST Strategy (Strengths-Threats Strategy):

Mitigate External Threats with Strengths: Use the company's existing competitive advantages to shield itself from growing competition. Strengthen partnerships with large decorative design companies and suppliers to create a more robust supply chain.

Enhance Strategic Alliances: Strengthen cooperation with general construction contractors to leverage outsourcing business advantages, ensuring cost efficiency and gaining recognition from key contractors.

WO Strategy (Weaknesses-Opportunities Strategy):

Diversify the Industrial Chain: Based on the current industrial chain, MS Decoration Design Company should accelerate its extension and diversification. Expanding into new areas such as general contracting projects would broaden its scope and revenue base.

Talent and Price Management: Establish a more comprehensive talent management system, improve the price management system, and enhance horizontal cooperation to increase market influence and attract top-tier projects.

WT Strategy (Weaknesses-Threats Strategy):

Enhance Market Positioning: MS Decoration Design Company must refine its market positioning and customer management practices to strengthen its competitive edge. The company should focus on differentiation strategies, such as product, brand, and service differentiation, to attract customer attention in a crowded market.

Accelerate Organizational Streamlining: Improve organizational efficiency to better respond to external challenges and streamline processes for faster market adaptation.

Conclusion:

To ensure the sustainable growth and competitiveness of MS Decoration Design Company, continuous refinement of its strategies is essential, especially in light of challenges and opportunities in the evolving market landscape.

Optimization of MS Decoration Design Company's Marketing Strategy

The growth of an enterprise is intricately tied to effective management, and the formulation of a robust marketing strategy provides a clearer direction for future development. MS Decoration Design Company must focus on "creating a grand residential scene with benevolence and down-to-earth morality" while working towards its vision of becoming a respected decoration company in China. To optimize its marketing strategy, MS Decoration Design Company should focus on the following key areas:

1) Diversification Strategy for Core Business

The future marketing strategy of MS Decoration Design Company will require a diversification of its core business. This strategy should be approached from three key directions:

Expansion of Raw Material Business: MS Decoration Design Company should further strengthen its expansion into the raw material business. By gradually managing the supply of raw materials within its capabilities, the company can build a more comprehensive industrial chain, leading to cost efficiencies and more sustainable growth.

Cultural and Educational Business: With its years of expertise in the decoration design industry, MS Decoration Design Company is well-positioned to expand into the cultural and educational sectors. The company can offer training and management services in decoration design, creating an additional revenue stream and expanding its market reach.

Expansion of Service Offerings: MS Decoration Design Company can extend its core business by offering a wider range of services, including maintenance services for new customers. This will help diversify the company's strategic operations and strengthen customer loyalty.

2) Market Space Expansion Strategy

To continue its development and improve its scale, MS Decoration Design Company should adopt a market space expansion strategy. This can be achieved through the following initiatives:

Reorganization of Marketing Departments: MS Decoration Design Company should restructure its marketing departments into two major divisions: one focusing on first- and second-tier cities and another on third- and fourth-tier cities. This will help streamline the marketing operations and optimize resource allocation.

Zoning Management of Marketing: To address the insufficient development in third- and fourthtier cities, MS Decoration Design Company should establish regional marketing offices in key cities to coordinate efforts and enhance market penetration.

Bidding Management Adjustments: To improve project bidding outcomes, MS Decoration Design Company should adjust its management of bidding processes across regions, ensuring that each marketing department can efficiently handle the bidding and approval process.

3. Industrial Ecological Environment Optimization Strategy

MS Decoration Design Company needs to optimize the industrial environment to support its growth. Key aspects include:

Supplier System Enhancement: The company should create a more robust supplier system, ensuring stable and long-term relationships with suppliers, particularly for raw materials. This will help safeguard the quality and timely delivery of materials.

Strengthening Business Relationships: MS Decoration Design Company should enhance its cooperation with key business sources, providing follow-up maintenance services alongside decoration design, thereby improving customer retention.

Horizontal Cooperation with Competitors: Collaborating with other decoration design enterprises can help alleviate competition and improve overall market efficiency, fostering a more cooperative industry environment.

4. Clarification of Target Customer Groups

As the company's marketing strategy shifts towards targeting both first-tier cities and third- and fourth-tier cities, MS Decoration Design Company needs to focus on managing customer relationships more effectively:

Develop Strong Relationships with Large Enterprises: The company should strengthen its relationships with large enterprises, institutions, and catering hotels, ensuring ongoing communication and follow-up management.

Expand in Mid- to High-End Markets: MS Decoration Design Company should gradually shift focus from low-end markets to mid- and high-end segments, particularly by targeting large-scale developers in third- and fourth-tier cities.

5. Product and Pricing Optimization

To meet the evolving needs of customers, MS Decoration Design Company should:

Launch Personalized Products: MS Decoration Design Company must innovate by introducing green and intelligent decoration design options to meet the growing demand for personalized, sustainable designs.

Optimize Pricing Strategy: The company should implement a tiered pricing system to cater to different market segments. For high-end markets, a higher price point is recommended, with specific pricing levels for varying customer needs, such as 2000, 2400, 2700, and 3000 yuan per square meter.

6. Strengthening Brand Planning

Brand development is critical for the long-term success of MS Decoration Design Company. To enhance brand recognition:

Design a Strong Brand Culture: The company should incorporate environmental protection as part of its brand culture, reflecting its commitment to sustainability. This will not only resonate with customers but also differentiate the company in a competitive market.

Green Store Concept: The company should design its stores to reflect its green brand culture, ensuring customers experience the company's commitment to sustainability as soon as they engage with the brand.

In conclusion, by optimizing its marketing strategy in these critical areas—business diversification, market expansion, industrial environment optimization, target customer group management, product and pricing optimization, and brand development—MS Decoration Design Company can achieve sustainable growth and remain competitive in an evolving market.

MS Decoration Design Company Marketing Strategy Analysis

Redesigning the Company Logo As depicted in Figure 3, the MS Decoration Design Company logo has been redesigned to better reflect its industry characteristics and cultural content. The new logo integrates the essence of the company's business and philosophy. The use of a house form in the design symbolizes the company's focus on home and decoration services, while the green window represents its commitment to eco-friendly decoration concepts. This logo also communicates the company's future direction in the decoration design process, emphasizing sustainability and innovation.

Brand Promotion Strategies

Brand publicity plays a pivotal role in increasing the MS Decoration Design Company's visibility and customer base. Effective brand promotion not only enhances recognition but also drives consumer choice. The company can adopt several strategies to strengthen its brand presence:

- 1) Bundled Publicity: MS Decoration Design Company can leverage its completed projects to promote the brand. By showcasing these projects with the company's name prominently displayed, the brand's influence can grow. Signing agreements with clients to feature the company's branding in visible locations post-project completion is essential.
- 2) Television and Online Advertising: Advertising through traditional media, such as TV, can help reach a broad audience. Online channels, including search engine advertising, should be expanded to further enhance brand recognition. This multi-channel approach will ensure that the company remains top of mind for consumers when they are in need of decoration services.
- 3) Event Marketing: MS Decoration Design Company can utilize event marketing to increase brand awareness. For example, during the COVID-19 pandemic, the company could have made donations of medical supplies and offered its design services for public welfare projects, leveraging media coverage to boost its image.

Channel Construction and Sales Expansion

Consolidating Original Sales Channels: MS Decoration Design Company should focus on strengthening its existing sales channels. Word-of-mouth marketing is a valuable, low-cost channel that should

not be underestimated. By nurturing relationships with existing customers, the company can foster positive reviews and repeat business. Additionally, improving store management and service quality will attract more customers and maintain healthy sales channels.

Expanding Online Sales Channels: With the increasing importance of e-commerce, MS Decoration Design Company should expand its online presence. This includes optimizing its official website and exploring platforms like Tmall or Jingdong, particularly during major sales events like Double 11, to attract new customers. These online platforms also provide opportunities to tap into high-end individual users.

Personalized Service Provision

Customer Service Demand Surveys: Understanding and responding to customer needs is crucial for business survival. MS Decoration Design Company should implement a robust system to collect, track, and respond to customer feedback. The company should invest in information systems to capture customer needs and ensure that business departments promptly address them, improving overall service efficiency.

Personalized Design Services: Offering tailored design services is a cornerstone of MS Decoration Design Company's strategy. The company should provide customers with the opportunity to design their own spaces using 3D design software like "3D Home 3D Cloud Design." This allows customers to visualize their design choices, enhancing communication and personalization. In addition, MS Decoration Design Company should strive to make a positive first impression, especially when working with developers or high-end clients, through model houses that showcase the company's unique offerings.

Customer Return Visits: Regular follow-ups with customers are vital for maintaining satisfaction and ensuring continuous business. MS Decoration Design Company should implement a system for customer return visits, allowing the company to address any issues and maintain strong client relationships.

Conclusions and Outlook

As urbanization continues to accelerate in China, the decoration design industry is poised for rapid growth. While government regulation has affected the real estate market, particularly in smaller cities, it also presents a significant opportunity for MS Decoration Design Company. The company must adapt its marketing strategies to address the evolving market conditions and meet the increasing demand for home decoration services. From the analysis, it is clear that MS Decoration Design Company's current marketing strategy requires significant improvement. Issues such as unclear target customer groups, misalignment between product and price positioning, insufficient brand focus, limited marketing channels, and lack of personalized services need to be addressed. Moving forward, the company should diversify its offerings, refine its market positioning, and continuously adjust its marketing strategies to meet the demands of an ever-changing market. Ensuring the company's long-term success depends on the effective implementation of these strategies.

In conclusion, MS Decoration Design Company, as a small to medium-sized enterprise, must make timely adjustments to its marketing strategies to stay competitive. The future of the company hinges on its ability to adapt to the market, focus on customer needs, and enhance its brand presence. Future research should continue to focus on monitoring the company's performance and refining marketing strategies based on real-world results.

References

- Bryman, A. (2016). Social research methods. Oxford University Press.
- Chen, K., Long, H., & Qin, C. (2020). The impacts of capital deepening on urban housing prices: Empirical evidence from 285 prefecture-level or above cities in China. Habitat International, 99, 102173.
- Eisenhardt, K. M. (1989). Building theories from case study research. Academy of Management Review, 14(4), 532-550.
- Gann, D. (2000). Building innovation: Complex constructs in a changing world. Thomas Telford.
- Gurl, E. (2017). SWOT analysis: A theoretical review.
- Hänle, F., Cambré, B., & Weil, S. (2022). A systematic review on the internationalization of Chinese SMEs: Thematic expansion, new impulses and potential avenues for future research. Journal of Entrepreneurship in Emerging Economies, 14(6), 1188-1228.
- Kotler, P., Keller, K. L., Brady, M., Goodman, M., & Hansen, T. (2016). Marketing Management 3rd end PDF eBook. Pearson Higher Ed.
- Kovacevic, L., & Ivanova, A. (2014). Innovative concept for the decentralized production of heat and power and impact on the heating and cooling network.
- Li, X., Zhang, M., Yang, L., Yue, X., & Xiong, X. (2024). Current state and development trend of China's customized home furnishing industry. Wood Material Science & Engineering, 1-13.
- Porter, M. (1998). Competitive strategy: Techniques for analyzing industries and competitors.
- Smith, W. R. (1956). Product differentiation and market segmentation as alternative marketing strategies. Journal of Marketing, 21(1), 3-8.
- Yin, R. K. (2018). Case study research and applications. The People's Education Press.
- Zhao, Z. Y., Zuo, J., Zillante, G., & Zhao, X. J. (2012). Foreign architectural and engineering design firms' competitiveness and strategies in China: A diamond model study. Habitat International, 36(3), 362-370.