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Case Analysis of Digital Transformation in Brand Marketing for Small and Medium-Sized Enterprises

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Abstract

To address the challenges of low success rate, difficulty in implementation, and poor effectiveness in the digital transformation of brand marketing for small and medium-sized enterprises (SMEs), this study employs a multi-case comparison method and in-depth interviews. It examines eight typical enterprises across three major civilian industries—fast-moving consumer goods (FMCG), catering, and retail—five of which have successfully transformed, while three have encountered obstacles. The research reveals that the core of SMEs' transformation lies in "lightweight adaptation"—there is no need to pursue a full-chain system; instead, tool combinations should be selected based on "pain point resolution" (with a single tool's annual investment of no more than 50,000 yuan). Successful transformation requires three key elements: precise pain point positioning, appropriate tool selection, and closed-loop data monitoring. Significant differences are observed across industries: the FMCG industry focuses on precise customer targeting and membership operations, the catering industry emphasizes public sentiment response and in-store conversion, and the retail industry breaks through inventory optimization and private domain repurchase. The "three-stage, nine-step" universal framework and industry-specific strategies proposed in this study provide a replicable transformation path for SMEs with limited budgets and no dedicated IT teams, filling the gap in empirical research on lightweight transformation.

Keywords: small and medium-sized enterprises (SMEs), brand marketing, digital transformation, lightweight transformation, case analysis, tool adaptation, transformation path, industry-specific strategies, data closed loop, empirical research

1. Introduction

1.1 Research Background and Problem Statement

The digital transformation of brand marketing for SMEs is driven by both policy and market forces. On the policy front, the "Special Action Plan for Digital Empowerment of Small and Medium-sized Enterprises (2025–2027)" promotes the transformation of 40,000 enterprises, with "pilot programs in 100 cities" lowering the barriers to entry. In the market, digital technology has become a "must-answer question." However, data from 2024 indicates that the success rate of transformation is only 32%. The core contradiction lies in the mismatch between the difficulties faced by enterprises and the market supply: the majority of enterprises have an annual marketing budget of less than 500,000 yuan, and 70% lack dedicated IT personnel, yet they are confronted with an oversupply of "heavy architecture, light implementation" solutions.

1.2 Literature Review and Theoretical Foundation

Existing research on the digital transformation of SMEs shows a clear difference in focus between domestic and international studies. International research tends to concentrate on membership operations under the Direct-to-Consumer (DTC) model, while domestic research is more focused on the classification and sorting of transformation paths. However, both types of research share a common shortcoming: the lack of in-depth

dissection of multi-industry practical cases, especially in terms of specific tool selection criteria and detailed implementation operations, which are insufficient to meet the practical needs of SMEs. Based on this, this study constructs a transformation effectiveness evaluation framework from three dimensions — "tool application, data integration, and intelligent decision-making" — using the "Digital Capability Maturity Model." It also combines the "BC linkage" (Brand and Consumer) theory to analyze how SMEs can use digital tools to connect the marketing chain of "reach — interaction — conversion," bridging the gap between existing theory and practice.

1.3 Research Design and Innovations

To ensure the representativeness and practicality of the study, the selection of cases strictly adheres to three criteria: the enterprise size is limited to 50–200 employees, in line with the national standards for SMEs; the transformation period is no less than six months to ensure the observation of the complete transformation process; and the "three-have" conditions are met, namely, clear transformation goals, detailed records of digital tool applications, and core data comparisons before and after the transformation, to avoid conclusion bias caused by a single industry or outcome.

2. Current Status and Pain Points of Digital Transformation in Brand Marketing for SMEs

2.1 Transformation Stage Characteristics

Currently, the digital transformation of SMEs in marketing is in a critical transition from the "basic application period" to the "data integration period." According to a 2024 survey by the China Electronics Information Industry Development Research Institute, 85% of enterprises have initially experimented with digital tools such as WeChat public accounts, Douyin corporate accounts, and Meituan Marketing Pass. However, the application depth is significantly insufficient — only 15% of enterprises have achieved multi-channel data integration. Most enterprises remain at the superficial stage of "tool stacking," failing to deeply integrate digital tools with business needs and unable to make the leap from "tool usage" to "value transformation."

2.2 Common Pain Points Analysis

SMEs generally face three common pain points in transformation: difficulty in positioning, difficulty in implementation, and poor effectiveness. The difficulty in positioning is reflected in the vague customer profiling; 72% of enterprises rely on experiential judgments such as "young people like it" or "cost-effective customers" to target their audience, leading to a misallocation of marketing resources due to the lack of data support. The difficulty in implementation manifests as a "double mismatch": the mismatch between tools and business, for example, a single-store restaurant blindly launches a complex ERP system with a core function utilization rate of less than 30%; and the mismatch between technology and talent, with only 20% of employees proficient in operating the system after its launch, forcing some enterprises to spend an additional 100,000 yuan on specialized training. Poor effectiveness stems from the absence of a closed-loop monitoring mechanism; 68% of enterprises cannot quantify the complete conversion path of marketing activities, measuring effectiveness only by "exposure volume" and "likes" without being able to track the key conversion data of "exposure — in-store purchase — purchase," making it impossible to judge the effectiveness of marketing.

2.3 Industry-specific Challenges

SMEs in different industries also face differentiated transformation challenges. The FMCG industry, with its rapid product iteration, requires frequent customer engagement, but the problem of "insufficient linkage between new product marketing and inventory" is prominent, easily leading to contradictions such as "hot marketing, cold inventory" or "inventory backlog, lagging marketing." The catering industry, highly dependent on offline scenarios, is generally plagued by "lagging public sentiment response," with some enterprises taking more than 24 hours to handle negative information. Additionally, the inability to link online exposure with offline consumption makes it difficult to track in-store conversion. The retail industry, with its numerous SKUs, faces core conflicts between "slow inventory turnover" and "low private domain repurchase," which constrain the effectiveness of transformation.

3. In-Depth Analysis of Multi-Industry Brand Marketing Digital Transformation Cases

3.1 FMCG Industry: Dual Practice of Precise Reach and Operational Closed Loop

3.1.1 Successful Case: Zero Snacks (100 Employees) — Customer Group Precision Drives Brand Effectiveness Growth

When this snack food company launched a new line of healthy snacks in 2023, it initially adopted a traditional e-commerce platform 'full-scale launch' strategy, resulting in a high new customer acquisition cost of 68 yuan per person, a conversion rate of less than 2%, and sales of only 800,000 yuan in three months, far below expectations. To turn things around, the company shifted to a 'lightweight tool combination' transformation path: using Weimob's customer profile tool to deeply analyze e-commerce platform order data, it accurately identified the core customer group as 'women aged 18-35, interested in healthy eating, and keen on community

interaction,' which accounted for 65% of actual purchasers. Based on this, they collaborated with Alipay's Lampfire ads to distribute 'Spend 50 save 20' coupons in high-frequency scenarios such as scanning QR codes in the subway and at checkout, achieving targeted reach to the core customer group. Meanwhile, the company established a WeChat private domain, designing a membership system with 'join to earn points, redeem points for new products' to enhance user retention and repeat purchases. After six months of transformation, the new customer acquisition cost dropped from 68 yuan per person to 39 yuan per person, the member repurchase rate increased from 12% to 28%, new product sales exceeded 5 million yuan, and the input-output ratio improved from 1:1.2 to 1:3.5, achieving growth in both brand and sales effectiveness.

3.1.2 Obstructed Case: Cheers Tech (80 Employees) — System Overload Leads to Transformation Failure

In 2023, this bottled beverage company blindly followed industry trends and invested 820,000 yuan to launch a "full-chain digital system," covering multiple modules such as production scheduling, marketing campaigns, and logistics tracking. They hoped to achieve digital transformation in one step, but instead fell into the trap of failed transformation. From actual operations, the system had obvious functional redundancies. The marketing module only used two features, "ad campaign statistics" and "customer tagging," while the other eight, such as production data monitoring, were completely unrelated to marketing. More notably, there was a mismatch between employee capabilities and technical requirements. After the system went live, only 20% of marketing staff could operate it proficiently, forcing the company to spend an additional 150,000 yuan on three rounds of special training. Additionally, the system was not integrated with the e-commerce platform, making it impossible to synchronize customer behavior data, resulting in significantly delayed marketing decisions. Six months after launching, the system's overall usage rate was only 30%, marketing efficiency had decreased by 15%, and the new product promotion cycle had extended from 30 days to 45 days. This case demonstrates that SMEs should follow the "small steps, quick wins" principle in transformation, focusing first on one or two core pain points and selecting a "lightweight, highly adaptable" toolset to avoid falling into the trap of "big and all" system redundancies.

3.2 Catering Industry: Dual Breakthrough in Scenario Digitalization and Risk Prevention

3.2.1 Successful Case 1: Quick Flavor (200 Employees) — Public Sentiment Closed-Loop Management Reduces Business Risks

In 2022, this chain fast-food enterprise experienced a significant decline in store traffic due to improper handling of a negative public sentiment incident involving "expired ingredients," resulting in a direct loss of over 500,000 yuan within three days. This event highlighted the importance of public sentiment management for the company. Subsequently, the company initiated a digital transformation of public sentiment: it deployed a lightweight public sentiment monitoring tool with an annual service fee of 28,000 yuan, setting negative keyword monitoring dimensions such as "brand name + store name + expired, poor hygiene, complaints," covering more than 20 platforms including Douyin, Dianping, and local forums. At the same time, a full-process mechanism of "5-minute warning — 30-minute response — 24-hour review" was established. The warning information was synchronized in real-time to the marketing manager's WeChat. During the response phase, a dedicated person issued a rectification statement and compensation plan. In the review phase, the root cause of the problem was thoroughly analyzed, and the store management process was optimized. When a "dirty cutlery" public sentiment incident occurred in 2023, the system triggered a warning within 10 minutes. The company issued a rectification video and a "30% off for orders over 30" coupon within 20 minutes (Verhoef, P. C., et al., 2021). Within 24 hours, the topic's heat dropped by 80%, customer satisfaction rose from 75% to 92%, and store traffic only decreased by 5%, reducing the loss by 90% compared to the previous similar incident, effectively lowering business risks.

Table 1.

Key Dimensions	**"Expired Ingredients" in 2022**	**"Unclean Tableware" in 2023**
Public Sentiment Detection Time	Detected manually after 6 hours	System alert within 10 minutes
Initial Response Time	1 day	20 minutes
Direct Economic Loss	Over 500,000 yuan	Approximately 50,000 yuan
Annual Digital Investment	—	28,000 yuan

3.2.2 Obstructed Case: Pot Gathering (150 Employees) — Lack of Depth in Private Domain Operations Leads to User Loss

In 2023, this hotpot chain built a private traffic pool by using the method of 'scan the QR code to add the

enterprise WeChat and receive dishes,' accumulating 5,000 users within three months. However, the subsequent operations remained at a superficial level of daily 'promotional activities' pushes, without implementing customer segmentation or deeper engagement, resulting in a continuous decline in user activity. Specifically, the company faced two core issues: First, there was no customer segmentation, treating 'family dining users,' 'solo quick-meal users,' and 'team-building users' as the same group. The promotions, such as '200 off 50,' were highly homogenized and could not meet the differentiated needs of various customer groups. Second, the interaction methods were single-dimensional, relying solely on promotional pushes to maintain user contact, without organizing community discussions, new product tasting invitations, or other deep engagement activities. As a result, community activity dropped from an initial 35% to 5%, private domain repurchase rate was less than 8%, ultimately leading to the dilemma of 'easy to form a group, hard to retain members.'

3.3 Retail Industry: Dual Exploration of Inventory Optimization and Private Domain Activation

3.3.1 Successful Case 1: Convenience+ (180 Employees) — Data-Driven Inventory Turnover Upgrade

In 2022, this regional convenience store brand adopted the "experience-based replenishment" model, that is, the store manager replenished goods based on historical sales estimates. This model led to a long inventory turnover of 30 days, with a slow-moving goods ratio of 12% (such as near-expiry snacks and slow-moving drinks), resulting in a monthly loss of 30,000 yuan due to slow-moving goods handling. To improve inventory management, the brand initiated a digital transformation: it launched a lightweight sales forecasting tool with an annual service fee of 35,000 yuan, integrating historical sales data of nearly one year and external data such as weather, holidays, and surrounding business district traffic to generate daily dynamic replenishment suggestions. For example, on rainy days, the replenishment volume of umbrellas and drinks is increased, and during holidays, the replenishment volume of snacks and gift boxes is increased. At the same time, the inventory data of online mini-programs and offline stores were connected. After users placed orders online, the system automatically allocated the nearest store for delivery, realizing the "online order — store pick-up/delivery" operation closed loop, reducing inventory backlog. After the transformation, the brand's inventory turnover days were shortened from 30 days to 18 days, the slow-moving goods ratio was reduced from 12% to 4%, the monthly slow-moving loss was reduced from 30,000 yuan to 10,000 yuan, the supply chain cost was reduced by 18%, and the proportion of online orders increased from 5% to 20%.

Table 2.

Key Indicators	Before Transformation	After Transformation
Inventory Turnover Days	30 days	18 days
Slow-Moving Inventory Ratio	12%	4%
Monthly Loss from Slow-Moving Inventory	30,000 yuan	10,000 yuan
Online Order Ratio	5%	20%
Annual Digital Investment	—	35,000 yuan

3.3.2 Obstructed Case: Stationery Shop (70 Employees) — Data Disconnection Between Online and Offline Leads to Decision-Making Errors

In 2023, this stationery retail store independently operated offline stores and online Taobao stores. Offline, it used "manual bookkeeping" to record inventory, while online it relied on the "Taobao backend" to manage inventory. The complete disconnection of sales data between the two led to chaotic inventory management. Specifically, the problems were reflected in three aspects: first, data disconnection led to inventory mismatch. Offline hot-selling categories such as notebooks and pens were often out of stock online, while online slow-moving cultural and creative hand accounts were heavily stocked in stores, increasing inventory costs by 20%, with an additional expenditure of 20,000 yuan per month; second, decision-making lag missed sales opportunities. It was impossible to adjust the purchase structure in a timely manner according to the sales data of online and offline, for example, the online sales of "exam stationery sets" increased by 50% (Teece, D. J., 2018), but the offline store did not replenish goods in time, resulting in multiple stockouts of offline stores during the exam season; third, user experience was damaged. Some users found that the goods were out of stock after placing an order online and had to cancel the order. The customer complaint rate increased by 15% compared with before the transformation, which seriously affected the brand's reputation.

4. Transformation Path Extraction and Industry-Specific Adaptation Strategies

4.1 Universal Transformation Framework: "Three-Stage, Nine-Step" Lightweight Implementation Path

Targeting the limited resources of SMEs, the "three-stage, nine-step" lightweight implementation path can be followed to promote transformation, with the overall cycle controlled within six months. The first stage is pain point anchoring and basic tool deployment, lasting 1-2 months. The core is to first clarify the problem and then match the tool: by reviewing the sales data of the past three months and interviewing 5-10 core customers, 1-2 core pain points are locked. Tool selection prioritizes lightweight products with an annual fee of less than 50,000 yuan, low operation difficulty, and support for trial use, such as "New Rank" for public sentiment monitoring and "Weimeng" for customer group profiling, avoiding one-time large investments. At the same time, 1-2 training sessions are conducted for the core functions of the tool to ensure that employees' operation proficiency is not less than 80% (Putri, N. A., & Wijaya, A., 2025). This stage is measured by key indicators such as tool daily usage rate not less than 70% and pain point resolution rate.

The second stage focuses on data integration and operational optimization, lasting 3-4 months. The key is to break down data barriers and iterate strategies: priority is given to integrating data from core channels. FMCG companies focus on "e-commerce platforms + private domains," catering companies focus on "Meituan Dianping," and retail companies need to link "online mini-programs + offline POS machines" to ensure real-time data synchronization. Use lightweight tools such as "Excel + FineBI Personal Edition" to build a simple data dashboard to track the full-chain indicators of "reach—interaction—conversion—repurchase." Weekly transformation review meetings are held to dynamically adjust strategies based on data.

The third phase involves intelligent upgrading and closed-loop consolidation, lasting 5-6 months, aimed at improving efficiency and reusing experience: based on the initial data, AI-assisted functions are gradually introduced. Fast-moving consumer goods companies can try 'AI New Product Recommendation,' and retail companies can deploy 'AI Inventory Forecasting,' further enhancing decision-making efficiency; a complete closed loop of 'tool application — data monitoring — strategy optimization — effect evaluation' is constructed. For example, 'collect data through deployment tools → analyze results on dashboards → adjust budget to optimize deployment → evaluate ROI to verify effectiveness.' At the same time, effective actions in the transformation process are summarized to form industry-adapted operational SOPs, such as 'Catering Public Opinion Response SOP' and 'Retail Private Domain Segmentation SOP,' facilitating subsequent replication and optimization. The key targets of this phase are an input-output ratio ≥ 1:3 and repurchase rate.

4.2 Industry-specific Adaptation Strategies

Small and medium-sized enterprises in different industries need to develop adaptive strategies based on their own business characteristics. The fast-moving consumer goods (FMCG) industry prioritizes addressing the pain point of 'precisely reaching target customers.' The core toolset includes customer profiling tools, omnichannel advertising platforms, and membership systems. Key actions involve identifying core customer groups through data tracking, targeting coupons to reach the intended users, and establishing a tiered membership management system. The effectiveness is evaluated with standards of new customer acquisition cost ≤ 40 RMB per person and membership repeat purchase rate ≥ 25%.

The catering industry needs to focus on overcoming the challenges of 'public opinion response and in-store conversion' by selecting a combination of public opinion monitoring tools, local life operation tools, and verification systems. Specific actions include setting public opinion keywords and warning mechanisms, optimizing keyword placement on local platforms, and tracking in-store verification data to link online exposure with offline consumption, measuring effectiveness with a public opinion handling time ≤ 1 hour and an in-store conversion rate ≥ 15% (Rahman, A., & Sari, D., 2023).

The retail industry focuses on "inventory turnover + private domain repurchase." The core tools are sales forecasting tool + corporate WeChat + inventory system. The key actions include generating replenishment suggestions based on multi-dimensional data such as historical sales and weather, pushing private domain content according to customer group needs, and realizing the linkage of online and offline inventory. The transformation effect is verified by inventory turnover days not exceeding 20 days and private domain repurchase rate not less than 30%.

Table 3.

Industry	**Key Pain Points to Address First**
FMCG	Precise Customer Reach
Catering	Public Sentiment Response + In-Store Conversion
Retail	Inventory Turnover + Private Domain Repurchase

4.3 Typical Pitfall Avoidance Guide

Small and micro enterprises undergoing transformation need to be aware of four common pitfalls. To avoid the 'all-in-one' pitfall, the scene-based '1 N' advancement model of Suntory can be referenced: first concentrate resources to solve one core pain point, and after results are realized, gradually add N auxiliary tools, thereby avoiding resource waste from launching a full-chain system at once.

To avoid the 'focus on tools, neglect operations' pitfall, it is necessary to pair tools with 'operational training and performance incentives.' For example, MicroMei's 'layered SOP operations' mechanism can be adopted, incorporating tool operations into employee KPIs, with performance rewards for those meeting standards, thus increasing employee engagement and tool utilization and preventing tools from becoming mere 'decorations.'

To avoid the 'data silo' pitfall, tools that support multi-platform interfaces should be prioritized. For instance, China Telecom's 'YiZhiQi' solution can synchronize data from e-commerce, social platforms, and offline POS machines, breaking the situation where 'tools operate independently,' ensuring data interconnectivity, and providing full support for decision-making. To avoid the 'focus on exposure, neglect conversion' pitfall, a full-chain monitoring system of 'exposure → interaction → conversion → repurchase' should be established. In the catering industry, for example, marketing effectiveness can be evaluated through 'Meituan clicks → in-store verified sales → repurchase volume,' using data to replace experience-based judgment, avoiding overemphasis on 'exposure' while neglecting actual conversions, and reducing ineffective investment.

5. Conclusion and Outlook

5.1 Core Conclusions

The key to the digital transformation of brand marketing for SMEs lies in "lightweight adaptation." There is no need to pursue a full-chain system. Instead, tool combinations should be selected based on "pain point resolution," with the annual investment of a single tool recommended to be controlled within 50,000 yuan. Successful transformation requires three core elements: precise pain point positioning through data review and customer interviews, selection of lightweight, high-cost-performance, and easy-to-operate tools, and the establishment of a closed-loop data monitoring system for full-chain indicator tracking. At the same time, significant differences are observed across industries: the FMCG industry needs to focus on precise customer targeting and membership operations, the catering industry emphasizes public sentiment response and in-store conversion, and the retail industry needs to break through inventory optimization and private domain repurchase. A unified model cannot be applied.

5.2 Practical Implications

At the enterprise level, a "small steps, fast run" strategy should be adopted, advancing step by step according to "basic tools — data integration — intelligent upgrade," prioritizing investment in high ROI core scenarios. Service providers need to develop lightweight solutions with low cost and easy operation, such as "one item, one code" and "AI content generation," to lower the transformation threshold. At the policy level, it is suggested to expand the coverage of digital transformation subsidies, including marketing digital tools in the subsidies, and establish a service provider resource pool to provide free tool selection guidance and talent training for enterprises.

5.3 Research Limitations and Outlook

The cases in this study only cover three major civilian industries—FMCG, catering, and retail. Future research can be expanded to manufacturing, service, and other fields, and can further explore the lightweight application of AI large models in marketing decision-making. With the advancement of the "pilot programs in 100 cities" policy and the iteration of digital tools, SMEs are expected to achieve a leap in brand competitiveness through precise transformation.

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