Subdivision of Target Consumer Groups and Optimization of Marketing Strategy of Zoom Platform

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Abstract: This paper mainly studies the subdivision of target consumer groups and the marketing strategy optimization of the Zoom platform. The COVID-19 pandemic in 2019 has changed consumption habits and behaviors. The study of remote video conference software, which Zoom leads, can help enterprises attract customers in the business aspect and provide a way for people who need meetings to cooperate to avoid direct contact with people in the social aspect, thus reducing the risk of virus transmission. The research method of this thesis is the research method of the secondary data category. It includes literature analysis, comparative analysis, and case study. After research, this paper finds that one of the key marketing strategies of Zoom is to use media for creative promotion. Aftermarket segmentation, cultivating potential customers with personalized content is another marketing method of Zoom. Due to the overcrowded market, Zoom needed to carry out further physical marketing and multi-field promotion programs. Zoom needs to adhere to the marketing strategy based on customer satisfaction and become a brand promoter when optimizing its marketing strategy. The discussion of these research results will focus on the optimization plan of Zoom's marketing strategy and the segmentation of new target consumer groups. Zoom needs to embrace new consumer groups and use them for brand promotion while maintaining its existing customer base. At the same time, Zoom is required to address some of the recent problems created by the influx of users. In terms of security breaches and digital media coverage, Zoom needs to improve. The research of this paper has specific commercial value for the development opportunities and follow-up planning of Zoom-led remote video software under the epidemic situation. At the same time, this paper also has some guidance for human behavior during the epidemic. It has a certain social value.

1. Introduction

1.1 Research background

In the wake of the COVID-19 pandemic in 2019, remote conferencing software became necessary for people's work and learning. According to App Annie's statistics, a mobile market data provider, the growth of business communication applications has reached a record level since March 2020 [1]. In one week in March, this figure represents a 90% increase over the average weekly downloads before COVID-19 [1]. Business app downloads, including remote video conferencing software such as Microsoft Teams and Zoom Cloud Meetings, are the fastest-growing in any category in major app stores such as iOS and Google Play [1]. In a record-breaking week, the downloads of Zoom in the US were 14 times the weekly average in the fourth quarter of 2019, according to App Annie; In Britain, it is more than 20 times higher; In France, it increased 22-fold; In Italy, the figure is a staggering 55 times higher [1].

1.2 Literature review

Many scholars have researched this subject. Regarding the functions of online learning software like Zoom, Adenegan and Abiodun analyzed that the Zoom Cloud Meeting platform can provide an interactive platform for educators and learners [3]. It allows users to collaborate from any device while providing a rich video conferencing experience [3]. However, there are some drawbacks to such teleconferencing software. Serhan found that many students were not satisfied with their learning results when using teleconferencing software such as Zoom [4]. Libby and Oliver proposed that face-to-face meetings would be more tiring than online meetings because they would increase our cognitive burden [5].

Most of the papers focused on the advantages and disadvantages of teleconference software like Zoom and its usefulness in a pandemic environment. On the side of advantages, Zoom can provide communication and collaboration tools for educators, learners, employees, and leaders. It allows people to attend the same meeting in different locations. Zoom also gives them a different video conferencing experience. Under a pandemic situation, these advantages can bring convenience to people who need to study and work. In terms of disadvantages, although Zoom provides convenience for people's study and work, people are not very satisfied with its effect. Teleconferencing requires more concentration from participants. Compared to face-to-face meetings, online meetings can be more exhausting because we have to deal with emergencies. Our brains are also cognitively burdened by what appears on the screen. Few scholars have studied the segmentation of target consumer groups and marketing strategy optimization of the Zoom platform. As far as the current information is concerned, the target consumer group of Zoom has not been subdivided. They are simply collectively referred to as people with study and work needs. However, the segmentation of target consumer groups can help Zoom accurately control its market positioning and carry out targeted technology development and improvement. Zoom's marketing strategy also needs to be refined. Zoom's current marketing strategy focuses solely on the ease and privacy of remote online calls. How Zoom stands out from the rest of the teleconference software and becomes the user's first choice is a key point that must be considered. In addition, after people have the vaccine, how Zoom should develop a new marketing strategy to ensure that its customers do not lose is also a key point that cannot be ignored.

1.3 Research framework

The research topic of this paper is the subdivision of target consumer groups of the Zoom platform and the optimization of marketing strategy. Studying Zoom has significant implications for studying the state of remote videoconferencing software in pandemic situations. Humanity must learn to live with pandemics, now and in the future. In this case, remote video conferencing software represented by Zoom will become an essential tool for people's work and study. At the same time, many brands are competing in the category of teleconferencing software. How to stand out among these brands is the problem they have to think about. The research on the topic of teleconferencing software has both high commercial value and social value. In 2020, there will be many video communication platforms for customers to choose from according to their needs, which will stimulate the growth of the global video conferencing market [2]. In terms of business value, teleconferencing software can help multinational companies attract their customers and bring economic growth. In terms of social value, teleconferencing software can help employees or students in different areas collaborate, avoiding the risk of infection from direct person-to-person contact and increasing efficiency.

This paper will study the segmentation of target consumer groups and the marketing strategy optimization of the Zoom platform. First of all, this paper will analyze the original rough target consumer groups and marketing strategies of the Zoom platform. Secondly, this paper will analyze the advantages and disadvantages of this marketing strategy and the necessity of target consumer segmentation. Thirdly, this paper will analyze the marketing strategies of Zoom's competitors in the same category. Then, this paper will put forward the target consumer group segmentation and marketing strategy optimization of the Zoom platform. Meanwhile, a marketing strategy for Zoom

after a human vaccine is available will be proposed. Finally, this paper will summarize the development opportunities and follow-up marketing planning of Zoom under the pandemic.

2. Method

Literature this paper will use the secondary data category research methods, including literature analysis, comparative analysis, and case studies.

The literature analysis method in this paper is mainly to collect, sort out, and study relevant papers and reports about Zoom and teleconferencing software. Comparative analysis is carried out through horizontal comparison and vertical comparison. The horizontal comparison is to analyze the market competitiveness of different teleconferencing software by comparing their functions, advantages, and disadvantages at the same time. The vertical comparison is based on Zoom's marketing changes and progress before and after the epidemic. The case study analyzes the optimization space of marketing programs and the refinement direction of target consumer groups through specific case studies of Zoom or other teleconference software.

First of all, this paper will analyze the original target consumer groups and marketing strategies of the Zoom platform through literature analysis and content analysis. This module can be solved by visiting Zoom's website and reading Zoom's journal coverage. Secondly, this paper will explain the advantages and disadvantages of the original marketing strategy through literature analysis and case study. At the same time, it can also suggest why the target consumer group needs to be segmented. Thirdly, this paper compares the advantages and disadvantages and marketing strategies of different teleconferencing software simultaneously through a comparative analysis method. Then, this paper will use the content analysis method and Comparative analysis method to analyze the progress of Zoom's optimized marketing strategy and target consumer group segmentation compared with previous strategies. Finally, this paper will explain Zoom's current development opportunities and subsequent marketing planning through case study and literature analysis.

3. Result

The study's objectives included examining Zoom's marketing strategies and customer segmentation approach and advantages and disadvantages, as well as an analysis of the marketing strategies of Zoom's competitors in the same category.

3.1 Zooms' Segmentation of Target Consumer Groups

An et al defines market segmentation as a marketing approach that organizes buyers into groups [6]. The company's segmentation approach has always been one of its competitive advantages over some competitors, such as Skype. First, the company has tried to target the professional from different sectors of the economy. It's of consideration that zoom has been highly used by either company CEO' supervisors and other experts in reaching its audience over the years. Different from Skype, Zoom has managed to attract more users due to its easiness to use. The company also targets at least every person with an android phone different to skype as users can use different means and the type of gadget does not matter as it is available in ether tablets, mobile phones, laptops, and any android enabled device. This has always been the ground enhancing the company's marketing strategy because market segmentation offers an opportunity to understand the wants and needs of different market segments.

On the other hand, from the research, it would be established that Zoom is a product that has targeted wide markets designed to fit both the small, medium, and large enterprise organizations. It's designed to allow any user to conduct online meetings, marketing meetings, and training meetings and also help in building a virtual workspace for collaborations both within the organization and the externals and enables sharing of files and screens. The features of the products, which include screen sharing and file sharing, have also been embraced to attract education institutions. It's evidence that since Covid 19, using Zoom has increased, which has always been one of the target customer bases the company has been focusing on.

3.2 Zooms' marketing strategies and its benefits and Challenges

Marketing segmentation has been one of the strategic approaches used by Zoom. This strategy allows the marketing team to nurture leads with personalized content and convert them to customers [7]. Pham argues that a market can collect customers' needs more effectively and use the information to meet their needs and expectations [8]. Still, on the platform's marketing strategy, the company has had a continuous growing customer base for Zoom platforms, which shows that the company had 3 million customers as of 2013 and grew to 30 million as of 2014, and further jumped to 100 million in 2015 [9]. Over the years, it can be argued that the platform has been gaining attraction across the world. A dedicated marketing team has endowed the secret behind such massive growth that values customers' views and provides products based on customer demands. The figure below also provides further findings of Zoom's number of customers worldwide [10].
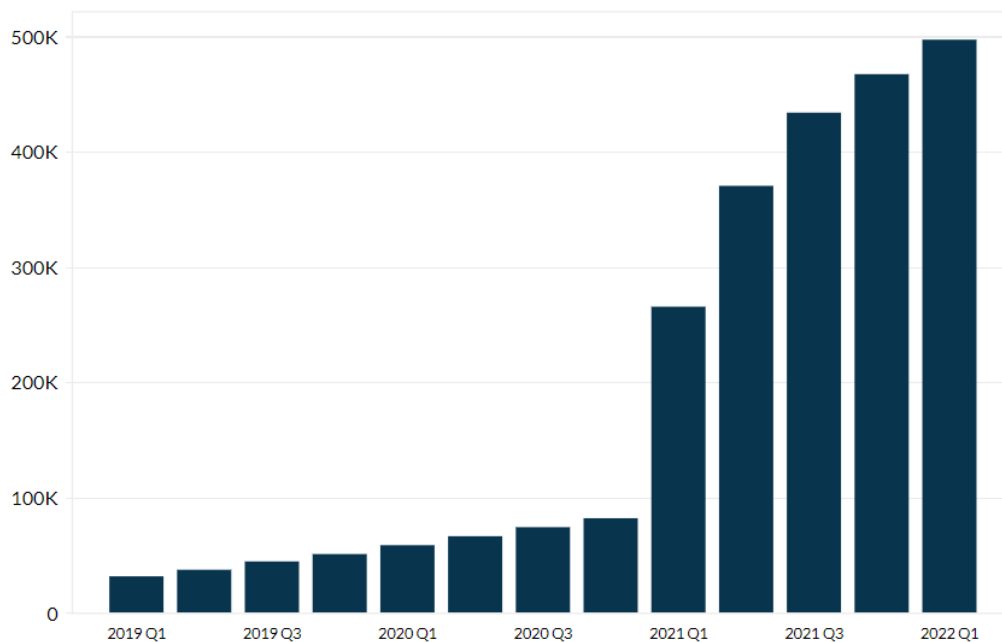

Figure 1. Zoom Revenue Rate from 2017-2020.

As part of its marketing strategy, the company has used various areas such as sports to promote its products. In 2016, the company signed a deal with the Golden State Warriors, enabling it to advertise and get branding in their arena in its scorecards and digital signs while the team used the platform for free. This is one major strategy with pros and cons. For instance, it might be argued that this form of marketing is provided less exposure to the population. Still, on the benefits side of the platforms, despite the limited exposure based on the number of basketball viewers, being a free marketing strategy, the platform did gain a lot.

Other findings would express that, Zoom has had much competition from other teleconferencing companies, but Webex has stood out as one of the major competitors. However, Zoom's success has highly been grounded on its customer satisfaction strategic approach, which gives it a strong competitive advantage. First, the company is a customer-driven entity that is grained in Zoom's company DNA. The entity has always been brave to splurge when it comes to building its brand. The entity has built a product that can easily sell itself. Besides, Zoom has developed features within Zoom that gives it competitive advantages over other entities. The concept of being innovative can explain this. The major competitors of the Zoom platform include Webex meetings, Join. Me and TeamViewer.

Meeting one of the Zoom Platform's competitors, Webex has focused on using influencers as one of its major marketing strategies. Influencer marketing is one of the unique marketing approaches which enables brands to connect with their audiences in an authentic way that is typically absent from the traditional forms of marketing. One of the benefits of influencer marketing is that it centers on a

relevant audience. When a company partners with an influencer working within its expected niche, it reaches a more relevant audience since the influencer's followers are already interested in what they share. Influencers build trust more quickly; it reaches a huge audience, and it does not always appear pushy.

Furthermore, influences tend to have a strong command. For instance, using Jenna Ezarik, who has more than 93,000 followers on TikTok and working with Helen Wu, would enhance its brand awareness among potential customers. However, such type of marketing exposes the company to various risks such as being a risk to its reputation as wrong influencers might negatively affect the brand name, and the approach is regarded costly as most influencers with highly flowing such as Selena Gomez, will command $500k for a single post.

The findings on Zoom's marketing changes and progress before and after the epidemic express that the platform did gain more attraction after the epidemic. Before the pandemic, much of the platform's marketing strategies were largely broad. Still, with the emergency of the pandemic, it has enhanced its marketing strategies through the digital media platforms, a space that has shown it increase its customer base as restrictions of social distancing and lock downforce more people to shift to conferencing. The BBC's findings showed that Zoom users counted more than 300 million daily participants in virtual meetings, with paying customers tripled [11].

4. Discussion

4.1 Zoom's latest target consumer group segmentation and its improvements

During the pandemic, Zoom made a more detailed division of its target consumer group to support users during the pandemic. Zoom created a special page on its official website to help customers use Zoom most effectively as they cope with the coronavirus pandemic [12]. It classifies its users into four categories based on demand: distance education, remote work, virtual activities, and telemedicine.

For these four kinds of people with different needs, Zoom also has corresponding professional solutions to provide them. For those who need distance education, Zoom offers teachers and students' guidance and online learning skills. At the same time, it also provides parents with resources to help their children learn in a structured environment [12]. These resources are available to consumers of multiple ages with learning needs. Examples include California State Parks PORTS, which offers virtual field trips for all ages five days a week through family learning programs; Khan Academy, which offers live online classes for ages 4 to 18; and the National World War II Museum, which provides online teaching resources and distance learning archives [12]. Zoom provides resources that can help customers and teams successfully transition to a remote work environment [12]. Zoom provides employees with professional skills and guidance for working from home. Employees can also learn how to adapt to the culture of working remotely. On the manager side, they can learn the skills of managing a remote team on Zoom. Zoom provides the best practice of transferring face-to-face activities to virtual activities for people who need to hold virtual activities [12]. Zoom guides telemedicine and virtual care for people with telemedicine needs and helps patients and doctors conduct seamless face-to-face communication [12]. In addition, Zoom offers consumers a choice of resources for corresponding healthcare meetings.

4.2 Improvements of Zoom's new target consumer group segmentation

Zoom's new target consumer groups during the epidemic are more detailed compared with the previous market segmentation. At the same time, it provides personalized resources for these target consumer groups and continues its customer-oriented marketing program. A more detailed and accurate division of target consumer groups can help Zoom further improve customer satisfaction. The original market segmentation strategy was to convert potential customers into Zoom customers. The target consumer group after segmentation itself comes from Zoom users. It will more effectively address the needs and potential needs of Zoom's customers. In its annual report for 2020, Zoom pointed out that it achieved a combination of strong revenue growth, excellent profitability, and a high cash flow rate in that year [13]. The key to achieving these results is that Zoom retains and grows with

existing customers and enhances its ability to attract new customers to the platform [13]. Zoom still adheres to the customer-oriented principle and attracts new customer groups from the division of target consumers based on original customers. At the same time, it can strengthen the existing customer base. This resulted in a significant increase in Zoom's earnings and cash flow.

4.3 Marketing strategy optimization of Zoom and its improvements

The COVID-19 outbreak has created a new development possibility for video conferencing, and it will change the way people communicate in the future [14]. During the pandemic, Zoom also adopted a new marketing strategy to cope with and adapt to this change and what would happen in the future. Zoom's marketing strategy has always been to provide cloud video solutions that make customers happy. While Zoom is sticking with its usual marketing strategy, it has also discovered new security vulnerabilities due to the pandemic's surge in numbers. Consumers questioned Zoom's security regarding platform encryption and privacy. In order to deal with this problem, Zoom's marketing strategy had to be changed and improved. It protects users' privacy by adding features that make the platform more secure. At the same time, Zoom used social channels to publicize these updates and reset the encryption format [14]. In addition, Zoom also carried out brand marketing in the aspect of social responsibility. They made free Zoom PRO accounts available to educators at the beginning of the pandemic, and they are providing additional resources around COVID-19 [14]. Although Zoom used similar marketing methods in the original marketing strategy, this upgrade made Zoom get huge benefits and attracted more new customers. The optimization of Zoom's marketing strategy has also led to the change of marketing strategies of other video communication platforms. People began to transfer the content and methods of advertising to industries unrelated to video communication [14]. With this move, Zoom turned customers into brand promoters. While maintaining the original customer base also attracts a new group of customers through an optimized marketing strategy.

5. Summary

Organizational success depends on several factors, and market segmentation as part of the marketing strategy is one of the methods companies use to reach and attract more customers. Zoom Inc. has adopted the strategy and other marketing strategies that have enhanced its business to the current situation, which has seen it be recognized as the top company above other companies such as Skype and Webex. It's acknowledgeable that videoconferencing is gaining recognition, and its users are increasing. The study findings and results show that Zoom Inc.'s target market has been broad, including universities, organizations, and individual users. Unlike other videoconferencing provider services such as Skype, Zoom has developed an easy-to-use platform that allows any customer with an Android-enabled gadget to use Zoom. This has enabled the company to have a wider range of customers from individual users, business organizations, and institutions like colleges and universities.

Primarily, the article gives a better understanding of how effective the industry can be developed and specifically how Zoom Inc. can improve its marketing strategies. These are findings that the rival companies can also use as benchmarking for their marketing strategies. For instance, as of 2020, Zoom's customer bases had grown to 81,900, reflecting a growth of 61 percent, attributed to the platform's highly enhanced use of promotion as one of its key marketing strategies. The platform has embraced the key approaches of being creative and having media selection through its promotion strategy.

While acknowledging the study findings, the research faces some limitations primarily associated with the research design. Using secondary data would only limit the analysis to past studies, which might be biased to outdate. Some marketing strategies have been changing over the years, and zoom has always updated its marketing strategy. Furthermore, such secondary sources might be biased by researchers who probably had a negative experience with the company. As a result, future studies are encouraged to embrace other methods of research such as the use of primary data embrace the use of questionnaires and interviews to have a depth understanding of the research topic.

Despite the research limitations, from the findings and results, businesses need to embrace the strategy of segmentation as it helps in precisely defining the market and enhances the firm's understanding of why customers are attracted or not attracted to a given product. This positively contributes to improving the campaign performance as the business can target the right people with the right messaging at the right time. Furthermore, market segmentation enhances customer satisfaction and provides an effective marketing strategy. For improving the marketing strategy, the business should embrace the approach since it offers an opportunity to understand the wants and needs of different market segments. As also evident from Zoom's strategy using social influencers is effective, but it needs to be moderated to reduce any associated risks.

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