

Online Customer Experience And The Marketing Strategies Of Rakuten Group

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Introduction

Established in 1997 by Hiroshi Mikatani, Rakuten Group, Inc. is one of the largest Japanese e-commerce companies. It is a Tokyo-based online retail business. This online market is a platform for numerous e-commerce businesses and is one of the largest online websites in the world. It utilizes financial technology to provide financial services to its clients. Moreover, the company is a provider of communication services and digital content. The communication services of the Rakuten Group include a messaging application, Viber, and Rakuten Mobile, which are among Japan's most important mobile carriers. Additionally, e-book services are provided through Kobo. The philosophy of the company is derived from its name, which means optimism. This business organization is, therefore, dedicated to empowering businesses. Rakuten's communication and digital services are provided to more than 1.5 billion members globally. The company has more than seventy business operations in approximately 20 countries around the world. Regarded as the largest online bank, it is also one of the biggest credit card providers in Japan. Moreover, the company serves as a sponsor for Barcelona, an elite football team. Over the past 25 years, the Rakuten Group has extended its services across various domains. These services include Rakuten Advertising, Rakuten Intelligence, Rakuten TV, Rakuten Viki, Rakuten Viber, and Rakuten Kobo, which have a global consumer base. Despite its diverse services, the company has successfully created a strong ecosystem by offering loyalty programs and common membership. These services enable consumers to secure Rakuten points that can be utilized to avail themselves of other facilities (Rakuten Group, Inc., 2022).

Key Components of the Report

This report aims to identify the trends in online customer experience and the marketing strategies employed by Rakuten Group. The report further compares and analyses the effectiveness of various digital marketing tools in addressing customer expectations and promoting interaction.

Online Customer Experience Trend

Consumer expectations in today's world are highly diverse. These expectations are extremely transformative due to the rapidly changing times. Therefore, businesses today must continuously rethink and innovate products and services to add value and cater to customers' problems. The shifting consumer trends can be divided into different categories, including digitization and

expansion, personalization, subscription, conscious consumption, and provision of a more immersive experience. Another important aspect of customer service is the delivery of a smart experience through the cognification of products and services (Marr, 2021). With the growing trend of online shopping and customers' ease through cashless payments, the economic landscape has seen a shift. This shift is a result of lifestyle changes and the transformation in customers' shopping habits. This has provided businesses with new opportunities for growth through flexible digital services designed to meet customers' needs. The Rakuten Group not only realizes the changing consumer behaviours but also constantly strives to meet their needs. Various factors play an important role in providing consumers with optimal experiences. These include, but are not limited to, innovations in quality, reliability, safety, convenience, and usefulness.

Over the years, Rakuten has innovated its online business strategy in response to these changing consumer trends. This e-commerce company follows a business model of business-to-business (B2B) and business-to-consumer (B2C) relationships. Therefore, its marketing strategies are focused on both and adjusted as per requirements. For a B2B model, the marketing strategies considered most effective include content marketing, social media marketing, referral programs, and search engine optimization among others. Meanwhile, for a B2C model, companies employ paid media marketing, direct selling, co-branding, internet marketing, and email marketing (Woschnick, 2021). The marketing approach of Rakuten is based on the idea that shopping is a discovery process rather than a utilitarian function. Companies adapt their marketing approach based on the elements suitable to the needs of their consumers. Some may opt for the commodity approach with a focus on the product, while others may adopt an institutional approach that is concerned with the working of various groups such as retailers, wholesalers, agencies, etc. Similarly, the system approach is concerned with the interconnectedness of various business activities such as production, engineering, and marketing. The other approaches cater to the societal, legal, and economic aspects of markets (Ghose, 2015).

Rakuten is a world-renowned leader that focuses on integrated marketing solutions. To empower people, it employs affiliate marketing strategies using members of society, such as bloggers, to market their products on their apps, blogs, and websites to generate sales. In addition to affiliate marketing, Rakuten also employs programmatic display advertising and paid search. While programmatic display advertising involves automated bidding, paid search follows the pay-per-click model. This integrated approach enables the company to empower marketing agents to attain their optimal potential in the field of digital marketing by employing various data-driven strategies. The marketing decisions based on data help marketers provide consumers with a personalized experience across multiple platforms and inspire them to purchase (Herrod, 2018).

Online Customer Interactions

The provision of optimal customer experience is based on how a company interacts with its consumers. The online interaction of consumers with a business organization initiates right from the

moment they search for your brand online. This online interaction may include but is not limited to conducting research about your company, skimming the website contents, communicating with the sales team, and ultimately becoming the customer. The consumer experience provided through these online interactions is a key to building brand loyalty. To improve this online customer experience, the business organization must ensure that there is a system in place that measures this experience effectively.

With the use of artificial intelligence and machine learning, Rakuten optimizes its marketing campaigns while utilizing the data from the company's ecosystem. Over the years, Rakuten has innovated its online customer experience and ensured its online presence globally. With the same focus on empowerment and optimism, the company must remain committed to its unending efforts to provide an optimal online experience to its buyers. The agility of Rakuten's marketing and online interaction has enabled it to proactively assess and respond to consumers' needs. It maintains transparency and goes beyond the traditional means of interaction. Rakuten's consumer-centric strategy reaches customers through various channels and platforms. This is attained through machine learning, and early engagement is used to ensure that the organization has more time to convert a potential buyer into a loyal consumer. These early investments also have a cost-saving impact. Rakuten Group is committed to optimizing the consumer experience and continues to use these data-driven decisions for the benefit of the clientele (Cathey, 2019).

Digital Marketing Tools

Over the years, the e-commerce market has experienced an accelerated increase. This trend has further seen a boost due to the recent pandemic and lockdowns. Even the individuals who preferred to shop in a physical store had to rely on online shopping and virtual markets. As a result, numerous new businesses have started their online services. With the world shifting towards an online means of buying and selling, companies had to innovate their marketing strategies to reach the existing and the new clientele. For an established group like Rakuten, the goal of marketing is twofold. First, the company must reach customers who are new to online shopping and provide them with an experience that makes them comfortable. For such users, targeted advertising and the provision of a personalized experience is highly important. Secondly, Rakuten focused on its existing consumers to ensure that brand loyalty is maintained (Rakuten Advertising, 2020). E-commerce businesses rely on numerous digital marketing tools to reach consumers. The purpose of these digital marketing tools is to address customer expectations and assist the brand's interaction with the consumers. The most common digital marketing tools are social media, mobile marketing, websites, content curation, and email marketing.

Social Media

For a giant company like Rakuten, an active social media presence is highly important as a great

percentage of consumers can access these media pages and engage with the customer support department. The presence of Rakuten on social media platforms is driven by an understanding of public sentiments towards its brand. The brand provides its users with content they deem valuable. This increases brand visibility and boosts website traffic. The sharing of media content also contributes to search engine optimization, increasing the relevancy of search outcomes on platforms such as Facebook, Instagram, Twitter, LinkedIn, and YouTube. Social media marketing is often a very useful tool as it humanizes the product brands and assists in the conversion of potential buyers into loyal customers. The Rakuten Group has several social media pages that provide a customized experience to buyers from different regions of the world. These media platforms provide transparency to users about products, services, achievements, and innovations that the company employs.

Mobile Marketing

Mobile marketing is used by companies to reach the target market through several channels that are accessible via smartphones and other digital devices. An important example of this form of marketing is the pop-ups on browsers or the advertisements placed on social media networks (Kenton, 2021). Rakuten uses this marketing strategy effectively with the view that it can take one's business to the next level. [Rakuten group](#) has the additional benefit of owning a messaging app, i.e., Viber, as well as your Rakuten mobile. Mobile marketing strategies can help this company reach its consumers through their smartphones. Through mobile marketing, sellers can leverage the advantages offered by both social media and digital media channels. There are several advantages associated with mobile marketing. Firstly, it enables e-commerce businesses to define their target market and reach an audience based on their preferences. Since ads are placed in various applications, in-app advertising is often more effective than other media platforms. Additionally, mobile marketing provides measurable performance results and is cost-effective. Personalized communications can be designed by using the data produced by these mobile apps.

Website Creation and Analytics

Website analytics is the process whereby companies collect, report, and analyze the data collected from websites. An e-commerce business is at an advantage because it can generate huge amounts of data through the various channels employed for the ease of its users. One such tool is the website created by companies to interact with their customers. To make successful, data-driven decisions, companies must employ effective analytics to study trends and bring about innovations. Rakuten Advertising has most recently launched a new Insights and Analytics Portal. The purpose of this tool is to improve clients' visibility regarding their affiliates. It breaks down the various barriers to communication and provides the clients with a holistic view of their marketing campaign's effectiveness (Rakuten Advertising, 2021).

Content Curation

E-businesses employ content curation and an effective digital marketing tool. Rakuten achieves this through its publishing tool, Curate, a product discovery tool. Curate offers customizations, dynamic filtering, and search options to make the experience more personalized for website visitors. It increases engagement and relevancy and provides ease of finding and displaying content (Rakuten Advertising, 2016).

Email Marketing

Email marketing is employed by businesses to approach potential consumers and convert them into buyers. It uses an automated process of targeted marketing and reaches out to prospective customers to influence their purchase decisions (Woschnick, 2021). Through this tool, the business may either send out promotional content and reminders or offer a platform for customers to reach out for support. Many consumers email their product queries to the seller or look for additional information. Personalized and timely emails can be an effective means of building customer loyalty.

Conclusion

Irrespective of the size of a company, the provision of an optimal online experience is highly important to retain consumers and to reach out to prospective customers. In today's world, every aspect of life is driven by continuous change; companies cannot take the risk of sticking to a single marketing strategy; rather, data-driven decisions must be taken to innovate and personalize the online experiences of customers. continuously

Summary

Rakuten Group is one of the major E-commerce businesses that is renowned globally. Since the company provides its services online, it employs several marketing strategies and tools to engage, retain, and expand its consumer base. Rakuten's marketing strategies are based on an integrated approach. This approach is applied through the use of different digital marketing tools. With a vision of empowering individuals, the company continuously innovates its marketing strategies with a focus on meeting the customers' needs.

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