

AI-Based Marketing Strategy Analysis - Taking "Liulishuo" as an Example

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Abstract. With the rapid development of artificial intelligence (AI) technology, mobile education products are playing an increasingly important role in the education industry. In the field of mobile learning, through AI technology and personalized learning models, products such as Baicizhan and "Liulishuo" have achieved success, providing students with a more flexible and convenient learning method. This article takes China's online English education brand "English Liulishuo" as the research object and explores its marketing strategy through the SWOT analysis method. The article pointed out that with the rise of mobile education products, Liulishuo, as a representative company, has achieved success in the market, but it also faces challenges such as revenue losses and negative news. Through SWOT analysis, it was found that Liulishuo's advantages outweighed its disadvantages, but there was still room for improvement. Companies are advised to exploit global English learning demand, technological advancements, and collaborations to develop new markets. The study emphasizes the importance of SWOT analysis, fills the relevant research gaps, and is of great significance to the development of similar platforms. Finally, the article points out that the understanding of operational data needs to be deepened to more comprehensively evaluate the effectiveness of brand promotion. SWOT analysis provides enterprises with scientific evaluation and strategic selection methods, helping enterprises to succeed in the fiercely competitive market.

Keywords: Liulishuo; SWOT Analysis Tool; Online Education.

1. Introduction

China's education and training market is developing rapidly, but due to restrictions on excellent teachers, class locations, and time, some consumers are not able to receive education well. Therefore, educational institutions that provide online services and educational companies that specialize in online learning APPs have emerged. Utilize big data and AI+ education technology to study individual differences among users and launch personalized learning models to achieve teaching for thousands of people. At the same time, online learning platforms with AI technology are empowered by AI deep learning capabilities to enable machines to have human-like thinking capabilities to a certain extent. This type of AI model quickly analyzes student differences and problems, improves the pertinence of solutions, and increases user participation and interest. When this capability penetrates into various vertical industries, it will partially liberate manpower. With the popularization of the Internet, mobile education products have gradually emerged. Through mobile technology and personalized learning models, various segmented vertical education scenarios have been created. Products such as Baicizhan, "English Liulishuo", and Daily English Listening have achieved success in the field of mobile learning, providing students with a more flexible and convenient learning method.

Liulishuo English was founded in 2012 and has been here for 12 years. In order to become an industry-leading intelligent English education product, the company said it has established an artificial intelligence R&D team focused on the development of intelligent English education courses. Liulishuo has gone through multiple stages of development and established a mature communication system and a large user base. Its self-developed AI learning courses can effectively share costs and provide support for its long-term competition in the adult language training market. The software uses AI technology to push solutions in a targeted manner, demonstrating the core value of AI in

education. This not only enhances user trust and stickiness but is also one of the key factors for its success. The application of AI technology in content innovation has been verified in many fields, pointing out the direction of education business development. Through the combination of technology and business and the effective use of capital and promotion, this representative educational product has released technological dividends, gained recognition from the market and students, and pushed the AI+ education model to new heights. However, in recent years, the rectification situation in the education industry and some negative news, such as corporate revenue losses and over-promotion of customer service, have hindered the spread of the "English Liulishuo" brand to a certain extent. At the current stage, the company's primary goal is to Optimize brand image, expand brand recognition, and enhance brand favorability [1]. Liulishuo English is one of the representative companies of online English education in China. This study relies on SWOT analysis tools to analyze the marketing strategy behind "English Liulishuo" and proposes targeted optimization measures. This article is of great significance for studying the development of the same type of online education platform.

2. Brand Development

Liulishuo is an outstanding technology-driven education company. On September 27, 2018, it was listed on the New York Stock Exchange under the stock code "LAIX". Before going public, Liulishuo received investments from well-known venture capital companies such as IDG, GGV, and CMC. English Liulishuo Company is positioned as a leader in the field of intelligence education. The company's core members include an artificial intelligence team, which has an independently developed course system. As the main product of the corporate brand, English Liulishuo covers multiple scenarios and content of different difficulty levels such as family, workplace, travel, and society. Through the systematic editing, layout, and setting of level-breaking games by the R&D team, users' initiative and interest in online learning are increased. The product also has built-in artificial intelligence speech assessment technology from Silicon Valley, which can realize intelligent assessment of English-speaking teaching and produce real-time results. In addition, community class teachers supervise and interact every day to ensure that users maintain learning efficiency in fragmented learning and improve their oral English expression level. In the teaching process, English Liulishuo Company uses artificial intelligence to act as an English teacher, explaining English knowledge through artificial intelligence, and continuously deepening learning. The company is committed to providing personalized English education to each user and tailoring teaching programs suitable for them based on their needs and characteristics [2]. The company owns a number of English education apps, including Liulishuo English and Liulishuo Reading, as well as other English learning products such as Liulishuo Understand Your English and Liulishuo Pronunciation. These products are designed to meet the needs of different segmented user groups [3].

After two years of development, the number of registered users of English Liulishuo reached 10 million in June 2014. At that time, English Liulishuo, Liulishuo, and Liulishuo Group became the three pillars of learning "English Liulishuo". Conversations between people and mobile phones can be a bit boring, but driven by self-improvement, focus, and awareness can be maintained in a short period of time. Long-term learning motivation relies on the high-quality content output and interesting user experience provided by the platform. Therefore, "Liulishuo Study Group" and "Liuliba" came into being. In 2017, the total investment of "English Liulishuo" in the education industry market was close to 10 billion yuan. The number of announced financing cases reached 156, which is an increase of about 70% compared with 5.81 billion yuan and fewer financing cases in the same period of 2016 [4]. English Liulishuo changed its name to "LAIX" in September 2018. It was listed on the New York Stock Exchange on September 27. This marks an upgrade of the Liulishuo brand. It is known for its unique 3.0 teaching model and is known as the leader of "AI+ education". In 2019, the company officially launched the "Understanding You" course. English Liulishuo's artificial intelligence can customize courses and conduct learning tests. It will develop exclusive learning plans for users based on their learning goals, learning time and English level to enhance their learning

confidence. During the learning process, AI teachers can replace traditional teachers, grade and correct mistakes for users, and provide learning suggestions [5].

3. Business Background

As of June 2023, the number of mobile Internet users in China reached 1.076 billion, an increase of 11.09 million from December 2022, and the proportion of Internet users using mobile phones to access the Internet was 99.8% [6]. As shown in Figure 1, in the context of uncertainty caused by the impact of the epidemic in the past few years, China's job market pressure has become prominent. Contemporary adults choose to study to improve career-related skills or hobbies, becoming a way to relieve stress or pursue their ideals [7].



Figure 1. China's Urban Unemployment Rate [8]

From a consumer perspective, adult English training is not necessary. Adult learners have many different learning goals, such as studying abroad, finding a job, traveling, etc. This makes products difficult to standardize and widely replicate [9]. As shown in Table 1, the company still faces huge losses in 2019 and 2020. The company will make its first profit in 2021.

Table 1. 2019-2021 Liulishuo Profit Statistics

	2019	2020	2021
Net income/(loss)	¥ (574,781)	¥ (394,827)	¥59,907

4. Marketing Strategy

Liulishuo's profitability is closely related to its marketing model. The 4P marketing theory is Product, Price, Place, and Promotion. The 4P theory not only succinctly summarizes the elements needed in marketing activities, but also effectively helps corporate marketing personnel sort out the marketing context, so as to implement marketing strategies more clearly. If an enterprise wants to improve its market competitive advantage, it must firmly grasp these four marketing strategies [10].

4.1. Product Strategy

Product strategy involves the packaging, design, color, style, and trademark of the product, to give the product unique features and leave a deep impression on consumers. Use AI technology for personalized course customization and adjust course content according to the user's level. Compared with other competitors in the industry, the core advantage of the English Liulishuo brand lies in teaching students by their aptitude and personalized customization.

4.2. Channel Strategy

Channel strategy refers to which publicity channels a company uses to circulate products to customers, which can be divided into direct publicity and indirect publicity. Its brand communication channels are mainly online network communication, supplemented by offline communication channels. As netizens' fragmented time becomes more dispersed, it becomes more difficult to maintain user traffic. Self-media solves this problem and has become an important platform for companies to operate their brands on the Internet [1].

4.3. Price Strategy

Price strategy refers to the company's pricing based on the specific conditions of the product, taking into account factors such as cost, market, competition, etc. The price of the course "Know Your English" is very friendly to the people, and it provides a 30-day course service at a price of 98 yuan. This price is relatively affordable for office workers and school students and is a price generally acceptable to users.

4.4. Promotional Strategy

Promotional strategies are various promotional methods adopted by enterprises in order to increase product sales and sales, such as cash rebates, discounts, free experiences, etc. When conducting promotional activities, English Liulishuo makes full use of users' consumer psychology and creates a sense of product scarcity by setting quotas and limits, thereby stimulating user demand and promoting course sales.

5. SWOT Analysis

Table 2. Liulishuo's SWOT Matrix Analysis Table

Internal Factors External Factors	Strengths	Weaknesses
		1. Innovative learning methods 2. Flexible study time and location 3. Rich learning content
Opportunities	S----O	W----O
1. The global demand for English learning is growing 2. Technological progress 3. Opportunities for cooperation	1. Use its own advantages to meet the growing demand for English learning in the online education market. 2. Cooperate with global educational institutions and enterprises to expand service application scenarios and broaden cooperation channels 3. Continue to invest in artificial intelligence and machine learning to maintain technological leadership and enhance product capabilities.	1. Lower entry-level prices to attract price-sensitive user groups. 2. Develop more interactive functions to simulate real communication environments. 3. Regularly update course content and provide feedback on learning achievement to improve users' learning interest and learning continuity.
Threats	S----T	W----T
1. Competition intensifies 2. Technical challenges 3. Changes in market demand	1. Leverage its advantages in AI and speech recognition technology to continue innovating to maintain its leading position. 2. Enhance user satisfaction and word-of-mouth communication, attract and retain more users, and combat the threat of new entrants. 3. You can use the advantages of personalized learning paths to meet the needs of different users as an important factor in distinguishing yourself from competitors.	1. Use more automation technology to reduce operating costs and thereby provide more competitive prices. 2. You can improve user participation and retention rates by building a stronger online community. 3. Regularly update course content, introduce new learning tools and technologies, and adjust learning paths based on user feedback.

SWOT analysis is a method of comprehensively evaluating the internal and external factors of a company to determine its strengths, weaknesses, opportunities, and threats. Through keen insight and decision-making capabilities, companies can scientifically analyze and integrate internal and external resources, and choose appropriate transformation strategies more wisely [11]. As shown in Table 2, the following is a specific analysis of Table 2.

5.1. Strengthes

In 2017, Liulishuo collected a speech library of 510 million minutes and 6.25 billion sentences [12]. This huge speech library enables Liulishuo to easily recognize the English accent of Chinese people and lays the foundation for setting up paid courses. Fluently Speaking English has established a significant advantage in the field of online language learning through its innovative AI-driven learning method. The platform uses advanced speech recognition technology to provide each user with real-time, personalized pronunciation feedback and customized learning paths, greatly enhancing learning efficiency and effectiveness. These advantages together constitute Liulishuo's core competitiveness in the highly competitive market, attracting and retaining a large number of loyal users.

5.2. Weaknesses

Although Liulishuo English shows obvious advantages in many aspects, it also faces some inherent disadvantages. Although Liulishuo provides high-quality online learning resources and AI-assisted teaching, this learning method that lacks physical interaction may not fully satisfy those who seek The needs of learners for authentic interaction and cultural communication experience [2]. This limitation may affect users' learning experience and effectiveness, limiting Liulishuo's ability to attract a wider user base.

5.3. Opportunities

Technological advances in artificial intelligence and machine learning have provided a new development direction for Liulishuo, making personalized and efficient learning experiences possible [5]. In addition, with the digital transformation of education and the increase in corporate training needs, cooperation with various educational institutions and companies to introduce fluent English into school language courses or corporate employee training programs has also opened up new opportunities for them. growth point. These opportunities, if properly exploited, are expected to greatly expand Liulishuo's market share and influence.

5.4. Threats

In the process of pursuing sustained growth, Fluent English faces many external threats, the most significant of which is the increasing market competition [9]. As more innovative and technology-driven language learning platforms emerge, Liulishuo needs to continuously innovate and improve to maintain its leading position and attractiveness in the market. Rapid changes in user needs and preferences also require Liulishuo to continuously adjust its product strategies and learning content to meet the expectations of target user groups, which pose potential threats to Liulishuo's continued success.

6. Conclusion

Through research, this article found that English Liulishuo, as a Chinese online English education brand, has certain competitive advantages in the field of mobile learning. Its core competitiveness lies in the unique 3.0 teaching model and the application of AI technology, which can provide personalized learning plans and assessments to improve learning effects and user experience. In addition, English Liulishuo has attracted a large number of users through marketing and brand promotion and has a certain market influence. However, companies are faced with profitability

challenges and negative news and need to further optimize their business models and strengthen crisis management. To sum up, English Liulishuo still has room for improvement in the highly competitive online education market, but its advantages outweigh its disadvantages.

This research has important implications for the development of similar online education platforms. Other online education platforms can learn from the strengths and weaknesses of English Liulishuo, use SWOT analysis methods to evaluate their competitive advantages, and formulate corresponding marketing strategies. In addition, the research results are also instructive to decision-makers and investors in the education industry, helping them evaluate the development potential and investment value of online education platforms.

Future research can further explore the profit model and business model innovation of English Liulishuo, conduct an in-depth analysis of negative news issues propose crisis management strategies, and study the expansion strategy of English Liulishuo in the global market. These research directions will help further improve the development of online education platforms and enhance their competitiveness and influence.

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