

DiDi Global Inc: Analysis of Advertising Promotion Models and Market Competitiveness - Based on the SWOT Model and Porter Five - Force Model

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Abstract: This paper explores the transformative impact of emerging technologies, particularly mobile Internet, big data, and AI, on the global ride-hailing industry, with a focus on Didi, a leading mobility technology company. The study analyses Didi's marketing and development models to address key challenges in urban transportation, including traffic congestion and evolving consumer demands. Using literature analysis, the research evaluates Didi's market position, competitive environment, and operational strategies through frameworks such as the Porter Five Force Model and SWOT analysis. Key objectives include understanding target customer segments, product/service features, and promotional effectiveness. Findings highlight Didi's strengths in technological innovation and market penetration, while identifying opportunities for optimization amid regulatory and competitive pressures. The research concludes with actionable recommendations to enhance Didi's sustainability and competitive edge, emphasizing alignment with urbanization trends, policy compliance, and user-centric service improvements.

1 INTRODUCTION

The ride - hailing industry has shown a booming development trend globally. According to relevant data, in recent years, the global ride - hailing market has continued to expand, and the number of users has also been increasing. With big data and artificial intelligence integrating, the ride-hailing industry can predict demand on-demand and allocate resources in real time (Brown, Lee, & Martinez, 2020). Behind this phenomenon are the acceleration of urbanization, the growing diversification of people's travel demands, and the technological support brought about by technological progress. With the rapid growth of the urban population, traffic congestion has become more severe. Traditional public transportation has certain limitations in meeting people's personalized and immediate travel needs. Ride - hailing, with its convenient, efficient, and personalized service features, has quickly won the favor of a large number of users.

Didi, a globally renowned mobility technology company, holds a crucial position in the ride - hailing industry. Conducting an in - depth analysis of Didi's marketing and development models is of great

significance in many aspects. From the perspective of the enterprise itself, a thorough analysis of its marketing and development models helps Didi identify its own strengths and weaknesses, enabling it to optimize its operation strategies, enhance its market competitiveness, and achieve sustainable development. In terms of market competition, the ride - hailing market is highly competitive. Studying Didi's models can provide references for the entire industry, promote healthy competition among enterprises, and drive the overall development of the industry. For consumers, understanding Didi's development models can help them better understand the operation mechanism of ride - hailing services, protect their rights and interests, and also prompt enterprises to continuously improve service quality and provide consumers with a better travel experience.

This research adopts the literature analysis method. A wide range of authoritative materials, including industry research reports, statistical yearbooks, government policy documents, official enterprise materials, and relevant academic research results, are collected and analyzed in depth. Through

the review and interpretation of these documents, Didi's operation status, market environment, and development strategies are comprehensively and systematically analyzed. This research aims to address the following key issues: First, to deeply analyze the characteristics of Didi's target customer groups, market prospects, and the features of its products and services, and clarify its market position. Second, by using the Porter Five Force Model and SWOT Model, comprehensively evaluate the market competition situation Didi faces, as well as its own strengths, weaknesses, opportunities, and threats. Third, deeply analyze Didi's advertising and promotion models and their effectiveness, and identify their advantages and disadvantages. Fourth, based on the above - mentioned analysis, put forward targeted and operational strategic suggestions for Didi's future development, helping it maintain its leading position in the fierce market competition and achieve long - term development. The following is the structure of this article: First, a detailed analysis of Didi's target customers will be carried out, followed by an exploration of the market prospects. Subsequently, the product features, pricing, and purchase channels will be analyzed. Then, the market competition and comprehensive evaluation will be conducted using the Porter Five Force Model and SWOT Model. After that, the advertising and promotion models and their effectiveness will be deeply analyzed. Finally, research conclusions will be drawn, and development suggestions will be put forward. During the analysis process, factors such as the urbanization process, technological development, market competition, and policy regulations that affect Didi will be fully considered to ensure the comprehensiveness and practicality of the research results.

2 TARGET CUSTOMER ANALYSIS

2.1 Customer Characteristics

Didi's users are relatively evenly distributed in terms of gender. Among different age groups, the 18 - 25 - year - old young people usually travel for social activities, study, or part - time jobs. The 25 - 45 - year - old middle - aged and young people are the main force in travel, with strong demands for commuting, business trips, and leisure activities. First-tier cities have the highest concentration of ride-hailing users

due to urbanization and traffic congestion (Zhang, Chen, & Huang, 2019). Among the 45-60-year-old group, family outings and medical trips are increasingly common. Young adults (25-45 years old) dominate ride-hailing usage because of their high levels of mobility and reliance on technology (Li & Zhang, 2021).

2.2 Geographical and Income Distribution

Geographically, users mainly concentrate in first - tier cities and developed second - tier cities. These areas have a high population density and traffic congestion, making residents highly dependent on ride - hailing services (Li & Zhang, 2021). With the advancement of urbanization, the demand in third - tier and lower - tier cities is also on the rise. In terms of income, high - income groups prefer premium cars or luxury cars; middle - income groups mostly choose express cars or carpooling; low - income groups also use Didi when necessary (iResearch, 2023; Analysys, 2023; Didi, 2022).

3 PRODUCT FEATURES, PRICING, AND PURCHASE CHANNEL ANALYSIS

3.1 Product Features

Didi offers a variety of vehicle models to meet different travel scenarios. Its intelligent navigation and real - time traffic information functions can optimize travel routes and improve efficiency. Safety features such as trip sharing and emergency assistance ensure the safety of users' trips. In addition to balancing supply and demand, dynamic pricing strategies influence user loyalty through perceived fairness (Li & Zhang, 2021).

3.2 Pricing Mechanism

Didi adopts a dynamic pricing strategy, adjusting prices according to factors such as time, distance, and supply - demand relationship. Prices increase during peak hours and there are promotional activities during off - peak hours. Overall, its prices are comparable to those of traditional taxis, and services like carpooling are more cost - effective (Smith & Johnson, 2022).

3.3 Purchase Channels

Users can place orders through the Didi mobile APP, which is easy to operate and supports multiple payment methods. The APP is available for download on major app stores and also has mini - programs on WeChat and Alipay, providing users with extensive access channels (Chen & Li, 2022).

4 MARKET COMPETITION ANALYSIS BASED ON PORTER FIVE FORCE MODEL

4.1 Threat of Existing Competitors

The travel market is highly competitive. Cao Cao Travel focuses on new energy vehicles, and T3 Travel relies on the advantages of automobile enterprises. There are also aggregator platforms like Gaode Map, which integrate numerous ride - hailing resources. They attract users through subsidies, promotions, and differentiated services, seizing market share, increasing Didi's customer acquisition costs, and squeezing its profit margins. Technological advancements in autonomous driving, which lower barriers to entry for tech firms, amplify the threat of new entrants (Brown et al., 2020).

4.2 Threat of Potential Entrants

Although the ride - hailing industry has barriers in terms of policies, technology, and capital, technology giants and traditional automobile enterprises may still enter the market with their technological, financial, and industrial advantages. Their entry may bring new technologies and business models, intensifying competition and threatening Didi's market position.

4.3 Threat of Substitute Products

Public transportation is inexpensive and can carry a large number of passengers. Shared bicycles and electric vehicles are suitable for short - distance travel. Traditional taxis have advantages in scenarios such as immediate pick - up and non - network - dependent payments. These substitutes meet users' travel needs in different scenarios, reducing users' reliance on Didi and limiting its market scale and profit growth. The ability to substitute for private transportation, particularly in markets with high costs, remains a critical challenge (Wang & Liu, 2020).

4.4 Bargaining Power of Suppliers

Drivers are important suppliers. When the number of drivers is sufficient, their bargaining power is weak. However, during peak hours or in areas with imbalanced supply and demand, their bargaining power increases, and they may demand better treatment. Despite Didi's growing scale and ability to influence key suppliers, other suppliers can still impact its operating costs and service quality (Liu & Zhao, 2023).

4.5 Bargaining Power of Buyers

There are many travel options in the market, giving users strong bargaining power. Users are sensitive to prices and will compare prices, services, and promotions among different platforms (Gupta & Kim, 2021). If Didi's prices are high or its services are poor, users are likely to switch to other platforms. User reviews and word - of - mouth are crucial to Didi's market image and business development, prompting it to optimize services and price reasonably.

5 COMPREHENSIVE ASSESSMENT BASED ON SWOT MODEL

5.1 Strengths

Didi has a large number of users and drivers, forming a network effect that is difficult for new entrants to compete with in the short term. By utilizing big data and algorithms, its intelligent dispatching system increases operational efficiency (Li & Wang, 2021). It also has a high brand awareness and strong market recognition, and its business is diversified, covering ride - hailing, chauffeur - driven services, carpooling, freight transportation, and other fields. Didi's AI-driven dispatching system enhances operational efficiency and establishes it as a leader in smart mobility solutions (Brown et al., 2020).

5.2 Weaknesses

Strict policy regulations result in high compliance costs. Safety issues have received widespread attention. Although measures have been taken, potential safety hazards still exist, affecting the company's image. The large and complex driver team has led to uneven service quality and professional

qualities of some drivers, affecting the user experience.

5.3 Opportunities

The continuous advancement of urbanization has led to an increase in residents' travel demands, providing a broad market space. The development of technologies such as artificial intelligence, big data, and autonomous driving provides support for improving service quality, optimizing operational efficiency, and expanding business boundaries. Didi can also cooperate with industries such as tourism, catering, and hotels for cross - border integration and expand business growth points.

5.4 Threats

The market competition is fierce, and both existing competitors and potential entrants pose competitive pressures. Macroeconomic fluctuations affect residents' consumption power and reduce travel demands. Public opinion pays close attention to issues such as safety, privacy protection, and labor rights in the ride - hailing industry. Negative incidents can easily trigger public opinion storms and damage the company's reputation. The deterioration of consumer trust and brand equity will occur if safety concerns are not addressed (Gupta & Kim, 2021).

5.5 Strategic Suggestions

Leverage brand and user advantages to cooperate with other industries to launch customized travel service packages and expand business boundaries. Didi should increase investment in the research and development of autonomous driving technology to enhance its technological competitiveness. Didi should establish a sound compliance management system, use technology to strengthen driver review and training, optimize safety guarantee measures, and rebuild a safe image. Didi should improve service quality, launch differentiated services, and enhance user stickiness. Didi should strengthen market promotion, consolidate market share, and actively seek cooperation to jointly cope with competition. Didi should pay attention to policy and public opinion trends, optimize cost structures, strengthen safety management and public relations construction, and safeguard the brand image.

6 ADVERTISING AND PROMOTION MODEL AND EFFECTIVENESS ANALYSIS

6.1 Television Advertising

Television advertising is one of the important means for Didi to enhance its brand awareness. Didi usually places advertisements during the prime time of popular variety shows and TV dramas. By leveraging the high ratings of these programs, it can achieve wide exposure. For example, in some national - level popular variety shows, the advertisements can reach hundreds of millions of viewers, making more people aware of Didi's brand and services. In terms of enhancing brand awareness, television advertising has certain effects. It can make some people who are not familiar with online ride - hailing services, such as some middle - aged and elderly people, get to know Didi. However, the audience's attention to advertisements during the program is limited. Many people will switch channels or play with their mobile phones during the advertisement time, resulting in a significant reduction in the actual reach of the advertisements. Moreover, television advertising is difficult to accurately target the target customer group. It cannot conduct personalized promotion for users of different ages, regions, and consumption habits, making the efficiency of converting advertisements into actual users relatively low. Ads on social media powered by algorithms achieve better conversion rates by utilizing user behavior data (Smith & Johnson, 2022).

6.2 Print Media Advertising

In the aspect of print media, Didi places advertisements in some urban newspapers and industry magazines. In urban newspapers, the advertisements are mainly aimed at urban residents, delivering information such as Didi's promotional activities and the launch of new services (Zhang & Chen, 2020). In industry magazines, it focuses on demonstrating Didi's achievements in technological innovation and industry leadership, establishing a professional image. Print media advertising has a certain degree of precision for specific audiences. For example, advertisements in industry magazines can effectively reach industry insiders and investors, helping to enhance Didi's influence and professional image within the industry. However, in the digital age, the overall audience size of print media is on the decline. Young people mainly obtain information

through the Internet, limiting the coverage of print media advertising. In addition, the form of print media advertising is relatively single, mostly in the form of text and pictures, lacking the interactivity and instant feedback of online advertising, making it difficult to attract the younger generation of users. Therefore, the overall promotional effect is gradually weakening.

6.3 E-Commerce Advertising

Didi has various forms of cooperation with e-commerce platforms. During e-commerce promotion periods, Didi places advertisements on e-commerce platforms, providing users with travel coupons to guide e-commerce users to choose Didi for their travel needs during shopping trips. At the same time, Didi also conducts joint promotions with e-commerce platforms within its APP, such as recommending popular e-commerce platform activities, realizing the sharing of user resources between the two sides. E-commerce advertising is quite effective. E-commerce platforms have a large and active user base, which overlaps significantly with Didi's target customer group. By advertising on e-commerce platforms, Didi can accurately reach potential users, especially those shopping people with travel needs. Moreover, the joint promotion activities of the two sides can achieve a win-win situation. By leveraging the traffic advantages of e-commerce platforms, Didi can quickly increase brand exposure and attract new users. At the same time, e-commerce platforms can also enhance the user experience and increase user stickiness by relying on Didi's travel services. This cross-platform cooperation model greatly improves the conversion rate of advertisements through resource integration and complementary advantages.

6.4 Influence Marketing

Didi's invitation to influencers to experience and share their travel experiences is an important promotional method. Influencers have a large number of fans on social media, and their recommendations and sharing have a strong influence. For example, some lifestyle and travel-related influencers will show the whole process of using Didi in detail, including the convenience of hailing a car, the in-car environment, and the driver's service. Through real-life experience sharing, they can make their fans trust and be interested in Didi. Influencer marketing is particularly effective in attracting young user groups. Young users are highly dependent on social media

and have a high degree of recognition and following for influencers. Influencer marketing successfully narrows the trust gap among younger audiences, although it necessitates careful risk management (Chen & Li, 2022). The personalized recommendations and vivid content presentation of influencers can effectively break down users' resistance to traditional advertising. Moreover, the fan groups of influencers often have similar hobbies and consumption habits, making the promotion more targeted and likely to stimulate the desire of fans to try, thus converting them into actual users. However, influencer marketing also has certain risks. If a cooperative influencer has negative incidents, it may have a negative impact on Didi's brand image. In addition, the quality of the influencer market is uneven. Improper selection may lead to poor promotional effects.

6.5 Social Media Advertising

Didi places in-feed ads on social media platforms such as Weibo, Douyin, and WeChat. Through big data analysis, these platforms can accurately push advertisements based on users' interests, geographical locations, consumption behaviors, and so on. For example, for users who often travel to nearby places on weekends, Didi will push preferential information for hitchhiking or car rental services. For users who are frequently active in business areas, it will push advertisements for premium car services. Social media advertising has good results and great potential. Its precise push function greatly improves the targeting of advertisements, enabling the advertisements to reach users with real needs, thus increasing the conversion rate. The interactivity of social media is strong. Users can like, comment, and share advertisement content at any time, forming a word-of-mouth dissemination effect and further expanding the influence of the advertisements. In addition, social media advertising can adjust advertising strategies and content in a timely manner according to users' real-time feedback and behavior data, achieving dynamic optimization and continuously improving advertising effectiveness.

6.6 Offline Advertising

In terms of offline advertising, Didi places print ads in places such as bus stops, subway stations, and office buildings. The advertisements at bus stops and subway stations can cover a large number of travelers, especially those who rely on public transportation for daily travel. The advertisements in office buildings

are mainly targeted at office workers. These places have a large flow of people, which can increase brand exposure opportunities. Offline advertising plays a certain role in strengthening the brand. Long - term placement of advertisements in these places can continuously strengthen the brand impression in the minds of users, making the Didi brand an important consideration for users when choosing travel options. However, offline advertising also has some problems. The advertising form is relatively single, mainly static text and pictures, making it difficult to fully display the service features and advantages of Didi. Moreover, offline advertising cannot conduct accurate data monitoring and effect evaluation like online advertising, making it difficult to accurately judge the actual impact of advertisements on user behavior.

7 CONCLUSION

Overall, among Didi's various advertising and promotion models, e-commerce advertising, influencer marketing, and social media advertising are relatively more effective. E-commerce advertising achieves precise reach and high-efficiency conversion by leveraging the traffic and user base of e-commerce platforms. Influencer marketing successfully attracts young user groups with the influence of influencers and the fan economy. The precise push and interactivity advantages of social media advertising make it perform well in enhancing brand awareness and user participation. While television advertising, print media advertising, and offline advertising still hold some value in certain areas, their effectiveness is comparatively limited due to restrictions in communication methods and shifts in audience behavior. Moving forward, Didi should focus on increasing investment in more effective promotional models when developing advertising and promotion strategies. At the same time, it should optimize and innovate other promotion models based on its brand positioning and the needs of target customers to maximize the effects of brand communication and market expansion.

Didi has significant advantages in the travel market but also faces many challenges. Through comprehensive analysis, Didi needs to give full play to its advantages, seize opportunities, and actively address weaknesses and threats. It should continuously innovate its business model, strengthen technology research and development and

management, improve service quality, adapt to market changes, and achieve sustainable development.

The significance of this research lies in providing valuable references for Didi and the entire ride-hailing industry. For Didi, the research results help it to understand the effectiveness of its advertising and promotion models, the market competition situation, and the development direction more deeply, thus optimizing its operation strategies and enhancing its market competitiveness. For other enterprises in the industry, this research can be used as a reference to help them better formulate development strategies suitable for themselves. At the same time, this research also provides consumers with a deeper understanding of the operation models of ride-hailing service providers, helping consumers make more informed choices. In addition, the research results can also provide a basis for government departments to formulate relevant policies, promoting the healthy and orderly development of the ride-hailing industry.

Future research can further focus on the application of new technologies in the ride-hailing industry. With the continuous development of technologies such as artificial intelligence, blockchain, and the Internet of Things, they have great potential in optimizing the ride-hailing dispatching system, ensuring data security, and improving the user experience. Follow-up research can deeply explore how these new technologies are deeply integrated with ride-hailing services, as well as the challenges and solutions that may be faced during the application process, so as to promote the more efficient, safer, and sustainable development of the ride-hailing industry driven by technology.

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