The Marketing Strategy of the New-launched Product: A Case Study on Nissin

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Abstract. This research utilized the new products of Nissin as a primary case study to examine the elements contributing to the significant sales volume generated by the recently established Sam's Club in Shenzhen. Nissin has recently unveiled a novel product known as "giant cup noodles," which is being offered as a limited-edition item for a brief duration. The availability of Sam's Club memberships has incited a surge in consumer purchasing activity among both existing members and non-members. The primary objective of this research paper was to conduct an analysis of Nissin Cup Noodles in order to explore the various factors that may contribute to the effectiveness of its marketing campaign. These factors encompassed the package color, product distinctiveness, and the use of a hungry marketing strategy within the campaign. Ultimately, this report presented appropriate recommendations to Nissin regarding the maintenance of its widespread appeal across various age demographics, as well as proposing future enhancements that Sam's Club might use to foster brand equity.

Keywords: Nissin; Packaging; Color; Uniqueness; Hunger marketing.

1. Introduction

1.1. Research Background

Despite the transition into the post-COVID-19 era, the pandemic continues to have an impact on some aspects of people's lifestyles, such as consumption habits. Certain consumers appear to have developed a preference for procuring sizable wholesale commodities, particularly food items, in bulk for the purpose of storage, given their essential nature during periods of lockdown. In the present setting, there has been a steady emergence of expansive warehouse supermarkets in the lives of individuals. This novel shopping approach, characterized by extensive product displays, has garnered increasing consumer interest and participation.

As one of China's largest retail warehouses, Sam's Club (Sam) has a vast number of potential clients. The primary target market consists of middle-income households aged 20 to 50, as well as large homes in need of a variety of living essentials at the same time.

On June 27, 2023, a new Sam debuted in Shenzhen. Sam has collaborated with Nissin, a major Japanese instant noodle production firm, to produce a special edition named 'Giant Cup Noodles Bucket' that will only be available in the new store for a few days. Potential customers have successfully joined Sam's Club thanks to the distinctive packaging that Nissin created for this limited edition. As a result, using the Nissin case as an example, this article seeks to examine how packaging influences consumer purchase decisions.

Many studies have been conducted to investigate how packaging may influence customer behavior. For example, in 2017, Imiru conducted a study that focused on the package impact factors on customers' purchasing inclinations in Ethiopia's main commercial centers [1]. Padmanabhan and Magesh have said in their research that it is assessing customers' purchasing decisions toward ecologically friendly concepts and the effect of green packaging on consumers [2]. Vieira et al. used bibliometric approaches to examine 111 papers published between 1982 and 2014 [3]. They want to know how packaging affects consumer behavior in a variety of ways, such as purchase intention, pollution, and environmental issues [3].

1.2. Research Gap

For decades, there has been relevant research investigating the influence of packaging on customers and how it affects audiences' purchasing intentions. Although several papers have examined the impact of packaging on consumer behavior, they only contend with macro-analyses of brands in most markets, and there are no more detailed studies of brands for products in the instant food genre. Few studies are based on cup noodles, a limited-edition product, using food as a case study. Therefore, this area needs to be explored further, based on Nissin cup noodle sales as a case study.

This paper aims to identify what kinds of factors could significantly influence consumers' decision-making about purchasing instant food-type products. Moreover, it could be significant for several brands to investigate their targeted audiences and their purchasing intentions, as well as their packaging impact, including the packaging color, uniqueness, and relevant promotion strategies. Hence, the research question in this study is what improvements can be made by instant food markets to boost business sales by raising customers' purchase intentions.

1.3. Fill The Gap

This research paper will use Nissin Cup Noodles marketing as a case study combined with relevant actual phenomena and related data. In the process of analysis, to further find out the reasons that affect the consumers' willingness to buy, this paper will combine the theoretical knowledge of packaging to further analyze and study what specific factors affect the willingness of this group of consumers to buy instant food, and based on the analyzed reasons, give reasonable suggestions and advice so that it can be based on the willingness of food consumers to buy food in the future in the marketing strategy. It is also a reference value for future marketing strategies based on consumers' willingness to buy food.

2. Case Description

With the inauguration of the new Sam's Club store, Nissin Cup noodles have caused a buying frenzy in Shenzhen. Nissin Food Company manufactures a variety of instant noodles, including Demae Iccho, Cup Noodles, Top Ramen, Nissin Yakisoba U.F.O., Nissin Raoh, and others. Potential clients for Nissin Cup Noodles are people who are willing to try out different varieties of instant noodles, typically the youthful generation aged 15 to 35. This group of people may lead a hectic lifestyle and have little time for self-cooking. As a result, instant foods such as Nissin noodles may be an attractive product to meet their desire for convenience and time savings.

The recently released 'The enormous cup noodles buckets' is a 45 cm taller edition of the standard-sized cup noodles bucket. There are 24 regular-sized cups of noodles in various varieties within the massive cup. Aside from the packaging, there are no other noticeable differences in the product itself. However, it has sold out in half a day, and a large number of individuals, including non-Sam's members, are vying for one bucket, even at a premium price. The initial retail price for this special edition is 168 RMB; however, the price on the secondary market can reach 500 RMB, which is double the original price. However, the unique packaging for the 'Giant Cup Noodles Buckets' may not be the only reason for this buying frenzy; there could be a number of other variables at work. As a result, this study attempts to investigate what elements might contribute to the success of this buying frenzy.

3. Analysis on Problem

3.1. Reasons for The Color of Packaging

The color of the packaging is a significant determinant of the consumer appeal of Nissin Giant Cup Noodles. The utilization of vibrant hues in Nissin packaging is expected to significantly capture

the attention of consumers, enhancing their awareness of the product's existence and appeal and ultimately augmenting their inclination to make a purchase.

The psychological impact of colors on human behavior and decision-making is widely acknowledged, and professionals in the fields of design and marketing effectively leverage this knowledge. Based on the data compiled by Bytyç in 2020, respondents were asked to offer statistics regarding the influence of the visual component on their purchasing decisions at different points of sale [4]. According to the findings of the study, a mere 15% of participants selected the alternative that acknowledged additional elements, whereas a significant majority of 85% of participants prioritized color as their primary visual determinant while engaging in a purchase [4].

Furthermore, in Bytyç's study, participants were surveyed to determine their perception of the most commonly used color in branding for the purpose of selling goods or services. It was found that 26.2% of respondents indicated a belief in the prominence of the color red [4]. There is evidence to support the notion that color plays a significant role in capturing the attention of consumers and influencing their propensity to make purchases. In this context, the color red is primarily responsible for attracting specific attention. The packaging design elicits a compelling visual impact by considering the chosen color scheme, which generally garners widespread acceptance, as well as the distribution of color proportions within each area.

3.2. Reasons for Product Uniqueness

In terms of aesthetic and functional fit, many studies claim that a product's uniqueness is the second value factor that has been considered significantly in self-designed products [5].

Giant Cup Noodles Bucket's unique design could attract potential customers who would like to accept new products. Meanwhile, the aesthetic design of the Giant Cup Noodles Bucket results from the mass spread on China's social media platforms, such as WeChat and Weibo. Many customers, especially young generations, would like to visit Sam to purchase this product or take a photo with it because of the high level of aesthetic design. Piller et al. emphasized that product uniqueness distinguished from conventional off-the-shelf products would generate higher utility to increase customers' willingness to pay [6]. Meanwhile, Michel et al. also emphasized that customers would be prone to purchasing unique products with high levels of customization, which could be suitable to consumers' preferences [7]. Shen states that product uniqueness is achieved by the development of the trend of mass customization, which could positively lead to the impact of aesthetic and functional fit [8]. It may be the main reason for the popularity of the Giant Cup Noodle Bucket. It may help to attract potential customers, especially young customers, within a short time based on the rapid spread of its aesthetic and functional fit. These kinds of customers may find it hard to become loyal customers since the fade of this wave of heat.

3.3. Reasons for Hunger Marketing Strategy

According to the case description, it could be found out that Sam has also implemented the Hunger Marketing strategy for this new product sale with limited supplies of Giant Cup Noodles Bucket. In particular, every customer is only allowed to purchase two Giant Cup Noodle Buckets per day. Meanwhile, since its popularity has risen, Sam has even increased the limit of the supply so that every customer can only purchase one Giant Cup Noodle Bucket.

Due to the popularity or scarcity of these types of new products, such as the Giant Cup Noodle Bucket, consumers are willing to sacrifice their time or extra money to purchase this product. From an organizational perspective, this hunger marketing strategy would try to achieve the goal of the product better through active restraint on production with the limited supply in the retail market.

4. Suggestions

4.1. Suggestions on The Color of Packaging

The color psychology theory, which is known as the study that explains how color influences human behavior and emotions [9]. In marketing, it is vital to choose colors that complement the company's goals and target market because color may affect how consumers view various brands and goods. Nissin releases the giant cup of noodles and effectively utilizes the color psychology theorem to obtain clients. The color of the giant cup noodles is mainly covered with red, white, and gold pigments; of these, the red pigment dominates the integral part of the buckets. Although the color red expresses a potential feeling of aggression and urgency towards customers, it is also a remarkable color that can be easily identified or attract customers' attention among a range of products in a retail store.

However, the main reason for the color combination is based on Nissin's brand design and brand awareness. Figure 1 below indicates Nissin's logo, which consists of red and white colors [10]. Besides, Figure 2 shows the outlook of Nissin's new product, the giant cup noodles [11]. It can be seen that both color combinations are similar and well-identified to Sam based on the red color's remarkable identity. However, since all color design is based on Nissin's original logo and product design, it cannot be identified that this new product is combined with Nissin and Sam. Sam's efforts on product launching may be ignored or less efficiently used to strengthen Sam's brand awareness.

Fig 1. Nissin's Logo [10].



Fig 2. Nissin's giant cup noodles [11].

4.2. Suggestions on Product Uniqueness

The design of the huge cup noodles by Sam and Nissin has been successful in capturing the attention of customers, resulting in their widespread acceptance in the market. The product's distinctiveness, characterized by its large size and appearance, elicited a significant visual impact on clients, resulting in enhanced usefulness and a greater propensity to pay. Furthermore, as previously said, the primary outcome resulting from the distinctiveness of the product is the alignment of aesthetic and functional aspects, which serves as a driving force for consumers in their ultimate purchasing determination. Nevertheless, the distinctiveness of the product may be targeted towards the younger demographic, who exhibit a keen interest in these instant noodles due to their convenience-oriented lifestyle choices.

However, they may not be customers with higher disposable incomes to support further purchases. Alternatively, Sam could also try to cooperate with other leading brands such as Huawei or Xiaomi, both of which are well-known as China's electronic brands, to get more easily access to a large range of customers who are of different ages. For example, Sam could design a new fan with Xiaomi, launching at a price below 200 RMB to attract the family type of customer. The main reason for cooperation with multiple brands on launching new products is to maintain their attractiveness among customers, maintain the popularity of this event, and increase brand equity for Sam.

4.3. Suggestion on Hunger Marketing Strategy

Sam's hunger marketing strategy did successfully lead to the shortage of giant cup noodles' supply. Consequently, some customers have to purchase this new product from the secondary market at higher prices. It reflects the popularity of the giant cup noodles in Sam's sales. The well-known brand names of Sam and Nissin may be the key factor that results from the success of this hunger marketing event. It may not be suitable for any brands, especially in some small or medium-scale organizations with less brand awareness.

Yan et al. also mentioned that although the implementation of Hunger marketing strategies for these well-known brands could raise social media discussions, leading to the rapid spread of their brand name, it may also cause some negative impacts [12]. For example, some loyal customers may refuse to purchase Sam's products again due to the long wait for the new product. Meanwhile, the excessive shortage of giant cup noodles' supply may cause consumers to choose other alternative noodles that may have similar attributes. Excessive waiting time may also generate a depressed shopping experience for customers.

Meanwhile, Yong emphasized in 2007 that the quality of the product would be the essential factor that led to the success of marketing sales [13]. To maintain the long-term attractiveness of customers, Sam may need to cooperate with Nissin to make more changes. Currently, although the popularity of this giant cup noodles bucket has successfully increased the social media discussion, the hot attention would also swiftly cool down since this giant cup noodles bucket simply packages all small buckets of cup noodles into a big cup. There is no difference between tastes or flavors for customers who would like to purchase regulated instant noodles from Nissin. Therefore, creating the uniqueness of instant noodles' tastes or flavors may be the authentic way to generate long-term success in product promotion.

5. Conclusion

This research paper presents a case study on the popularity of Nissin Cup Noodles in Sam, with the aim of evaluating and exploring the elements that contribute to the success of this marketing event. Three primary elements have been individually examined, including the color of the package, the distinctiveness of the product, and the employment of a hungry marketing technique. The success of Nissin's Giant Cup Noodles Bucket can be attributed to several factors that have demonstrated their respective attributes or functions. Nevertheless, it has been acknowledged that this occurrence is not flawless. In alternative terms, it is plausible that the aforementioned phenomenon could potentially yield adverse consequences in terms of customer loyalty, brand awareness, and brand equity.

To avoid these negative impacts or improve the customer experience, three corresponding suggestions have been provided to boost the further development of Sam's brand awareness and brand value. As for the suggestion on the color choice for Nissin, Nissin could negotiate with Sam about adding the blue colors to the packaging to show his contribution. Moreover, considering the further improvements in product uniqueness, Nissin could cooperate with various brands that target different age groups and introduce new products with novelty. With the help of collaboration, Nissin would be able to sustain its popularity in the long run, and it would promote brand equity for Sam as well. The last suggestion responding to the special marketing strategy, the hunger strategy, is that this paper suggests Nissin generates differences, specifically the tastes and flavors should be alternated rather

than duplicate the original products with identical flavors. By following the above suggestions, it would be possible for Nissin to maintain its brand popularity and promote its brand equity for Sam. As a result, customer experience and the satisfaction of customer preferences would also be addressed.

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