Analyze the Marketing Strategy of Mixue Ice-cream&Tea Based on 4C Theory

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Abstract. With the accelerated development of the national economy, people began to pay attention to the quality of life and pursue higher requirements of life, under the satisfying conditions of daily food and clothing. The birth of milk tea industry catches this opportunity and was created. With the increasing popularity of the milk tea market, the competition is gradually fierce. In recent years, although Mixue Ice-cream&City even as a high popularity brand, but still inevitably affected by the impact of AUNTEAJENNY, Chabaidao, HEYTEA etc. This Brand is limited by low price labels, high brand homogenization and low media utilization. These problems have gradually weakened the brand advantage of Mixue Ice-cream&Tea. This text takes Mixue Ice-cream&Tea as the research object, searching and sorting out the relevant research of experts and scholars. Through the information analysis of the existing literature and brand data, analyzed deeply the current marketing methods of Mixue Ice-cream&Tea. This text discusses the main difficulties and marketing problems of this brand at present, and puts forward corresponding optimization suggestions for 4c research theory to improve the market share of Mixue Ice-cream&Tea.

Keywords: Mixue Ice-cream&Tea, 4C marketing strategy, new tea drink.

1. Introduction

Mixue Ice-cream&Tea mainly low price, high quality, inexpensive route attracted a large number of customers, and opened a number of offline chain stores at home and abroad in a few years. It caused an international impact. After the use of "Snow King" as the brand image and the theme song "Mixue Ice-cream&Tea" successfully attracted a wave of heat, to enhance the brand awareness. Especially the group of young middle school students, although their consumption power is far less than adults, but can gain the advantage of large flow of people. Mixue Ice-cream&Tea is also a good grasp of this point, so it can be seen near the first- and second-line cities’ schools.

By referring to a large number of relevant literature and materials for content sorting and learning, summarize the relevant theories and information about the marketing methods of Mixue Ice-cream&Tea to analyze and study the current situation and problems of this brand, and put forward reasonable optimization suggestions.

Taking Mixue Ice-cream&Tea as the main case, this text explores the background information, development history, market share, customer portraits and other aspects to understand the real situation of this brand.

With the rapid development of the tea market, the market size has gradually become larger. However, the low threshold of the tea industry has led to the serious homogenization of most brands, similar products, marketing methods make the competition more intense. This text deeply analyzes the marketing methods of Mixue Ice-cream&Tea, studies its advantages and disadvantages, analyzes its reasons, and proposes solutions to the existing problems. The optimization suggestions in this text have certain reference and reference significance for Mixue Ice-cream&Tea and other tea brands, which will help improve the brand competitiveness of Mixue Ice-cream&Tea and expand the market share.

This paper is divided into four aspects according to the research content. First, research background and significance. First of all, the text discusses the background and significance of the topic selection, combine with brand data and related information literature. And briefly introduce and explain the research methods and contents of this text. Second, theoretical explanation and brand
background information. According to relevant data and texts to introduce the 4c theory and analyze the development of brand marketing. Third, Mixue Ice cream&Tea marketing status and problems. Through the background information of the brand in the previous part, combine with relevant literature data, analyze the existing marketing problems of Mixue Ice-cream&Tea and the reasons for these problems. Fourth, based on the 4c theory, the corresponding optimization strategy is proposed for the above problems. This part mainly through the study and analysis of the disadvantages of Mixue Ice-cream&Tea, optimize the product strategy, promotion strategy and activity strategy of Mixue Ice-cream&Tea to achieve the goal that expand the brand market share.

2. Theoretical Explanation and Brand Background Information

2.1. 4C Marketing Theory

The "C" of 4C marketing strategy refers to Customer, Cost, Convenience and Communication was put forward by professor R.F Lauterborn, an American market expert.4c mainly emphasizes that the brand should consider the needs of customers more, and establish good communication with customers to achieve the goals of both parties [1]. Customer means study what’s purchasers need and provide suitable service or products [2]. It emphasizes the problem of product innovation according to the needs of consumers. Cost means how much that purchasers are willing to pay, which shows the benefit maximization while satisfying the rational price of consumers and gaining the innovation space in this text [2]. Convenience means what third-party logistics that the purchasers need to enjoy the convenience [2]. The brand can through online services with media that simplify the buying process to make the consumers to enjoy the purchase. Communication means the effective way that can communicate with the purchasers and find the successful solution through it [2]. Mixue Ice-cream&Tea can create special activities or questionnaires to create an effective way to communicate with the consumer to know about what they need [2].

2.2. Mixue Ice-cream&Tea Background Information

2.2.1. The History of Brand

As one of the most popular brands in the milk tea industry, Mixue Ice-cream&Tea is at the forefront of the industry by means of populist marketing, but with the rapid decline and replacement of time, it has gradually revealed some shortcomings. This text first analyzes the current situation of Mixue Ice-cream&Tea, and then combines other similar brands to further explain the problems and give some suggestions that can help to enhance. Mixue Ice-cream&Tea is a drink brand that founded by Zhang Hongchao in Zhengzhou in 1997. Until the end of March 2022, the company has more than 20,000 branches and covered 31 provinces, autonomous regions and municipalities in China. The market of Mixue Ice-cream&Tea is actively going abroad, committed to building the company into a global brand. The company has opened 317 stores in Indonesia and 249 stores in Vietnam the until the March 2022.

2.2.2. Market Share

According to the comprehensive analysis of research status at home and abroad, the market share of Mixue Ice-cream&Tea in China's chain beverage market is 7.13%. In the first quarter of 22, the turnover reached 2.434 billion yuan, it has a relatively large proportion.

2.2.3. Consumer Portrait

The consumer group portrait of Mixue Ice-cream&Tea focuses on students, young people and young adults aged 15 to 35 which follow of higher cost performance, more preferential products. They are usually the young face of society, pursing fashion while also considering about the related money issues.
3. Marketing Strategy Analysis of Mixue Ice-cream&Tea

3.1. Low Price Problem

The reason that why most customers are attracted to Mixue Ice-cream &Tea because of their low-price model, thus producing a group of customers who are very sensitive to price, and the attraction of the brand gradually becomes “because of the low price so buy.” That’s result in if the price is slightly increased or adjusted, it is very easy to lose a large number of customers. As a result, the brand is limited by the label of "low price", limited by costs and benefits, and unable to carry out new innovations. And the long-term low price gives customers a feeling of low sense of brand value and doubts about quality, which is similar to Wallace. Some people will think that Mixue Ice-cream&Tea is only bought by people who can't afford more high-end brands, like HEYTEA, AUNTEAJENNY or other fashionable drink brands. The price also limits consumers to low-consumption groups to a certain extent, which has drawbacks to the long-term development of the brand.

3.2. Serious Product Homogeneity and Lack of Innovation

Most of the types of the drinks sold in Mixue Ice-cream&Tea are can be found everywhere in other brands. It means lacks its own innovation and creative, be unable to attract consumers who like innovative products or rely on new products to get new customer groups. Another problem that they can't keep the old customers for long time because the customers eventually get boring in the Immutable products. If a new product of one brand does not have relevant copyright protection, it will be seen in all similar brands. Liu Qing proposed that the serious homogenization of similar products leads to the brand having no advantage and competitiveness in this aspect, resulting in the view that no consumption because of unique products [3]. Like Chabaidao and AUNTEAJENNY, the positioning and style of those two brands is similar. Although the two have been considered to be highly well-known brands, but it will be more innovative new brands, such as More Yogurt—a new brand but can better seize and attract customers' attention. There is also about Alittle, as one of the popular drink brands that once exploded, there is no unique product now, and it is slowly going downhill and fading out of the public's vision [3].

3.3. Lack of Online Development and Low Media Utilization

In this era of rapid development of digital media, mastering the digital trend on the network is also one of the most effective marketing strategies. Although Mixue Ice-cream &Tea has created official accounts on social media, these accounts have not played a marketing role, the update speed is slow, the name of the people but the lack of communication with customers leads to the brand exposure is not particularly high. They cannot get new customers group; the loyalty of old customers is not particularly high too. And the online app ordering function can also be arranged, which will make customers lose the good impression of the brand. Liu Qing also pointed out that the combination of online and offline promotional activities of Mixue Ice-cream&Tea is zero, as if it was divided into two extremes, and there is no influence of the new era trend [4].

4. Suggestions for Mixue Ice-cream&Tea

4.1. Adjust Brand Focus and Develop Other Advantages

For Mixue Ice-cream &Tea, their marketing focus is on the price that is half lower than other milk tea brands, and the main route is close to the people. If this brand wants to break out of this limitation, should adjust strategy and shift the focus of customers, such as innovation, tradition, joint branding, etc. Mixue Ice-cream&City should to try to create a unique style of own brand and give the customers a differentiated impression from other brands. Just like what Wu Fan and Wang Yan said, consumers are always curious about unknown things, and the further development of brands driven by innovation is a path conducive to sustainable development [5]. In addition, according to the survey, more than
50% of customers choose to buy desserts at the same time when buying drinks, which can also become another advantage of the development of Mixue Ice-cream&Tea, launching the form of set packages. In this regard, Mixue Ice-cream&Tea can appropriately increase the price, but pay attention to meet the customer's lower psychological price, but also to meet the brand's profit. This is the cost part of 4c, it follows what enterprises need to pursue in terms of cost is to minimize the total customer cost composed of all costs, including monetary costs.

4.2. Develop Theme Activities and Launch Innovative Products

Mixue Ice-cream&Tea can develop a theme season, and launch the corresponding innovative products according to the theme, set the theme season is unlimited, and launch surprise return and other activities according to sales. This requires good communication between enterprises and customers, which is also the customer part of the 4C. The brand should put themselves in the customer's perspective to understand the needs, like what their favorite flavors, what their favorite Jointly signed, etc. The brand can create some activities and questionnaires to obtain those data, this is the communication part of 4c. The results of the research conducted by David Nagy and Phd students show that consumers are very sensitive to novel products when traveling, and they are brave enough to try previously unfamiliar ingredients and flavors [6]. If Mixue Ice-cream&Tea can seize this opportunity well, create unique regional limited products according to local cultural customs, especially tourist cities. It not only attracts locals, but also satisfies the curiosity of tourists, and achieves the purpose of innovation. This method can also establish a good communication channel with customers each nation. In Jesus, F.S.D.’s research on milk tea, he explained that providing different promotional discounts, such as membership card, discount roll and deposit roll as part of the sales strategy can increase customers’ demand for the products [7]. Especially for the main affordable brand such as Mixue Ice-cream&Tea, if the original affordable price coupled with attractive discount activities will become another “1+1” way of performance, attracting more target groups to buy. At the same time, it is necessary to pay attention to the price issue, which can be carried out at the same time as the limited product activities proposed in the above point, appropriately raise the price of special products, and issue preferential coupons with corresponding conditions in a specific period of time in the early stage of the activity, to make the use of dispensing people's concerns about trying new products but feel hesitant because of the higher price.

4.3. Flexible Use of Digital Media to Increase Interaction with Customers

M. Saravanakumar and T. Sugantha Lakshmi's research on media marketing displays that SMM is a way to promote brands and services by interacting with existing or potential customers or attracting their interest through social media channels [8]. Social media has a unique ability to gather people's voices, so it is important for good use of social media. For example, Mixue Ice-cream&Tea wants to expand a larger global market, then the fastest and most cost-effective marketing way is through social media. Social networking sites like Twitter, Instagram, Facebook, etc., are sure to bring in more customers and marketing. While Liao Hulian's research shows that the effective use of network marketing is not only the establishment of brand websites, but also the establishment of a good communication bridge with customers through the ability of network data, understanding their needs from the perspective of customers, truly giving play to the communication and interaction function of media, and actively linking with offline stores [9]. Synchronizing products information, facilitating customer actions, and optimizing brand content. Mixue Ice-cream&Tea can order in the existing small program or develop new related apps to increase the interest of some small games. For example, get a coupon or corresponding drink through several levels. Or freely DIY or unique “snowman” image of each consumer by ordering specific drinks to get specific decorations and so on. It is the convenience of 4C theory, it emphasizes the third-party logistics that brand provides to customers to enjoy. Consumers can quickly and easily complete their purchase online with media or online purchasing tool while joining additional fun activities. Daily publicity should also be innovative, and multi-platform delivery will increase exposure. And Mixue Ice-cream&Tea actually
has no small influence now, so using its own influence with some brands or stars to create some jointly signed activities to drive customer consumption and achieve innovation goals. In particular, add some unique hand gifts related to it, exquisite packaging and so on.

5. Conclusion

Based on the 4c theory and relevant literature of marketing and brand information data, this paper analyzes the existing problems of Mixue Ice-cream&Tea and puts forward relevant suggestions. The brand should fully understand the purchasing needs and characteristics of customers, so as to adjust the marketing strategy in the hope of obtaining a larger market share.

As one of the representatives of new tea drinks, Mixue Ice-cream&Tea has great development space. It has a unique low-cost marketing way to break through, although it has brought a lot of customers, but produced some limitations, like the emergence of brand homogeneity. However, the premise that the milk tea industry can continue to expand in the future is that its innovation and personalization stand out, and product innovation and broadening sales channels are more conducive to enterprises to find growth points in the homogenized market. The brand should not be limited to a certain element, through the creation of new activities to achieve diversified all-round development, enhance customer stickiness, in order to make the brand continue to expand and develop. Milk tea is a product born under the social trend which means that its development is closely related to the current needs of customers, so the network media is the best choice that spreads quickly and covers a wide area.

The research significance of this text is to explore the marketing model of this brand and other brands with similar problems and the problems behind it through the in-depth analysis of the marketing strategy of Mixue Ice-cream&Tea, and put forward relevant optimization plans. The proposed strategies are based on the available information, and it is not possible to determine whether the proposed recommendations are real and feasible, and cannot be tested in practice. However, this article is based on facts and data, hoping to help companies such as Mixue Ice-cream&Tea.

References