

# Analysis On the Marketing Model of Mixue Ice Cream & Tea That Stands Out from The Saturated Market Based On 4P Marketing Theory

Yufan Shi<sup>1,\*</sup>, Yueling Yan<sup>2</sup> and Jianing Ye<sup>3</sup>

<sup>1</sup> Department of School of Public Administration and Human Geography, Hunan University of Technology and Business, Changsha, 410205, China

<sup>2</sup> School of Columbia International College, Hamilton, L9C 0C5, Canada

<sup>3</sup> Department of Business, XingZhi College ZheJiang Normal University, Jinhua, 321100, China

\* Corresponding Author Email: 2106010072@stu.hutb.edu.cn

**Abstract.** Under the big market of milk tea in China, Mixue Ice Cream & Tea stands out among many milk tea brands with its low price. In recent the development of Honey, Mixue Ice Cream & Tea is in full swing, and it can still get consumers' support when facing the food safety storm. This paper uses research and literature analysis to explain how the 4P theory is used in milk tea marketing and how businessmen can be profitable through direct analysis. Taking Mixue Ice cream & Tea as an example. This study concludes that the 4P theory has been well applied in the Harbin Ice and Mixue Ice Cream & Tea market. Mixue Ice Cream & Tea skillfully combines the 4P theory with the marketing method of connecting customers Mixue Ice Cream & Tea skillfully uses emotion to capture customers' emotions. It brings a lot of benefits to the market.

**Keywords:** 4P marketing theory, Mixue Ice Cream & Tea, marketing model.

## 1. Introduction

With the development of China's economy, new tea drinks are gradually favored by young consumers and have become the leading food industry traffic with a broad market prospect. However, after several years of development, the milk tea industry has become saturated. In this saturated market, Mixue Ice cream & Tea has successfully stood out. Since October 2022. The Mixue Ice cream & Tea brand has been ahead of many milk tea stores nationwide. According to the New Tea Drinks Research Report 2022 released by the China Chain Store Association, as of the end of October 2022, the number of Mixue Ice Cream & Tea stores has been ranked No. the 30 typical new tea drink brands, with several stores of about 25,000 stores. However, in June 2023, Mixue Ice cream & Tea was exposed to food safety issues. However, it is still a tea brand that consumers trust. It is worth exploring its tolerance and continuing to buy its products. Research in recent years found that Mixue Ice Cream & Tea was able to stand out from the market average price of \$10 and it was able to successfully escape the negative effects of food safety. The reason behind this is related to the marketing strategy of Honey Ice City, so it is important to summarize the model of Honey Snow Ice's marketing strategy and analyze the reasons why Mixue Ice Cream & Tea stands out in a saturated market.

Several articles analyze Mixue Ice Cream & Tea's marketing strategy as the traffic head of the milk tea timeslot. Most of the literature on the marketing strategy of Mixue Ice Cream & Tea mainly analyzes it from two perspectives: marketing model and new media, detailing the main marketing strategies of Mixue Ice Cream & Tea and its communication effects. The marketing model is based on 4C which is for consumer's needs, cost, communication, and convenience. Besides, there also exists 4I method which means interesting, interest, interaction, and individuality. The SWOT models analyze the marketing strategy of Mixue Ice Cream & Tea in multiple dimensions. From the 4I model, the interaction is that Mixue Ice Cream & Tea has accumulated huge traffic through social media interactions, so it frequently appears on the hot search list of media software, Shake voice, etc., such as B station [1]. The SWOT method has become a leader in "tea model, its marketing development strategy is analyzed from four perspectives: strengths, weaknesses, threats, and opportunities [2].

From the perspective of 4C start from, Mixue Ice Cream & Tea's low price satisfies the customers' needs, thus increasing customer loyalty. The main literature analyzes its role in social media network marketing in detail from the perspective of new media. Yang Jiani, and Ma Mengjie, who do communication research, suggest that the theme song of Mixue Ice Cream & Tea opens up consumers' three major sensory organs: sight, taste, and hearing. The three senses were utilized to brainwash consumers, which led to the theme song of Mixue Ice Cream & Tea being played more than 20 million times on social media [3]. Zhao Feng, and Wu Dan for enterprise brand strategy optimization countermeasures for the description of the Mixue Ice Cream & Tea in Zhengzhou floods during the period of a large number of donations, and in the new media spread a series of pull consumer goodwill behavior. Knowing the advantages of new media platforms, i.e., low cost and deep links with consumers, Honey Ice City created phenomenal marketing events on various new media platforms [4]. However, the existing literature analyzes the marketing strategy of Mixue Ice Cream & Tea from the perspective of generic 4Is and marketing models combined with new media, which can follow the trend of the times and grasp the concept of new media but does not summarize a set of two marketing strategy of Mixue Ice Cream & Tea.

This paper hopes to summarize the marketing strategy model of Mixue Ice Cream & Tea, which is of some significance to the brands in the same industry. The research topic of this paper is to analyze the marketing strategy of Mixue Ice Cream & Tea by using the 4p model as an example. The purpose of this paper is to summarize the marketing strategy model of Mixue Ice Cream & Tea, which has certain reference significance for the brand of Mixue Ice Cream & Tea in the same industry. The research used in this article is the case study method and literature method, i.e., taking "Mixue Ice Cream & Tea" as the object of analysis, while citing and analyzing other literature. Subsequently, the article will analyze the marketing strategy of Mixue Ice Cream & Tea from four aspects: price, product, channel, and publicity, and finally summarize the marketing strategy of Mixue Ice Cream & Tea.

## 2. The Introduction of Mixue Ice Cream & Tea

Mixue Ice Cream & Tea is a national chain ice cream and tea brand, founded in 1997. After more than 20 years of development, it has become the one with the largest number of stores among milk tea brands, with more than 25,000 stores. According to the 2022 New Tea Research Report released by China Chain Operation Association: At the end of October 2022, the number of stores in Mixue Ice Cream & Tea has ranked first among 30 typical new tea brands. Today, Mixue Ice Cream & Tea covers 31 provinces and is actively exploring overseas markets. Mixue Ice Cream & Tea is famous for its low price, the average price of its products is not more than 10 yuan. And it has a wide market in college students and cities of fourth and fifth lines and below, making it a smooth development of the sinking market. In 2018, the theme song of Mixue Ice Cream & Tea, "You love me, I love you, Mixue Ice Cream & Tea Sweet Honey", had frequently hit the hot search with the brainwashing rhythm and lyrics. And it had been widely spread by people, and even caused a huge secondary creation boom. Mixue Ice Cream & Tea thus exploded, its products and corporate brand image have been widely recognized by the consumer market. In July 2021, Mixue Ice Cream & Tea donated money for the Zhengzhou flood, which caused a temporary storm, and consumers were not only amazed at its thin profits, but also convinced by its heroic donation for compatriots. In July 2023, when Beijing suffered a flood disaster, Mixue Ice Cream & Tea donated for it again. It deeply touched consumers, stimulating consumers' consumption, and also promoted consumers to spontaneously advertise and pay for it. The brand IP "Snow King" in the theme song of Mixue Ice Cream & Tea became popular with a huge flow, and successfully entered the public's vision. In the same time, Mixue Ice Cream & Tea actively seized the traffic hot spots, developing the "snow King" related peripheral products, and stimulated consumers' desire to buy [5]. But in 2022, Mixue Ice Cream & Tea was exposed to food safety problems, but consumers had changed the past for the explosion of food safety substandard brand disgust attitude. On the contrary, consumers did not blame or question

it, but put on a tolerant attitude towards the brand, and even came out to speak for the brand. It obtained completely different results from other brands that were boycotted by consumers due to food safety issues. This is inseparable from its marketing efforts.

### **3. The Core Marketing Value of Mixue Ice Cream & Tea**

#### **3.1. Product Strategy**

From the perspective of product analysis, Mixue Ice Cream & Tea tea drinking materials transparent and open to consumers to truly show their own tea drinking materials, in the most authentic way to pull the road popularity. Unlike other brands that use "extraction" and "original flavor" as their selling points, Mixue Ice Cream & Tea openly uses milk tea powder, candy pulp and other relatively low-cost products as raw materials, which is not only honest about the reasons for its low price, but also to avoid too much consumer suspicion. Mixue Ice Cream & Tea shows the sincerity of the brand, narrowing the distance between consumers. Not only has the cost of milk tea been reduced to a certain extent, but also a part of the public relations costs of brand maintenance can be saved, and then it can still maintain its cheap advantage when prices rise. In the raw material procurement stage, Mixue Ice Cream & Tea directly skipped the intermediate links, cooperated with chashan, processing enterprises and other sources, and built a central factory and R & D center. Mixue Ice Cream & Tea do not conceal the material, direct not artificial, so consumers have a sense of intimacy. For example, its main lemon water, lemons are directly transported from its base in Anyue County, Sichuan province, to various stores across the country, and the quality is guaranteed, thus successfully taking the road of low price and high quality. Some literature points out that the operation of "cutting leeks" never exists in the marketing strategy of Mixue Ice Cream & Tea, which can more arouse consumers' affinity for it [6]. Mixue Ice Cream & Tea more confirmed that the real ground gas pull road popularity is conducive to brand marketing. At the same time, the two main products of Mixue Ice Cream & Tea: "lemonade" and "crispy ice cream cone" have maintained high quality and low price, and are loved by the vast number of consumers, and sales have always remained in the forefront. In particular, ice cream products are unique among milk tea brands in the same industry and maintain unique competitiveness.

#### **3.2. Price Strategy**

From the perspective of price analysis, Mixue Ice Cream & Tea relies on low-cost pricing to meet the needs of the sinking market, relies on price advantages to open up the market, and takes a comprehensive low-end route. The low-price strategy of Mixue Ice Cream & Tea occupies a vast market in third - and fourth-tier cities, especially college student consumer groups and low - and middle-income young consumer groups. This type of consumer group is extremely active on the network, which is one of the reasons behind the huge traffic of Mixue Ice Cream & Tea. At the same time, Mixue Ice Cream & Tea adopts the S2B2C model, that is, the headquarters guides franchisees to serve customers. From the financial report of Mixue Ice Cream & Tea, its income mainly comes from food and packaging materials. Mixue Ice Cream & Tea actively cooperates with franchisees, who provide the raw materials they need. This approach minimizes costs and controls prices. It is understood that there is a 100% holding Dacha International Food Co. Ltd. registered capital of 200 million, which is an important guarantee for Mixue Ice Cream & Tea to win the price war. The company mainly produces seasoning powder, jam and other main raw materials for milk tea. So that Mixue Ice Cream & Tea can achieve raw material self-production, its raw material cost than the industry to reduce at least 10%. In order to transport materials, Mixue Ice Cream & Tea built its own warehousing logistics, in addition to a central warehouse in Zhengzhou, it also established warehousing in the southeast and northwest four places, forming a "1 +4" network warehousing. In this way, the cost is reduced to the greatest extent, the price is controlled, and the low-price strategy is opened up. Wu Zhimin, the pioneer of behavioral design marketing methodology, said that cost-

effective tea brands are a consumer trend with a broad market [7]. Therefore, opening up the sinking market is one of the feasible ways to promote the new tea brand marketing.

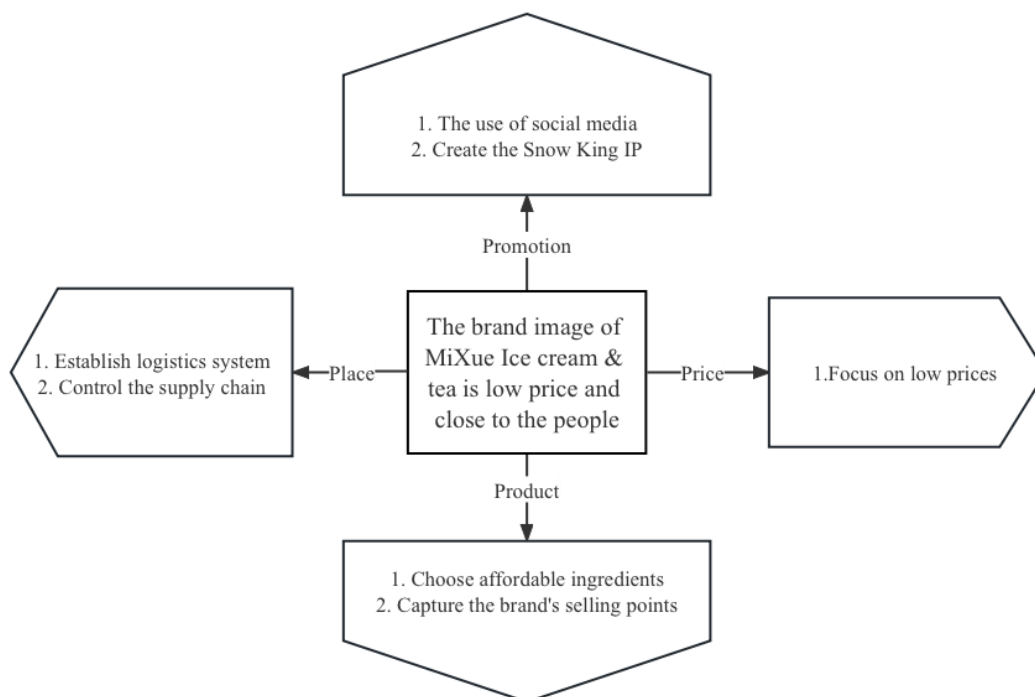
### 3.3. Placement Strategy

From the perspective of channel analysis, the development of exclusive supply chain to provide favorable guarantee for material supply, the adoption of franchise model, in a convenient way to expand the market, and through a unified store image and management mode to improve the brand image and market competitiveness. From the lemon base in Anyue County, Sichuan province, to the warehousing and logistics base in 22 provinces, Mixue Ice Cream & Tea is now a company with an almost complete supply chain, which is unique in its industry. At the same time, Mixue Ice Cream & Tea also follows the trend of The Times, and has its own official account in bilibili station, Weibo and TikTok. By creating the image of "Snow King", it has established exclusive IP and frequently interacts with fans. Through the production of online Snow King animation and pictures, and the offline stores of its franchisees send employees to play the snow King and interact with the audience, making Snow King dolls and peripheral products for sale, it has accumulated popularity for Mixue Ice Cream & Tea. Develop relevant surrounding markets. Laura Rees believes that brands can help them gain a favorable position in the minds of consumers through visual and verbal symbols [8]. Furthermore, the shaping of supply chain and brand image can add value to brand marketing. Mixue Ice Cream & Tea fully develops the snow King image IP, creates brand symbols, contacts consumer emotions through franchisee stores, and deepens consumer impressions.

### 3.4. Promotion Strategy

From the perspective of publicity, Mixue Ice Cream & Tea promotes the rift transmission through the magic melody and stimulates the collective subconscious with the help of IP image creation. Mixue Ice Cream & Tea through the theme song to establish the brand mascot image "snow King", "snow King" honest and cute in line with the current popular aesthetic image to make consumers love. At the same time, create small animations and cartoon images for the snow King and launch secondary creative activities to make its image full and real, so that consumers have a friendly and familiar feeling, and improve fan stickiness. It will also change the image of Snow King according to real-time hot spots, and let consumers have a sense of common growth, which undoubtedly greatly reduces the distance between the brand and consumers. In the 20th century, the psychologist Carl Jung proposed the concept of "collective subconscious". Mixue Ice Cream & Tea's "Snow King" is such a brand role that can inspire the collective subconscious and realize the privatization of the snowman as a global symbol. Today, "Snow King" has become the representative trademark of Mixue Ice Cream & Tea, appearing in various brand surrounding and naming activities, and becoming a super symbol in the communication process [9]. Some scholars said that enterprises should not only pursue the aesthetic sense of shape, but also develop cultural and creative products with cultural confidence and national spirit, so as to truly impress consumers and enter the hearts of consumers [10]. At the same time, through donations, free drinks for sanitation workers and other activities, Mixue Ice Cream & Tea gives full play to the social value of the enterprise, transmits the corporate culture, establishes the brand image, and enables consumers to have emotional resonance with the enterprise, so that consumers can spontaneously promote it on social media platforms.

#### 4. Pattern Summary



**Fig. 1** Mixue Ice Cream & Tea model summary

Fig.1 shows the use of 4p model to make a summary of the marketing model of Mixue Ice Cream & Tea. First of all, at the product level, it takes cheap and tasty as a selling point. And it shows the real raw material production process of the brand to narrow the emotional distance between the consumers and the brand. The brand informs consumers of the true use of materials without reservation, which not only avoids the unreasonable suspicion of consumers, but also can maintain its way through the cheap road. Mixue Ice Cream & Tea opens up the level of raw material procurement and establishes a positive relationship with the raw material supply layer, ensuring the quality assurance of the main tea drink, greatly reducing the cost. Secondly, at the price level, Mixue Ice Cream & Tea first uses a low-price strategy to attract consumers mainly from college students and the general income population of the third and fourth tier and below cities, and actively develops the sinking market. The event of "Mixue Ice Cream & Tea climbing Mount Tai is only one yuan "also solidifies consumers' impression of its "low price" attitude. At the place level, Mixue Ice Cream & Tea reduces the cost of store opening by building a complete supply chain channel, attracting franchisees, expanding the number of stores, which enables consumers to have a fast enough offline store purchase experience. At the same time, it also has a firm control of the upstream supply chain, so that raw materials are self-produced and self-marketed. It adopts the way of joining, expanding the market in a fast and convenient way. It also leaves an impression in the minds of consumers with unified store image management for follow-up publicity. At the level of promotion, Mixue Ice Cream & Tea has a high frequency of online interaction, deepening the impression of consumers on the "Snow King" brand IP, so that they have an emotional connection to their brand. At the same time, the snow King offline publicity is not limited to the interaction of the doll and the creation of peripheral products. It also gives full play to the social value of the enterprise in terms of social influence, arousing the emotional resonance of consumers for the enterprise. Therefore, it attracts consumers in an all-round way, making consumers be dependent on the brand. It means that the brand establishes the emotional connection between the brand and users and improves the adhesion of consumer groups.

## 5. Conclusion

Based on the literature analysis and case analysis of Mixue Ice Cream & Tea, this paper summarizes the specific application of Mixue Ice Cream & Tea in 4P marketing theory. Mixue Ice Cream & Tea is open and transparent at the product level, showing consumers their own materials, reducing costs to the maximum extent, and docking directly with raw material manufacturers, so that quality is guaranteed, and costs can be reduced. At the price level, Mixue Ice Cream & Tea maintains cost pricing to meet the needs of the sinking market, gives priority to the downward development of the sinking market, and creates a cost-effective milk tea brand. At the channel level, Mixue Ice Cream & Tea develops exclusive supply chains, and rapidly expands the market in the form of joining, creates the Snow King IP, and establishes unified image management to maintain the store image and influence. At the publicity level, create brand exclusive image memory, such as brand logo, brand songs, etc., to promote rift communication and stimulate consumers' product subconscious. Based on the above research, this paper finds that the model of Mixue Ice Cream & Tea can be imitated, which has certain reference significance for the tea industry. Mixue Ice Cream & Tea uses high-frequency interaction and communication to leave a deep impression in the hearts of consumers, create a brand image that meets the aesthetic and trend, and narrow the distance with its target customers, which is a very successful marketing method. However, the research in this paper still has defects. This paper did not compare the marketing model of companies in the same industry, only a case of Mixue Ice Cream & Tea was found. The summarized model still needs to be adopted for other companies according to the actual situation. In the future, the research Angle of this paper will be expanded, and the comparative analysis with other tea brands will be added to improve the research content of this paper.

## Authors Contribution

All the authors contributed equally, and their name were listed in alphabetical order.

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