

Analysis On the Influence of Tea Brand Co-Branding Strategy on Tea Sales

Yuqing Liang¹, Yuhan Liu², Yinan Shi^{3,*}, and Hanxi Yong⁴

¹ Faculty of Hotel and Tourism Management, Macau University of Science and Technology, Macau, China

² Faculty of Finance and Finance, Accounting, Canvard College Beijing Technology and Business University, Beijing, China

³ College of Commerce, Zhejiang Gongshang University, Hangzhou, China

⁴ Jiangsu Province Kunshan High Scholl, Kunshan, China

* Corresponding Author Email: jxjy@zjhzc.edu.cn

Abstract. The paper is to study the influence of new tea industry co-branding on its beverage sales. This paper analyzes the joint branding of Nai Xue's tea and Lingya Tour as a positive case, studies the influence of tea brands on consumer behavior in recent years, and find the reasons behind the joint branding. At the same time, the joint name of Shanghai aunt and light and night love as a negative case of marketing, explore how to avoid a failed joint name, the reason for the failure of marketing. In order to better confirm the results of case analysis and consumers' true attitude towards co-branding, the author adopts the way of questionnaire survey for data statistics, and finally finds out how to plan a successful marketing. First, to create social conformity with the trend, tea brands should follow the trend when choosing a co-brand, and choose a brand co-name favored by young people. Second, fully respect IP, tea brands need to reflect the importance of joint brands. Third, do not fall into the cycle of innovation for innovation, and in line with their brand concept of product IP joint name. This article helps tea industries to better analyze consumers' behavior and decision-making when facing cross-border co-branded products, and to develop more effective marketing strategies for the consumers.

Keywords: New tea brand, co-branding, Nai Xue's tea, Shanghai aunt, marketing strategies.

1. Introduction

With the rise of "tea culture" in recent years, the tea industry has developed rapidly in the market, and more new tea brands have entered the market. The new tea drink refers to tea as the core of the drink, but not limited to the quality of tea and tea brewing techniques, but combined with modern food processing technology, such as adding other dairy products to the drink and other boring nutritional composition ratios, and innovative ideas, focusing on the uniqueness of the taste and nutritional value [1]. While the industry is increasingly prosperous, the tea drinking industry has also ushered in a bottleneck period [2]. To be able to stand out in the competitive consumer market, "co-brand" in industry become popular. When these brands cooperate with various IP, they not only promote the sales of tea drinks, but also enhance their publicity [3]. Recently, it has become extremely common for tea brands to increase sales through co-brand, even to the point that "everything can be co-branded". According to Micro technology statistics, from January to December 2023, mainstream tea and coffee brands had 122 times of co-brand. Many brands realize the advantages of the co-brand, but it has also caused various problems, such as short supply, employees privately selling co-branding around, co-branded drinks taste hunting... This article will take Nai Xue's tea and "Bell Bud Journey" as a positive example to study the influence of tea brands on consumer behavior in recent years, find the reasons behind the joint name and the reflected phenomenon. At the same time, this article will also take the Shanghai aunt and the "light and night love" as a negative example, to find how to avoid a failed co-brand. To better understand consumers' attitude towards co-branded products, the author of this paper will adopt a questionnaire survey to conduct data statistics. This paper will take Nai Xue's tea and Shanghai Aunt as a breakthrough point, and focus on these questions, so as to find out

how to carry out a successful marketing campaign and find the sales preferences of people in the Z era. In the future, it will help tea drinking and related enterprises to better analyze consumers' behaviors and decisions when facing cross-border co-branded products, so that enterprises can develop more effective marketing strategies. It can also help raise awareness of consumer behavior and help consumers make more informed purchasing decisions.

2. The Current Situation of the New Tea Beverage Industry

With the social and economic development and the improvement of people's living standards, the new tea drink has been sought after by more and younger consumer groups with its unique taste, rich variety and healthy concept, and has gradually become an indispensable drink in people's daily life.

The development of the new tea industry has gone through three stages. The first stage was from the 80s of the 20th centuries to 2011, in the era of tea 1.0 "tea + milk", during which tea production was mostly made by flushing and blending milk tea powder with lower cost. The second stage is from 2012 to 2019 in the era of tea 2.0 "tea + milk + fruit", that is, the birth stage of new tea drinks, with tea and fruits as raw materials, and a large number of tea brands continue to iterate. The third stage is from 2020 to the present, in the era of tea 3.0 "tea + milk + fruit + culture", based on high-quality products, with brand culture construction as the core, focusing on exclusive brand and IP building [4].

With the improvement of consumers' health awareness, new tea drinks have gradually become a daily drink, and the market scale of new tea drinks is expanding. According to the "2023 New Tea Beverage Research Report" published by the China Chain Store & Franchise Association, the annual new tea beverage consumption market is expected to reach 149.8 billion yuan, recovering to a three-year compound growth rate of nearly 20%. By 2025, the scale of the domestic consumer market is expected to further expand to 201.5 billion yuan [5].

In terms of the number of stores, according to incomplete statistics, the total number of new tea stores in operation on August 31, 2023, is about 515,000, an increase of more than 36% from 378,000 at the end of 2020. In terms of the proportion of beverage stores included in Meituan, Dianping and Meituan's takeaway platforms, in June 2023, new tea stores accounted for 57.7% of the total number of beverage stores, a decrease of 2.2 percentage points from the end of 2022 [5].

With the booming development of the new tea market, more and more brands have entered the industry, forming a fierce competition. With the improvement of consumers' health awareness, the trend of healthy tea drinks is obvious, people's health awareness is increasing, and more and more consumers have begun to pay attention to the taste of milk tea, sugar content, calories, fat, protein and other subtle indicators [5].

3. Case Analysis of Nai Xue

This article will take Nai Xue's tea and "Bell Bud Journey" as a positive example to analyze how to plan a successful marketing campaign. On March 19, 2023, at the premiere of Shinkai Makoto's new work "Bell Bud Journey", Nai Xue's tea releases a new package of bottled tea "Nai Xue Fruit tea", including Qingtixiang Oolong tea, grape Oolong tea, peach Oolong tea, Lychee black tea four flavors, and on March 24, 2023, with the official release of "Bell Bud Journey", Nai Xue's tea announced the launch of: The two products of overbearing raw cheese strawberry and overbearing raw cheese mango are carried out with the "Bell Sprout Journey". The two products are based on the development of classic products, overbearing strawberry and overbearing mango, adding more fresh fruit pulp, and replacing the classic fresh milk base with raw cheese pudding and raw buttermilk. In addition, the purchase of this new co-branded product will receive a limited number of co-branded cup sets and stickers. At the same time, Nai Xue's tea launched 39 co-branded theme stores offline, consumers can go to the offline stores, by Posting pictures or video content related to Nai Xue's tea x Lingya Tour co-branding on XiaoHongshu, Douyin, and Dianping, consumers can get exclusive limited co-branded posters or postcards. In addition, starting from March 27, 2023, consumers in

Shanghai, Suzhou, Zhejiang and other regions of the whole family, Rosen, Meiyijia to buy Nesue fruit tea series products, have the opportunity to exchange "Bell Bud Journey" movie tickets. According to statistics, just three days after the movie was released, the sales of co-branded products exceeded 600,000 cups, and 91% of consumers provided positive emotions and expressed satisfaction with the joint signing [6]. According to the stock information released by the official website of Nai Xue's tea, within a week of the movie's release, the stock as a whole showed an upward trend, and reached the highest selling price in nearly two months on April 3. In addition, during the joint signing period, the joint signing heat of Nai Xue's Tea x Bell Buds tour on social media is also high, and consumers will be willing to participate in the offline clock and post relevant notes on social media in order to limit the joint name of the limited time, thus improving the volume of Nai Xue's tea. Nai Xue's tea takes advantage of consumers' love for anime movies and bundles sales to increase product sales and improve brand awareness. In the future, with the invasion of the two-dimensional culture, more and more young people show their love for the two-dimensional animation culture, and animation co-branded goods will become a new trend.

This article will be Shanghai aunt co-signed "Light and night love" as a marketing negative case for comparative study. At 12:05 on December 14, 2023, Shanghai Aunt issued an announcement on Weibo that it would be jointly signed with the female game "Light and Night Love" on December 17. On the same day, at 15:06, the official micro account of "Love of Light and Night" issued a stop to cooperation with Shanghai aunt, and Shanghai Aunt publicly apologized. Since November 24, Shanghai Aunt was revealed that employees privately sold cooperation around, and there are verbal abuse of game players and male owners, "Light and night Love" announced the cessation of cooperation. When the incident first broke out, Shanghai Aunt took a cold approach, controlling comments on social media and not making a positive response, causing many game players to issue comments that they are not willing to buy any products from Shanghai Aunt [7]. Shanghai aunt's reputation plummeted, a joint activity that should have been a win-win situation, has not officially started, it has been declared a failure. It can be concluded that in addition to choosing a hot brand for joint branding, tea drinking companies should also conduct staff training to let consumers and brands see the importance of joint branding.

4. Method

4.1. Questionnaire Design

The content of this survey mainly includes three aspects: the first part of the survey is to explore consumers' motivations for purchasing co-branded products; the second part of the survey is whether new tea beverage companies can achieve their business strategy goals (increasing sales, publicity, etc.) through co-branded marketing role); the third part of the survey content is about which areas consumers hope to co-brand with brands in the future.

In the question design process, the author designed a series of questions related to milk tea joint feedback, including closed questions (such as multiple-choice questions) and open-ended questions (such as text descriptions). The subjective options in the multiple-choice questions came from the questions asked before the questionnaire was distributed. Conclusions drawn from interviews with participants. According to the questionnaire in the 2024 New Consumption Trends Report, the main needs of consumers in the new tea industry are health, clean and hygienic product production (33.5%), trust in the brand (33.2%), and no queuing for online orders (32.9%). Neither "new products" (22.7%) nor "IP co-branded" (23.6%) account for more than 30% (Wang & Chen, 2024). From this result, it seems that IP co-branding can no longer be the main driving force for people to choose to buy new tea industry products. The author hopes to verify whether IP co-branding can still cause consumers to "try early adopters" by designing the frequency of consumers purchasing co-branded products during co-branding activities. "The ability of psychological effects to measure the size of its propaganda effect. Open-ended questions are mainly used to test the seriousness of the participants when filling out the questionnaire to eliminate invalid data, and to understand the participants'

understanding of the new milk tea co-branded products. At the same time, this questionnaire is reasonably sorted according to the relevance of the questions and topics: 1. Personal information 2. Main questions 3. Divergent questions. In order to ensure that the questionnaire is easy to read, this questionnaire has been adjusted with different fonts, spacing and layout based on different questionnaire distribution platforms (such as Questionnaire Star). In the early stage of questionnaire design, the production team first determined the information that needed to be collected based on the research purpose. An appropriate question type was selected based on the type of information. Taking into account platform limitations, the investigator's willingness to participate, and the need for subsequent data analysis, this questionnaire focused on multiple-choice questions and avoided multiple-choice questions. Subjective options (such as why consumers would buy co-branded milk tea products) are derived from answers obtained from small-scale interviews. And conduct pre-testing of paper questionnaires on a small scale to evaluate the effectiveness and feasibility of the questionnaire.

4.2. Survey Objects

In order to understand the impact of new tea drink IP co-branded marketing methods on consumers' purchase intention, this article distributed a total of 87 questionnaires and received 85 questionnaires, with an effective recovery rate of 97.7%.

4.2.1 Failure questionnaire

Since the filler filled in the answers to the open-ended questions that were completely irrelevant to the topic, it cannot be determined that the questionnaire data is valid. The questionnaire generally meets the requirements of subject surveys.

4.2.2 Representative

Statistics in the "2023 New Tea Brand Insights White Paper ", the proportion of Generation Z users has increased for three consecutive years. As Generation Z gradually acquires spending power, they have become the most important consumer group. At the same time, among tea drink consumers, female users account for about 75%. Since this research survey focuses on people who have a certain understanding and acceptance of the new tea drink industry itself, the author takes the age group of the main audience of the new tea drink co-branded products (people aged 18-22) as the survey object, and mainly collects data from women data in order to obtain more representative and valid data.

4.2.3 Feasibility

In order to choose the most appropriate sampling method with limited resources and understand factors such as the new tea drink audience's acceptance of current co-branded products and purchase motivations. Combining the characteristics of the target group with strong information receptiveness and clear social attributes, the author adopts a snowball questionnaire sampling method and uses the writing group as the basis to expand outward to collect questionnaires, aiming to understand the effects of well-known new tea drink IP co-branded marketing on its target groups in recent years impact on consumer behavior.

4.3. Questionnaire Distribution and Collection

This study distributed questionnaires to respondents through an online platform. 20 questionnaires came from college students in mainland China (collected through Questionnaire Star platform), 17 questionnaires came from college students at Macau University of Science and Technology (collected through Questionnaire Star platform, email and Tencent QQ group questionnaire), and 50 questionnaires came from Questionnaire Star. Online questionnaire sample filler. Collect samples of online responses and email responses within one day. Regularly follow up with non-respondents and urge them to complete the questionnaire.

4.4. Results

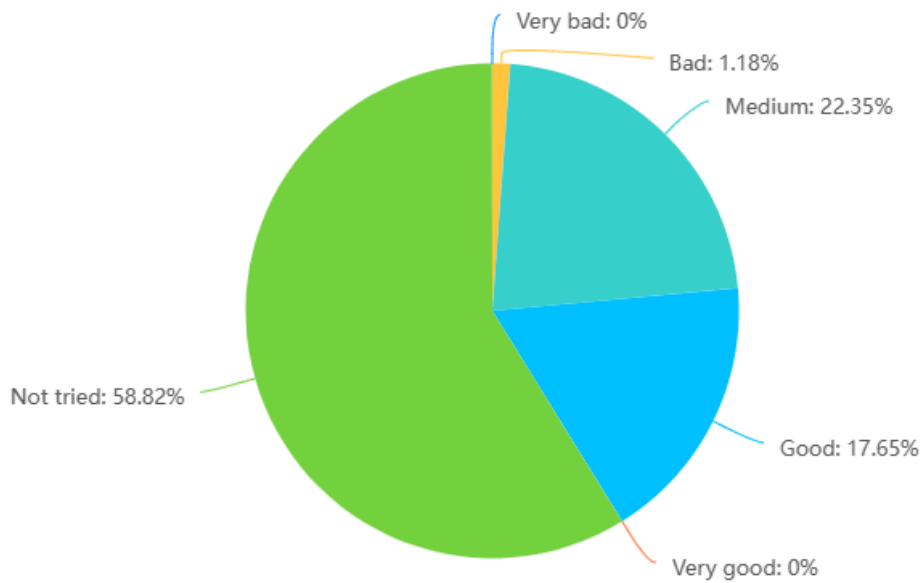


Figure 1. Tourist evaluation of a well-known milk tea co-branded product

As shown in Figure 1, against the background of a well-known co-branded marketing case in the new tea beverage industry, 58.82% of the respondents still said that they had not tried the co-branded product. 22.35% of the remaining respondents thought that the consumption experience brought by the new tea drink co-branding was average, 17.65% thought that the overall consumption experience of the joint activity was satisfactory, and the remaining 1.18% of the respondents said that the consumption experience of the joint activity was relatively bad.

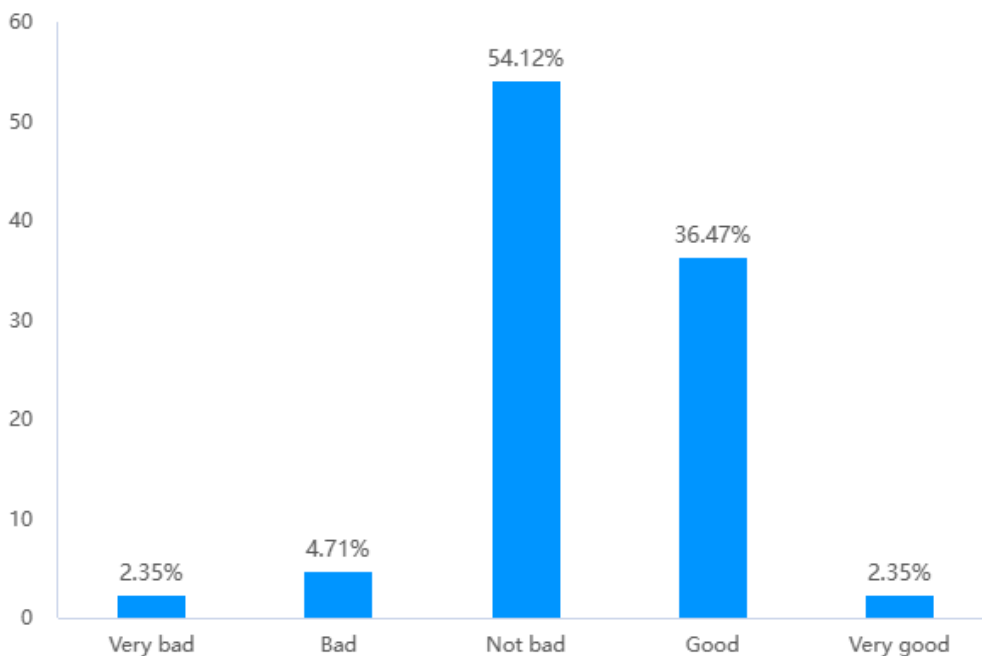


Figure 2. Satisfaction with the taste of co-branded products

The following survey on taste satisfaction of co-branded products also shows a similar situation. As shown in Figure 2, 54.12% of consumers believe that the co-branded product is only at the stage of "barely passing the test and not particularly delicious". In addition, 36.47% of consumers showed the tendency that "the product tastes good, but they will not buy it specifically for the taste." From

the above two points, it is obvious that co-branded products or co-branded event experience itself cannot be used as the core element to attract customers to purchase.

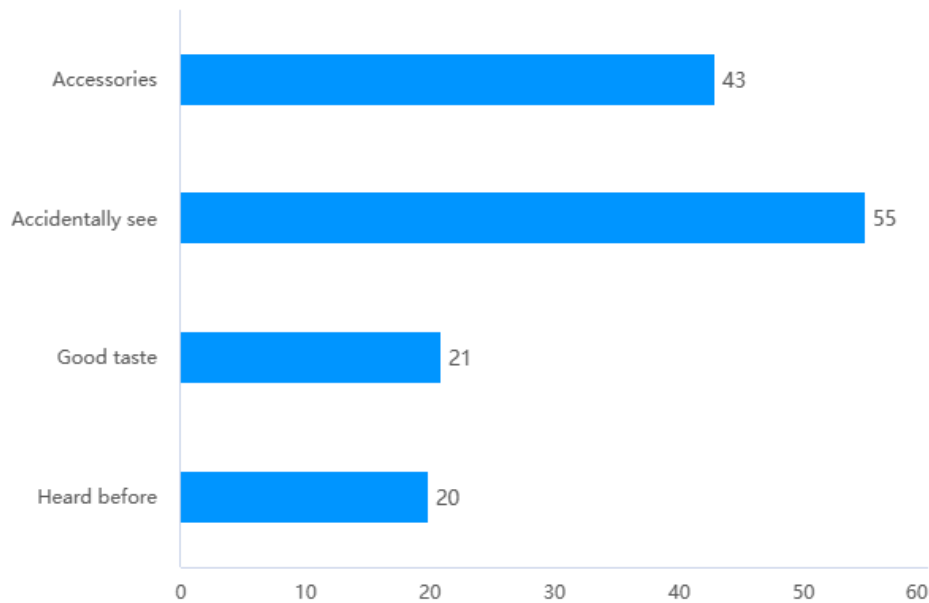


Figure 3. Consumer motivations for purchasing co-branded products

In the survey on consumers' motivations for purchasing co-branded products, as shown in Figure 3, 55 consumers purchased because they happened to see an event being held, and 43 consumers chose to purchase the product because of the co-branded peripherals given away in the joint event. , only 21 and 20 consumers will buy the co-branded products respectively because of the taste of the co-branded milk tea and the information on the Internet and people around them.

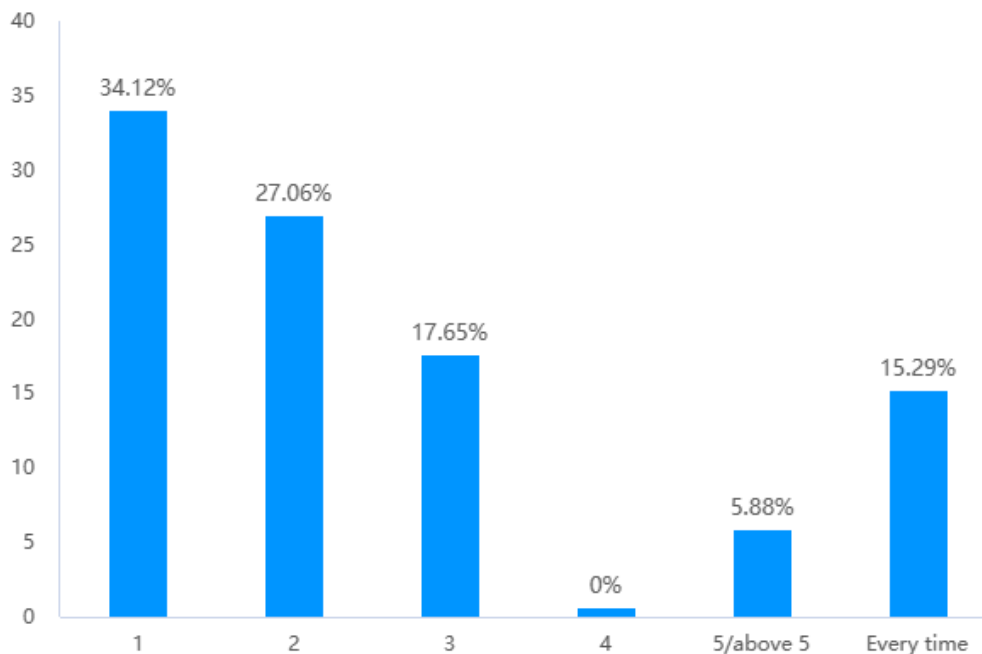


Figure 4. Frequency of purchasing joint products during the collaboration period

In Figure 4, 34.12% of consumers only purchased 1 co-branded product during the new tea drink co-branding event, 27.06% of consumers usually purchased 2 co-branded products, 17.65% of consumers usually purchased 3 co-branded products, and 15.29% of consumers Co-branded products will be purchased whenever there is a purchase opportunity.

In addition, 82.35% of consumers said that they are very willing to recommend co-branded products and activities to people around them if they belong to the co-branded target audience.

It can be concluded from the above data that, except for very few cases, it seems difficult to rely on a single joint-branded activity to significantly increase sales during the period (considering that most consumers will still choose to purchase new tea products without joint-branded activities). Relying on co-branded activities for brand awareness building and promotional activities is a good choice.

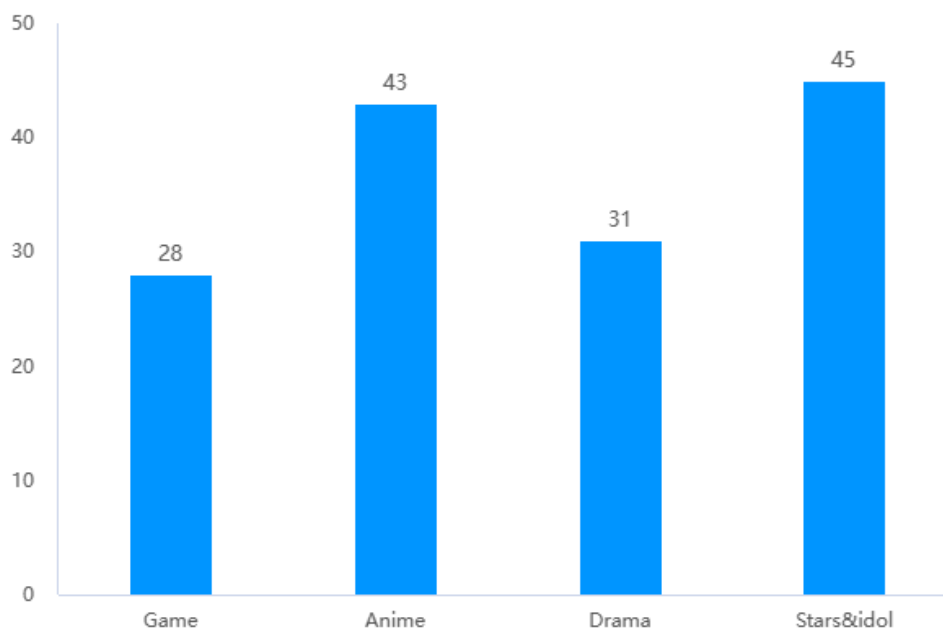


Figure 5. The joint form that consumers hope to see in the future

In the survey on the categories of co-branded objects that they hope to appear in the future, as shown in Figure 5, 45 respondents hope that there will be more co-branded activities between new tea drinks and celebrities or idols in the future, and 43 respondents hope that there will be more "milk tea" products. Animation activity appeared; 28 and 31 respondents wanted to co-brand with games or TV series respectively.

5. The Appeal of Co-Branding to Consumers

5.1. The Brand's Hard Power

Based on the findings of questionnaire survey, although co-branding may cause temporary fluctuations in brand turnover, it is the loyal consumers of new tea brands who ultimately determine the sales volume. What consumers prioritize the most is the taste and quality of new tea beverages. Enhancing product quality and implementing effective innovations are crucial for the brand's survival, as these factors primarily contribute to the inherent hard power of the brand.

5.2. Shaping Trend Social Symbols

The collaboration between Hei Tea and FENDI has effectively tapped into the psyche of the youth, offering luxury products at an affordable price of merely 19 yuan. The large yellow logo on the package combines the classic elements of FENDI, which is very brand-specific. If consumers buy a specified number of drinks, consumers will also receive co-branded badges and coasters. The design of co-branded products is also very careful. The design of pure black leather combines the classic elements of FENDI, giving people a high-level visual enjoyment. New-style tea consumers have a remarkable label of focusing on personality, chasing fashion, being willing to try, being loyal to appearance, paying attention to the official experience, liking to punch in Internet celebrities, and

being enthusiastic about social media, urbanisation, rejuvenation and feminisation [8]. The co-branding of Hey Tea and FENDI has captured the characteristics of consumers and resonated with the majority of consumers. They flooded major social media and gained a lot of traffic and popularity. According to the results of the previous questionnaire, it is difficult to greatly increase brand revenue by co-branding, but co-branding is undoubtedly a good choice to build brand awareness. The co-branding of Hey Tea and FENDI has successfully achieved this.

5.3. Full Respect for IP

Generation Z consumption pursues not only the use value of goods, but also the symbolic meanings such as personality characteristics, circle culture, and self-expression contained in commodities, showing a distinct "symbolic consumption" morphology [9]. IP has its cultural foundation, and the new tea brand is co-branded with IP, which can take advantage of the popularity of IP itself. At the same time, because fans pursue and attach importance to IP, this requires brands to respect and attach importance to IP.

The two most popular female games in China, "Light and Night" and "tears of Themis", have formed co-branding partnerships with top new tea brands, Auntea Jenny and ChaPanda, respectively. The collaboration between ChaPanda and tears of Themis was highly successful, while the partnership between Auntea Jenny and Light and Night yielded mixed results. ChaPanda treated customers sincerely and attentively, conducting relevant game training in advance. Each clerk was required to be familiar with the game character, its characteristics, theme color, nickname, etc., and achieve a full score. The clerks were prohibited from attaching product stickers to cups printed with the game male protagonist, and the same cup cover with IP pattern should be placed separately for customer collection. Customers were also uniformly addressed as "Miss Lawyer" (the representative name of players in the game), providing players with a sense of full identity. However, Auntea Jenny mistreated game characters and players, leading to widespread criticism among players. In response, the two-game manufacturers issued a statement to cease cooperation, and many players vowed never to purchase the brand again.

5.4. Choose a Suitable Co-branded Brand

Currently, despite the prosperity of the new tea industry, some issues need to be addressed, with homogenization being one of them. The antithesis of homogenization is differentiation, which involves innovative raw material selection, formula development, creative design, and marketing strategies to establish various levels of sales series. The primary consumer demographic for new tea is young people, who are eager to express their self-concepts through their consumption behaviors. Consequently, "personality, innovation, and novelty" are frequently used in the evaluation language system [9]. Some merchants aim to attract consumers through innovative co-branding, but sometimes go overboard, such as Lele Cha X Liushen Flower Dew; Hey Tea X Verce, which are considered odd and even repulsive by the public; and Hey Tea X Durex, which was criticized by official media for being vulgar, sexually suggestive, and objectifying women. Innovation must be conducted without crossing ethical boundaries. New tea brands need to engage in more thoughtful consideration, rather than innovating merely for the sake of novelty [10].

6. Conclusion

In recent years, the phenomenon of co-branding has emerged as a thriving industry. This study's research offers novel insights for emerging new tea brands by examining and comparing co-branding cases. Through the compilation of data and distribution of questionnaires, the shared resources, product innovation, store design, cultural integration, and market positioning of co-branded tea drinks have been identified. Significant sales growth for new tea drinks cannot be solely achieved through a single co-branding activity, however, co-branding has proven to enhance brand awareness. The success of a new tea brand's co-branding hinges on shaping fashionable social symbols, respecting

IP, and selecting appropriate brand partnerships. The competition in the new tea industry has intensified, and the primary consumer group, Generation Z, exhibits a penchant for novelty and freshness. Retailers can employ various marketing strategies, represented by co-branding, to captivate customers' attention. While marketing is vital for brand longevity, it only attracts short-term consumers. To acquire long-term loyal customers in the foodservice industry, it is crucial to ensure product quality improvement and develop core brand competitiveness. The focus of the current study's questionnaire is on the co-branding of new tea brand Naixue's tea and the animation Lingya Journey. Given the diverse types of co-branded objects, several distinct co-branding types can be selected as case studies, resulting in more comprehensive data. Co-branding strategies encompass peripheral products, offline events, and online activities. Future research will further analyze specific co-branding activities to provide successful co-branding solutions for new tea merchants.

Authors Contribution

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

References

- [1] Nguyen Thu. Establishing a customer approach and a product promotion plan for a start-up business in fruit and tea based beverages. Laurea University of Applied Sciences, 2018.
- [2] Xi Lin, Jiangfan Yang, and Qian Chen. College students' preferences for milk tea: Results from a choice experiment. *Foods*, 2023, 12(7): 1491.
- [3] Sun Xiran. The marketing strategy on MIXUE Milk Tea on social media platforms. Sun, Xiran. *Journal of Education, Humanities and Social Sciences*, 2023.
- [4] China Business News. The new tea beverage supply chain is iterated, and the self-built model consolidates the moat. 2023, 9, 20. 2024, 4, 9. <https://new.qq.com/rain/a/20230624A00GAL00>.
- [5] China Chain Store & Franchise Association. 2023 new tea drink research report. 2023, 9, 20. 2024, 4, 9. <http://www.ccfa.org.cn/portal/cn/xiangxi.jsp?id=444980&type=33>
- [6] Ey. 2023 new tea drink brand insights white paper (1st ed.). Ernst & Young China, 2023.
- [7] Wang Ziwei, Chen Ting. How long can the new tea drink sinking strategy fully bloom and the "healthy personality" be established? How popular is it in overseas markets?. *Daily Economic News*, 2024-03-15 (005).
- [8] Han Yang. Study on consumption behavior of milk tea based on the customer value theory -- Taking QA Little Tea in Shenzhen as an example. *Business*, 2018.
- [9] Shi Lin. Research on consumer psychology and behavior of new tea drinks-sentiment analysis based on consumer evaluation. *Journal of Food Research*, 2020, 37 (02): 14-20.
- [10] Liu Wei, Warm. From "happy water" to "social currency" : A sociological analysis of the new tea consumption of Generation Z. *Chinese Youth Research*, 2022, (06): 92-100.