An analysis on the Relationship between Diversified Product Lines and Brand Loyalty in the Ice Cream Industry —— Taking Dairy Queen Ice Cream China Company as an Example

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Abstract. This article takes Dairy Queen (DQ) Ice Cream China Company as a highly representative sample, cleverly using a combination of case analysis and empirical research to explore the relationship between diversified product lines and brand loyalty in the ice cream industry in depth and comprehensively. Firstly, the paper elaborated on the development background of the ice cream industry in detail from the long river of history, the development of ice cream has a long history, evolving from the ancient Western legend period and constantly undergoing changes over the long years. However DQ ice cream currently faces many severe challenges. At the market level, the phenomenon of store closures is often seen, which reflects the difficulties they face in the fierce market competition. Competitors are emerging like mushrooms after rain, putting DQ under enormous external pressure. After in-depth analysis of industry trends and competitive landscape, it is clearly found that DQ has problems in multiple key areas and is under tremendous competitive pressure. In terms of product quality, DO can no longer fully meet the increasingly high quality requirements of consumers. In the service process, the efficiency and quality of its services need to be improved.

Keywords: Ice cream industry, DO ice cream, product line, diversification, brand loyalty.

1. Introduction

In the current rapidly changing market environment, with the continuous improvement of people's living standards and the gradual and subtle changes in consumer attitudes, the demand for ice cream is showing a clear trend of diversification and diversification. The variety of ice cream ingredients has become increasingly diverse, and the market size has also continued to expand and grow. This undoubtedly brings unprecedented opportunities for the ice cream industry, making its economic activities particularly active. In order to better meet the increasingly diverse needs of consumers, the ice cream industry actively engages in innovative attempts, constantly introduces new products, and strives to bring consumers more unique and innovative flavors and experiences. DQ Ice Cream Shop is also brave enough to try new cross-border marketing models, launching a series of related products such as DQ Burger Shop, further enriching the variety of products.

It is of great practical significance to conduct in-depth research on the relationship between product diversification and brand loyalty in the ice cream industry, taking DQ ice cream as an example. This research is also beneficial for the entire ice cream industry to better grasp the changing trends of consumer demand, thereby providing products and services that are more in line with market demand, and further promoting the healthy and orderly development of the entire market. By delving deeper into this relationship, ice cream practitioners can better meet consumers' expectations, improve their satisfaction and loyalty, and thus gain a competitive advantage in the fierce market competition. At the same time, the entire ice cream industry can adjust its product and service strategies in a timely manner according to changes in consumer demand, achieve sustainable development of the industry, bring more high-quality choices to consumers, and promote the entire market towards a more phosphorous and healthy direction.

The core theme of this study is to explore in depth and comprehensively then intrinsic relationship between diversified product lines and brand loyalty in the ice cream industry, using DQ ice cream as an example. To effectively achieve this goal, a scientific method that combines case analysis and

empirical research will be adopted carefully. Specifically, DQ ice cream shop will be chosen as a highly representative research object and conduct continuous tracking and detailed data collection work on it. These data will cover multiple important aspects such as the rich variety of products, genuine consumer feedback, and key repurchase rates in order to obtain comprehensive and detailed information about product diversification and brand loyalty [1]. Through in-depth and comprehensive research on DQ ice cream shop, it is hoped to reveal the close relationship and mechanism of interaction between its diversified product line and brand loyalty, taking it as an example. The specific research objectives include the following aspects: comprehensively and systematically sorting out the specific ways DQ ice cream shops achieve product diversification, such as innovative packaging design, diverse raw materials election, and rich flavor innovation, Thoroughly analyze consumers' reactions and preferences towards these different product diversification strategies, and explore the impact of these strategies on consumer repurchase rates, Deeply explore the key factors that contribute to the formation of a high loyalty customer base for DQ ice cream, as well as the important role played by product diversification in this process, Based on the research results, targeted and actionable suggestions are proposed to provide practical guidance for ice cream practitioners, helping them effectively enhance brand loyalty and strengthen their competitive advantage in the market.

Specifically, DQ ice cream shop is selected as a representative research object and conducted continuous tracking and comprehensive data collection, covering multiple aspects such as product types, consumer feedback, repurchase rates to obtain detailed information about product diversity and brand loyalty. At the same time, in-depth field investigations and face-to-face communication with consumers to gain a deeper understanding of their preferences, needs, and consumption habits, thereby gaining a deeper understanding of the underlying reasons for their loyalty to the DQ ice cream brand. Through these efforts, it is hoped to provide valuable references and suggestions for ice cream practitioners, helping them better meet consumer needs, enhance brand competitiveness, and achieve sustainable development. In summary, this study aims to systematically and deeply analyze the relationship between diversified product lines and brand loyalty in the ice cream industry, taking DQ ice cream as an example, in order to provide useful references and guidance for the industry's development and promote the ice cream industry towards a healthier and more sustainable direction.

2. Case Description

DQ is a world-renowned ice cream brand, which originated in 1940. The first DQ ice cream shop was founded by American J.F. McCullough in Joliette lllinois [2]. The name DQ comes from the founder's love for cows, calling them the "queen of the dairy industry", hence the name DQ. Throughout its development, DQ has continued to grow, expanding from a small shop to multiple countries and regions across the United States and even the world. DQ ice cream is known for its delicate texture and rich flavors, with numerous classic flavors, while constantly introducing innovative flavors to meet the diverse needs of consumers. lts products include various forms such as ice cream, ice cream cakes, ice cream cups, sundae,, and special products are launched according to the season and market demand. DQ China actively innovates and develops in terms of products. In the market environment of the "Z generation" leading consumption, products need to adapt to changes and resonate with young consumer groups. DQ China actively leads the innovation of ice cream forms and diversification of product categories. Lt continues to build brand advantages and highlight the core competitiveness of its products, such as the Blizzard series pouring cup without spilling, which is representative. At the same time, DQ China has launched a new ice cream category, expanded its brand track, and launched products such as ice creams with flavored thick milk drinks. In addition, DQ China is innovating, including product innovation to cross over to the high-end, category innovation to launch light food, tea drinks. It also carries out joint activities, such as launching peripheral discounts with coco and blind boxes with HELLO Little Chest nuts. China has adopted a "challenge and exploration" attitude throughout its brand development, continuously launching new products and forming a multi category business pattern with soft ice as the main product and light

food, hard ice, and cake as auxiliary products. By studying DQ China's product strategy and innovative measures, the research can gain a deeper understanding of its advantages and development trends in market competition. This not only helps provide useful references for DQ China's own development, enabling it to better meet consumer needs and enhance brand competitiveness, but also provides reference for the development of the entire ice cream industry. The competition in the ice cream industry is fierce, and consumer demands are constantly changing.

However, currently DQ, as a well-known ice cream brand, is facing the dilemma of consecutive store closures. In the increasingly competitive fast food industry, consumer demands and choices are showing a constantly changing trend, with emerging brands emerging like mushrooms after rain, making market competition even more intense. DQ once won market recognition with its unique philosophy, but now it is facing enormous market pressure. In today's rapidly changing fast food industry, consumer demands and preferences are constantly changing. They place greater emphasis on product quality, health, personalization, and user experience. Numerous emerging brand shave keenly captured these changes and have launched products and services that meet consumer needs, rapidly rising and posing unprecedented challenges to DQ. Once, DQ had a place in the market with its unique brand concept and high-quality products, but over time, it gradually faced pressure from various aspects including changes in consumer demand, competition from emerging brands, and the evolution of market trends. Resolving the current issues faced by DQ is of paramount importance.

3. Analysis on the Problems

The ice cream industry market is showing a continuous growth trend, and its market demand is driven by consumers" pursuit of health, diversified flavors, and consumption upgrades. The 2024 ice cream market research data shows that the market will continue to grow, with a wider variety of products, continuous taste innovation, and online sales channels will also continue to expand. In terms of trends and competitive landscape in the ice cream industry, healthy, diverse flavors, rich sensory experiences, high-end, and online channel expansion are the main development directions. With the increasing awareness of consumer health, ice cream products with low sugar, low-fat, natural and other health elements are becoming more and more popular, and companies are adopting natural sweeteners and low-fat dairy products as raw materials. In terms of taste innovation, in addition to traditional flavors, the combination of Chinese ingredients and flavors, as well as flavor elements from other fields, continues to emerge. Consumers' demand for sensory experience in ice cream has increased and companies focus on the level and richness of taste. Under the trend of high-end, brands create a high-end image by using high-quality raw materials and improving production techniques. The expansion of online channels has also become an important trend, and the development of e-commerce and new products have led brands to actively expand their online sales scope. Brand loyalty refers to the degree to which consumers have bias and repeat purchases towards a certain brand in their purchasing decisions. In the ice cream industry, brand loyalty is influenced by various factors, including product quality, taste, brand image, service. Considering the current market situation, brand competition is fierce, and many well-known brands such as Yili, Mengniu, Helu Xue, Nestle, Häagen Dazs, occupy important positions with their brand influence, product quality, channel layout, and marketing strategies. Among them, Hexue, Baxi, Nestle, and DQ account for 15 6%, 13.0%, 12.3%, and 73% of the consumer choice ratio respectively [3]. Product differentiation strategy helps brands attract consumers, and each brand meets different needs by launching products with different flavors packaging forms, and price ranges. Channel competition is also crucial. With online e-commerce platforms and offline retail channels being the main sales channels, and brands need to optimize their layout. Price war and quality war coexist. Although price war may attract consumers in the short term, in the long run, quality is the key to winning the market.

However, DQ is currently facing many severe challenges. Many consumers have complained that the quality of DQ has significantly declined and the service is not as good as before. For example, some consumers have reported that the taste of DQ's ice cream is not as delicate as before, and the

taste has become monotonous. Additionally, the service staff in the store are indifferent and lack enthusiasm. For this purpose, the research specifically distributed 100 questionnaires to the youth group aged 10 to 30, aiming to gain a deeper understanding of their views and attitudes towards DQ. In the end, the research collected 98 valid questionnaires, and the results showed that the loyalty of the target consumer group to DQ decreased sharply, less than 21%. This data is shocking and fully demonstrates that DQ's position in the minds of consumers has significantly declined. Further data shows that in the past two years, DQ has experienced large-scale closures of its stores across the country. Especially in some first tier cities, the closure rate is as high as 30% [4]. This situation is even more pronounced. This phenomenon indicates that the market pressure faced by DQ has reached a level that cannot be ignored. It needs to seriously reflect on its existing problems in product quality, service level, market positioning, and take effective measures to actively respond to the current difficulties. The influence of celebrity effect on DQ cannot be ignored. According to the survey, many consumers have stated that they once chose to purchase products from a celebrity brand because they liked the DQ advertisement endorsed by Thai brand. However, they later discovered that having attractive advertisements alone is not enough. Product quality is the key to determining whether a brand can establish a long-term presence in the market. When the spokesperson cannot truly align with the core values of the brand, consumers" trust and support will gradually waver. For example, the DQ product endorsed by a certain celebrity does not match the image and style of the celebrity, leading to a decrease in consumer identification with the brand. In addition, DQ also lags behind in product innovation. In 1992, when DQ ice cream entered the Chinese market, it introduced the concepts of "ice cream". At a stage when milk tea, ice cream, and desserts had not yet blossomed, the era gave DQ ice cream an excellent opportunity to stand out and become a leader in the ice cream industry. At that time, the price of 20-30 yuan made DQ ice cream a "standard for the middle class". With a certain sense of "luxury" and not as "unattainable" as Häagen Dazs. Under the constant emergence of new products and the impact of various novel gameplay, DQ's unique skill" has gradually become a "basic operation" in the industry, and it is once "high-end sense" has also been gradually weakened [5]. For example, other competitors have launched more ice cream products with unique flavors and innovative packaging, while DQ's product update speed is slower and cannot meet consumers' pursuit of freshness.

In the mid to high end market, DQ ice cream faces fierce competition from brands such as Godiva, Venchi, Luneurs, and others. According to market research data, Godiva's chocolate ice cream has a high reputation among consumers due to its unique taste and high-quality ingredients, as a century Old Italian chocolate brand Venchi's flagship Italian gelato has attracted many consumers with its rich flavor and exquisite packaging, with a higher unit price than DQ ice cream. The top tier brands are becoming increasingly outstanding, each with unique flavors and advantages. In such a competitive environment, DQ needs to constantly innovate and improve its product quality and features in order to regain the favor of consumers [6].

In summary, the ice cream industry will present a trend of healthy, innovative, green, and intelligent development in the future. Brands should focus on improving product quality and brand loyalty to adapt to market changes and meet consumer needs. DQ needs to face up to its own problems and take effective measures to improve in order to achieve revival and development in the fierce market competition.

4. Suggestions

4.1. Improve Product Quality

Product quality is the core competitiveness of a brand and an important factor affecting brand loyalty. DQ should strengthen the management of raw material procurement, optimize production processes, enhance product research and development, in order to launch more new products that meet consumer tastes and health needs, and enrich product categories. Firstly, DQ can increase the screening and evaluation of raw material suppliers establish long-term stable cooperative

relationships with high-quality suppliers and ensure the freshness and quality of raw materials. For example, choosing high-quality raw materials such as milk, cream, fruits and ensures the quality of the product from the source. At the same time, advanced production equipment and technology are introduced to improve production efficiency and product quality stability, by using automated production equipment and precise production process control, it can be ensured that every batch of products meets high-quality standards.

In addition, DQ should conduct market research and consumer feedback to gain a deeper understanding of consumers' taste preferences and health needs, and develop more distinctive ice cream flavors. Nowadays, consumers' attention to health is constantly increasing, and DQ can launch low sugar, low-fat, fruit flavored products to meet the needs of different consumers, for example, developing ice cream that uses natural sweeteners to reduce sugar intake Introduce ice cream rich in fruit fiber to increase the nutritional value of the product. At the same time, combining local specialty ingredients and flavors launching ice cream products with regional characteristics can make consumers feel the unique charm of the brand, thereby enhancing brand loyalty.

4.2. Improve Service Level

High quality service can enhance consumer satisfaction and loyalty. DQ needs to strengthen employee training, optimize service processes, and establish a sound customer feedback mechanism. Regularly organize employee training, including training on product knowledge service skills, communication skills to improve employees' overall quality. Through training, service personnel can gain a deep understanding of the characteristics and advantages of the product, and be able to accurately introduce and recommend products to consumers. At the same time, the company can improve the service awareness and communication skills of service personnel, so that consumers can feel warm and thoughtful service. For example, training employees on how to effectively communicate with consumers, understand their needs and opinions provide personalized service recommendations, and enhance consumer expedience. Optimizing the layout and service processes of stores is also an important measure to improve service levels. DQ can increase self-service ordering equipment, improve the efficiency of ordering and retrieving meals, and reduce consumer waiting time. At the same time, the company plans the seating layout of the store reasonably and provide a comfortable dining environment. In addition, the company will strengthen the hygiene management of stores to ensure the safety and hygiene of food, allowing consumers to enjoy ice cream with peace of mind, establish a sound customer feedback mechanism so as to timely understand consumer opinions and suggestions, and continuously improve service quality. DQ can collect consumer feedback through online surveys, offline suggestion boxes, and other methods. For consumer complaints and suggestions, timely handling and improvement should be carried out, and feedback on the handling results should be provided to consumers to make them feel that DQ values them. By actively responding to consumer feedback, DQ can enhance consumers' trust and loyalty to the brand.

4.3. Strengthen Brand Innovation

Brand innovation is the key to attracting consumers and increasing brand loyalty. DQ should focus on product innovation, brand image innovation, and marketing innovation to enhance the brand's fashion sense and attractiveness. In terms of product innovation, DQ can collaborate with renowned designers to launch limited edition ice cream products and packaging that attract consumers’ attention. For example, collaborating with fashion designers to design unique ice cream packaging, making it a fashionable item that attracts consumers to purchase and collect. At the same time, constantly introducing new flavors and product forms, such as ice cream cakes, ice cream sandwiches to meet the diverse needs of consumers. Innovative products can bring freshness and surprise to consumers, thereby enhancing their love and loyalty to the brand. The company can also innovate brand image, update brand identity, packaging, and store decoration to enhance the brand's fashion sense and attractiveness. DQ can redesign the brand logo to make it more concise, fashionable, and in line with the aesthetic needs of modern consumers. At the same time, the company can update the product

packaging and use environmentally friendly and fashionable packaging materials to enhance the product's grade. In addition, the store will be renovated and upgraded to create a more comfortable and stylish dining environment, allowing consumers to experience the brand's cultural atmosphere while enjoying delicious food. An attractive brand image can create a sense of identification and belonging among consumers, thereby increasing brand loyalty. The company should carry out marketing innovation, utilize social media, online and offline activities and other methods to strengthen brand promotion and publicity, improve brand awareness and reputation. DQ can use social media platforms such as WeChat, Weibo and TikTok to carry out online interactive activities, such as new product tasting, creative challenge to attract consumers to participate and improve brand exposure and influence. At the same time, offline events such as ice cream festivals and new product launches are held to allow consumers to experience the brand's products and culture up close. Through innovative marketing activities, DQ can establish closer connections with consumers, enhance their emotional identification with the brand, and increase brand loyalty.

4.4. Optimize Market Positioning

Clarifying brand positioning, identifying target consumer groups, and developing corresponding products and services based on their needs and preferences are important steps for DQ to achieve market breakthroughs and improve brand loyalty.

DQ can position the target consumer group as those who pursue quality, fashion and health. The company should develop more high-quality, low-fat, and low sugar ice cream products to meet the needs of this group. At the same time, attention should be paid to the packaging and design of the product, making it more fashionable, environmentally friendly, and in line with the aesthetic needs of the target consumer group. For example, launching simple and fashionable packaging designs, using environmentally friendly materials, reflecting the brand's social responsibility and environmental awareness, thereby attracting the attention and love of the target consumer group. It should also strengthen market research, understand market dynamics and competitors situations, and adjust market strategies in a timely manner. DQ can conduct market research to understand consumers' needs and preferences for ice cream flavors, packaging, prices, as well as competitors' product characteristics and market strategies. Based on the research results, adjust the product and market strategy in a timely manner, and launch more competitive products and services. For example, based on consumers" demand for health, the company should increase the application of more healthy ingredients and launch products that are in line with market trends. At the same time, it should pay attention to the dynamics of competitors, adjust pricing strategies and promotional activities in a timely manner, and enhance the competitiveness of the brand.

Expanding market channels, in addition to traditional store sales, can also explore online sales channels such as e-commerce platforms, food delivery platforms to improve market coverage. With the development of the Internet. Online sales channels are becoming more and more important. DQ can collaborate with e-commerce and food delivery platforms to carry out online sales activities making it convenient for consumers to make purchases. At the same time strengthen online marketing and promotion to enhance brand awareness and influence. By expanding market channels, DQ can better meet consumers' purchasing needs, improve consumer convenience, and enhance brand loyalty.

4.5. Strengthen Brand Cooperation

Cross border cooperation with other brands, establishing good cooperative relationships with suppliers, distributors and other partners, participating in social welfare activities can enhance brand image and social responsibility, bring more opportunities for DQ's development, and also help improve brand loyalty. DQ can collaborate with well-known anime, film, gaming and other brands to launch joint ice cream products, attracting more consumer attention. For example, collaborating with popular anime characters to launch limited edition ice cream products that attract anime fans to purchase. At the same time, collaborate with other brands for joint promotion to expand the brand's influence. This cross-border cooperation can bring unique experiences to consumers, increase the fun

and attractiveness of the brand, and thus enhance brand loyalty. The company should strengthen communication and collaboration with suppliers, distributors, and other partners to jointly develop marketing plans and improve product sales efficiency. Establishing a good cooperative relationship can ensure stable supply of raw materials, improve product delivery efficiency, and jointly promote the development of the brand. Through close collaboration with partners, DQ is able to provide higher quality products and services, meet consumer needs, and enhance consumer trust and loyalty to the brand. DQ can contribute to environmental protection by carrying out environmental activities such as reducing the use of plastic packaging and promoting the concept of sustainable development. At the same time, the company should participate in education and poverty alleviation activities, help children and families in impoverished areas, and enhance the brand's social image. Consumers are usually more inclined to support brands with a sense of social responsibility therefore, participating in social welfare activities can enhance consumers' goodwill and loyalty to the brand. In short, to achieve revival and development of DQ, it is necessary to start from multiple aspects, continuously improve product quality and service level. It can strengthen brand innovation, optimize market positioning, and enhance brand cooperation. Through the implementation of these measures, DQ is expected to regain consumer favor and market recognition, achieving sustainable development at the same time, DQ also needs to closely monitor market dynamics and changes in consumer demand, constantly adjust and optimize its business strategies to adapt to market changes and development. By increasing brand loyalty, DQ can establish a stable consumer base and lay a solid foundation for the long-term development of the brand.

5. Conclusion

This article takes DQ Ice Cream China Company as a specific case study to explore in depth the close relationship between diversified product lines and brand loyalty in the ice cream industry. Through a comprehensive analysis of DQ's development history, historical background, current challenges, and overall trends in the ice cream market, a series of practical and feasible suggestions have been put forward in a targeted manner, aiming to help DQ achieve vitalization and sustainable development. The article proposes a series of specific and detailed suggestions for the problems existing in DQ, including but not limited to improving product quality enhancing service levels, strengthening brand innovation, optimizing market positioning, and strengthening brand cooperation. By implementing these measures effectively, DQ is expected to regain consumer love and market recognition, thereby achieving the goal of sustainable development. In short, DQ must face its own problems and actively take effective measures to improve them. Only in this way can it better adapt to market changes, meet the constantly changing needs of consumers, stand out in fierce market competition and achieve the grand goal of rejuvenation and development. In addition, DQ should also keep consumer feedback in mind at all times. in addition to the issues mentioned above, consumers may also have ideas about product packaging design, price setting, and other aspects.In the process of improvement, DQ should continue to pay attention to the voices of consumers, establish more efficient channels for information collection, such as online interactive platforms and offline consumer forums, comprehensively understand consumers' expectations, integrate these elements into improvement measures, continuously improve itself, and make every measure truly meet the core needs of consumers.

Authors Contribution

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

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