

Exploring the Evolution and Impact of Blind Box Design in the Toy Industry

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Abstract. Blind box toys are usually launched by toy manufacturers, and artists, or launched to attract the interest of collectors and players. To meet the demands of the blind box market, toy manufacturers and designers need to create a variety of unique and desirable items. This has led them to innovate in terms of creativity and design. Using POP MART as a case, the company has developed a wide variety of themes, characters, and styles of toys driving innovation and competition in the toy industry. This paper analyzes the company's blind box market trends and consumers' psycho-spiritual needs. The Blind Box not only introduces a new sales model that promotes the development of the toy industry but also leads to international exchanges. For the future development of blind boxes, the use of sustainable materials and environmentally friendly packaging needs to be considered when designing products to reduce the impact on the environment. At the same time, the adoption of recyclable designs and the adoption of diverse themes and contents to meet the needs of different groups of people should be encouraged, and customization service that allows users to participate in product design should be provided to create unique blind box products according to user's preferences. Relevant social platforms and offline activities should also be established and held so that users can communicate and share their experiences with other collectors, promoting the establishment and development of the community.

Keywords: Blind Box, Toy Design, Business Collaboration, Technological Innovation.

1. Introduction

The blind box was originally a derivative of Japanese pop culture, and as a representative of an emerging culture, it broke the playability and business model of previous toys. Similar forms appeared before the birth of blind boxes, and the most representative Fukubukuro (Lucky Bag) is one of them. Lucky Bags is a kind of promotion, usually launched by department stores during the New Year and contains a variety of goods in different categories. Lucky Bags are usually sold at affordable prices or in random types, consumers do not know the content before buying, which triggers consumers' curiosity and stimulates consumers' desire to buy. Since then, the concept of "Lucky Bags" was introduced into the Gashapon machine (capsule toy vending machine) in the 1980s [1]. The marketing ideas and sales methods of capsule toy vending machines and Lucky Bags are similar! the variety of capsule toy vending machine products is limited, and manufacturers will produce small and easy-to-carry items that are usually derived from 2-D culture and video games, etc., using IPs' huge fan base and special editions for publicity. According to their preferences, consumers can draw the styles by inserting coins into the machine. This has prompted many consumers to buy coins repeatedly because they cannot draw their favorite styles or collectors cannot collect a full range of products. In the 1990s, blind boxes appeared in Chinese public life with the marketing of card collecting. In the 21st century, through the promotion of companies such as Pop Mart, the change of consumption direction of young groups, and the rapid development of the Internet, blind boxes have become more and more well-known.

This study focuses on the impact of the increasing popularity of blind box toys on various industries, which is of great significance for the future development of the industry, cultural communication, and further understanding of public psychology. Therefore, this paper mainly starts from four perspectives and analyzes the reasons based on searching and reading relevant materials

and literature by using literature analysis. The advantage of this method is that it can well disassemble multiple factors and find out the core content, which is conducive to the research. The final research goal of this study is to explore how blind box toys can better cope with changes when facing various challenges in the future.

2. The Development Status of Blind Boxes

At present, POP MART, the leading company in China's blind box market, mainly cooperates with various personalized IPs and artists to create a variety of popular products, and their brand culture is: Make something fun [1]. As of June 30, 2020, Pop Mart operated a total of 93 IPs, including 12 self-owned IPs, 25 exclusive IPs, and 56 non-exclusive IPs. POP MART has entered 23 overseas countries and regions such as South Korea, Japan, the United States, Canada, the United Kingdom, and Singapore, and its IP design, creativity, and product quality have been recognized and loved by the majority of overseas consumers. In mid-2021, POP MART participated in the events of DesignerCon UK and MCN. This allows POP MART to show its brand in the European market, allows overseas groups to see POP MART, and lays a certain foundation for the company's future overseas development.

There are also many sales methods and channels for Pop Mart, such as retail stores, robot stores, and online channels. According to a report by China.com, as of December 31, 2021, Pop Mart has opened 295 stores and 1,611 robot stores in the Chinese mainland. In addition, it has also received huge revenue from e-commerce platforms. In 2021, the revenue of its Tmall flagship store was 599 million yuan, and the figure for its JD flagship store was 143 million yuan. The total number of registered members of the brand reached 19.58 million, most of which were young people or trendy toy lovers [2]. "All art is a toy, and all toys are art", a concept proposed by Michael Lau, the godfather of trendy toys [2]. There is a wide range of interpretations of art toys, including trendy toys and independently designed toys. Blind boxes are trendy toys, that cast a veil of mystery over traditional art toys, integrate modeling and IP in a new form to form new art toys, driving brand incubation and new market demand.

3. Design Ideas for Blind Box Products

3.1. Toy Design and IP Co-Branding

There have been successful cases of IP-based art toy brands in China, such as a series of popular character IPs produced by Disney, and a series of superhero IPs designed in cooperation between DC (Detective Comics) and Marvel Comics in the U.S., which mainly include Spider-Man, Wolverine, Iron Man, Captain America, and so on. As well as the popular Japanese IP Sanrio has seen a big hit and hot sales on its whole series of peripheral products, co-brand products, and limited editions. The combination of Blind Box toys and popular IPs not only meets the needs of the current market but also further promotes the IPs while bundling them with sales to optimize the business model to a greater extent. On the Blind Box character design, diverse designs and co-branded characters will stimulate curiosity and interest, as well as attract the attention of individual consumers, The diverse designs of characters of blind boxes also reflect the innovative forms of blind box consumption [3].

In the competition of similar products, this way has an absolute advantage, further promoting the development of blind box toys. Considerable profits are also enough to allow the team to optimize the product to better meet market changes and strengthen commercial engagement. At the same time, this way also better caters to customers' needs and reaches a win-win situation for both companies and consumers.

3.2. Packaging Design

Blind box packaging generally uses paper materials, which are inexpensive and convenient. This allows designers to better create and adjust the package. Most blind box packaging uses simple printing to convey the image that the designer wants to convey, and sophisticated processing techniques such as bronzing or silver stamping are not uncommon. This kind of packaging design is costly, usually to cater to the purchase needs of a small number of consumers, on this basis, product pricing will inevitably be raised. In addition to this packaging, special materials are also used, such as wood packaging, which will increase the packaging delicacy of the product. Compared with paper, it is more durable and easier to store blind box toys. A small number of consumers will pay for it because of the comfortable feel and ease of collection, but the high cost of wood packaging usually appears in the form of gift boxes and is not often used in the packaging of ordinary blind box products.

The three explicit components of blind box consumption are the blind outer box form, the IP image itself, and the style and theme design placed on the plain IP image. The work of connecting the symbolic meaning with the IP image is not only reflected in the simple IP image creation and operation process but also the style and theme design put on the IP image [4]. Packaging with this kind of design makes the message easier to understand and more sales-oriented.

4. POP MART Company

4.1. Company History

POP MART is a trend-setting cultural entertainment brand established in 2010 [5]. Over the past decade of development, POP MART has focused on five areas: global artist excavation, IP incubation and operation, consumer reach, trendy toy culture promotion, and innovative business incubation and investment. As a result, the company has developed a comprehensive operation platform that spans the entire fashion toy market. Since 2017, Pop Mart has successfully held six editions of Asia's largest international fashion toy fairs in Beijing and Shanghai. Pop Mart has made more foreign trendy toy brands pay attention to the domestic market through the exhibition, it also broadens the channels for more outstanding Chinese designers to display their original art, thereby adding impetus to the development of China's trendy toy culture. The company has signed contracts with well-known trendy toy designers such as Kenny, Biqi, Long Jiasheng, etc., and has launched many trendy toy products that fans love, gathering high-quality fan groups. At the same time, Pop Mart also cooperates with world-renowned brands to create trendy products that are loved by young consumers for the classic IP image. On January 18, 2024, Pop Mart completed the production of the first batch of products at its overseas factories in Vietnam, marking the further expansion of the company's global supply system. Pop Mart started to progressively broaden its global supply network in response to the swift expansion of overseas markets.

4.2. Marketing Method

The color and material of blind box toys, as well as the product pricing, are in line with consumer demand. The packaging design and product positioning theme make use of elements that easily to drive consumers want to buy, have clear information, and have a basic yet rich visual impact. The post-purchase experience is good. POP MART also customizes different communities for consumers, and consumers will get group identification in community communication. Furthermore, the pricing is rather reasonable, often ranging from 59 RMB to 79 RMB offline, when compared to more costly items like Lego and the British brand Jellycat. During the activity period, there will be a small number of preferential prices, and the consumption threshold will be low, which expands the scope of the audience.

The hidden model grasps the psychology of consumers to stimulate consumers to buy. On the one hand, due to the particularity of the blind box, consumers cannot accurately know the product style of the blind box, which increases the repurchase rate. Secondly, due to the desire to obtain more of

their favorite IP, blind boxes add emotional value to products. These marketing methods appeal to consumers' curiosity and gambling psychology, which in turn encourages them to make more purchases [1]. On the other hand, hidden and limited editions can more comprehensively stimulate consumers' desire to buy, and the satisfaction generated by consumers is greater than that of blind box products themselves, which further stimulates consumption.

With the increasing growth of new consumption, enterprises actively invest in research and development to accelerate product updates and iterations. While it can more effectively meet market demand, it also helps businesses achieve high-quality and sustainable development by lowering costs and fostering innovation. Pop Mart continues to launch fresh IP while keeping its core IP. It focuses not just on customer retention for existing customers, but also on discovering new users and promoting consumer collaboration and connection. Actively expanding overseas markets, it has now settled in 23 overseas countries and regions such as South Korea, Japan, the United States, Canada, the United Kingdom, and Singapore, and its IP design, Innovation, and product quality have been recognized and loved by overseas consumers. On October 25, 2022, Pop Mart released its third-quarter operating data. According to the announcement, the overall revenue of Pop Mart in the third quarter declined slightly year-on-year, but during the reporting period, Pop Mart's IP and channels maintained healthy development, and at the same time, the overseas business grew strongly, with a year-on-year increase of 115%-120%.

5. The Impact of Blind Box Consumption

5.1. Positive Psychological Effects

Social identity refers to the collective perception of an individual's status and attributes by others or organizations. Henri Tajfel's "CIS" model suggests that an individual's social identity includes three parts: "social categorization," "social identification," and "social comparison." [5].

"Social comparison", also known as "positive distinction", refers to an individual's efforts to construct and maintain a sense of social identity, by actively comparing their group with other groups, enhancing their sense of social identity, and strengthening their sense of self-identity. The iterative upgrading of Internet technology has given birth to online virtual communities [6]. Blind box players classify themselves based on their hobbies and aesthetic tendencies and gather in reality or communities, allowing their hobbies to be recognized and supported by others within the social group in a harmonious environment. Consumers may experience various emotions during the process of eliminating the unknownness of blind boxes, such as the nervousness before and during the process of opening the blind box, the joy and surprise of discovering their desired style upon opening it, and the disappointment and regret of discovering not their desired style upon opening it. The expression and expression of these positive or negative emotions can help consumers release their true emotions [7].

Through the above positive feedback, blind box players have strengthened their identification with self-dedication, and have gained positive psychological suggestions, extending from small aspects to all aspects of life, which has a positive impact on life. At the same time, blind box players can also communicate with other players in the same circle, share emotions and aesthetics within the community, generate emotional dependence, strengthen the sense of identification and identity of group members, and improve social participation.

5.2. Excessive Consumption of Consumers

With the improvement in living standards and the increase in entertainment expenses, modern consumers have begun to prioritize factors such as price and purpose over personal preferences when making purchases. The phenomenon of "I pay for my preferences" is on the rise. Guided by Maslow's Gestalt theory, it is found that after meeting basic physiological and safety needs, people begin to pursue social and esteem needs, ultimately satisfying their self-actualization needs [8]. Some

consumers, due to their herd mentality, are prone to blindly following the trend and consuming blindly. Some extreme consumers may even lose their plans and lack rational and advanced consumption.

The blind box, as a kind of spiritual entertainment and enjoyment, captures consumers' curiosity and gambling psychology [9]. Consumers will first choose the style they like on the layout when purchasing blind boxes. Due to the pursuit of hidden styles by some consumers, the repurchase rate of blind boxes will be greatly enhanced. Even more, the price of hidden money products exceeds several times its value, and many players buy the whole set of boxes at the time of purchase to increase the probability of drawing hidden money. This behavior is easy to have impulsive factors of blind consumption, and it works together with the psychological satisfaction mechanism as a result, thus spending more money and increasing the consumption cost of consumers. The business model of hunger marketing stimulates consumers' psychology of comparison and conformity, which further leads to consumption fanaticism. Part of the population with insufficient budget may even consume ahead of schedule, and some consumers may pay for the good feeling brought by IP co-branding and visual impact, ignoring their own real needs while satisfying their inner pleasure. For example, on January 12, 2022, the China Consumers Association (CCA) expressed its views on the "DIMOO Co-branded Blind Box Package" jointly launched by KFC and blind box seller Bubble Mart, which sparked a consumer buying frenzy. CCA believes that using "blind boxes" to induce excessive food consumption should be resisted.

5.3. The Development Trend of Blind Boxes

The development of blind boxes further promotes the integration of culture and entertainment and also brings more inspiration and market opportunities for the cooperation of cultural IPs such as film and television, animation, and games. At the same time, it expands employment channels and enhances cross-border cooperation, ranging from small business exchanges to large international exchanges. In the era of rapid development of the Internet, blind box toys also enhance the communication between people, re-connect people with common interests, and let "social fears" also participate in social exchanges because of common hobbies, further deepening the interaction and social participation of blind box toy lovers. With the development of technology and the participation of more and more designers, the future market of blind box toys will be more diversified and distinctive, presenting diverse display forms and commercial value.

6. Conclusion

The result of this study is that the birth of blind box toys provides a new direction for the toy industry and strengthens the relationship between people in the era of rapid development of the Internet, thus further concluding that blind box toys are conducive to strengthening political, cultural, economic and other aspects of communication. This study provides a lot of valuable reference significance for future research in this field, mainly influencing the views of trendy culture, economy, and niche groups on blind box toys. Future research should focus more on innovation, how to keep up with the hot spots of the times, avoid being eliminated, and provide sustainable commercial value direction for in-depth exploration in industrial upgrading.

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