# The New Approach to Channel Marketing in the FMCG Industry: Based on the Comparative Analysis of Few Cases of Blue Moon and NAIS

# Xuanbin Zheng<sup>1,a,\*</sup>

<sup>1</sup> South China University of Technology, Guangzhou, Guangdong Province, CHINA a. bmzhengxuanbin@mail.scut.edu.cn
\*corresponding author

Abstract: The epidemic's impact has led to the adjustment of global supply chains, and the upgrading of Chinese consumers' consumption concepts has brought challenges to the FMCG (Fast Moving Consumer Goods) industry. At the same time, the product homogenization of the consumer goods daily chemical industry is serious, and the brand lacks innovation and vitality. The development of the IT (Information Technology) era to the DT (Data Technology) era has changed the mainstream publicity method of advertising media. In this context, innovation has become the core product of the FMCG industry. Therefore, this paper will analyze the effective new channel marketing scheme from the perspective of channel marketing through the comparison method of a few cases, and study how to use channel marketing to improve the marketing vitality of brands and obtain market growth. The research in this paper will provide theoretical support for the channel marketing of FMCG daily chemical products, and propose a channel marketing model from a new perspective to solve the lack of product innovation and improve brand vitality.

*Keywords:* new channel marketing model, less case comparison, laundry detergent market, target group

#### 1. Introduction

The global supply chain has been seriously affected because of the impact of the epidemic, The industrial supply chain is being adjusted, and economic globalization is unstable. Currently, the focus of the consumption link is to expand domestic demand and promote consumption upgrades. At present, the homogeneity of Chinese FMCG brand products is serious; this brand also lacks innovation, and brand vitality is declining. The personalized needs of consumers are becoming more and more apparent; in this way, the inherent promotion and marketing are difficult to attract consumers [1]. In the context of such a consumption upgrade, the FMCG industry must adapt to the trend of the times through innovation. The rapid development of the Internet has made traditional advertising media such as TV and other publicity methods no longer effective. In current society, consumers' focus has shifted to the mobile Internet and mobile APPs. When companies invest advertising resources into new media like the Internet, they have little effect. However, there are few marketing strategies for domestic FMCG brands, especially in the laundry detergent market. What's more, some studies are somewhat backward in the context of the current era. This article will combine

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the dual factors of Internet platform development and new channel marketing background, and apply integrated marketing communication theory to analyze the channel marketing of laundry detergent brands in the new era. In the competitive environment of the increasingly fierce laundry detergent market and changing customer needs, all enterprises are committed to gaining sustainable competitive advantages by establishing and using brand equity, allowing themselves to stand out from many competitors and continue to be a loyal customer base. As the head brand of laundry detergent, Blue Moon is facing a lack of innovation in a single product, and it is increasingly challenging to meet the consumer demand of the public; the marketing has no longer a huge effect on advertising, and the market share is gradually eroded. This article will compare the channel marketing models of Blue Moon and Nais through case comparison, then analyze how fast-selling consumer goods can formulate effective marketing plans under the background of new channel marketing and the Internet to take the initiative in the market further.

This paper compares the channel marketing models of Blue Moon and Nais through a few cases it is a comparison method, that compares and analyzes the core of channel marketing, and puts forward measures to improve the current weak predicament of Blue Moon's marketing market on this basis. Based on this, combined with the new channel marketing concept, output a new channel marketing plan for FMCG toiletries in the new era. It is conducive to promoting the improvement of the current situation of serious homogeneity of state-owned FMCG brand products and lack of innovation in marketing. Recent research has done a lot of research on new channel marketing, but there is no targeted research on the new channel marketing model of FMCG. Theoretically, it fills the research gap on the marketing strategies of domestic laundry detergent brands in new Internet channels. It provides a theoretical basis for the new Internet channel marketing of FMCG products in the post-epidemic era.

#### 2. The Restored Contrast Between Blue Moon and Nais Marketing Model

There are four stages of existing laundry product of development Laundry soap, laundry powder, laundry liquid, and laundry beads, forming a laundry product market dominated by laundry detergent. The first generation of laundry soap mainly benefited from the French chemist Rubran's alkali method in 1791 and the German chemist Cheever's discovery of the structural properties of fatty acids in 1823. Laundry soap has entered our lives since then. The development of industrialization at the end of the 19th century promoted the widespread use of laundry soap. In 1907, the German Henkel first made washing powder, but the effect was far less than that of laundry soap. Less people were using it. After 1950, the discovery of sodium tripolyphosphate significantly improved the decontamination effect of washing powder, so washing powder began to replace the status of laundry soap. In the 1980s, laundry detergents were widely used due to their low skin irritation, softness, and antibacterial properties, good detergency, and less residue on clothes. Laundry beads are a new type of washing product that has developed rapidly in recent years. They gradually become popular among consumers because they have many advantages such as convenient use, strong detergency, and versatility. The development trend of washing products is moving towards safety, environmental protection, and concentration. However, different fast-selling companies have moved to varying futures due to their various marketing models. This study selected two cases, Blue Moon and Nais, for comparison.

## 2.1. Blue Moon Channel Marketing Model

At present, Blue Moon mainly adopts intensive distribution channels, including direct sales and agency.

Direct sales channels, including direct salesperson sales, telephone, and online sales. At the same time, after the delisting storm in June 2015, Blue Moon explored and built an "O2O + direct sales"

model with personal characteristics. It made its own "Moon House" for online distribution, and entered e-commerce platforms such as Jingdong and Tmall. Although it has broken up with large offline supermarket chains such as RT-Mart and Carrefour, it has not given up on offline direct sales [2]. At present, it cooperates with some supermarkets to sell the company's products, but it has changed from the original direct sales model. Blue Moon now focuses more on the layout of online e-commerce, using offline channels to cooperate with the online channel model to complete the BtoC direct sales process. At the same time, Blue Moon adopts the role of cleaning consultant for point-to-point distribution promotion, directly connecting with consumers, and compressing the link from production to sales. It not only dramatically reduces the cost of sales but also receives feedback from consumers more directly to reduce information asymmetry [3].

The Agency channel is divided into individual, community agencies, and part-time agencies in catering and other industries. Blue Moon's agency channel mainly uses three-level media, which have more circulation links than direct sales channels, with high sales expenses and weak channel control. The agency's offline marketing channel model complements Blue Moon's channel model, which improves Blue Moon's vertical influence. Blue Moon has gradually established its omnichannel model [4].

#### 2.2. Nais Channel Marketing Model

The channel marketing model of Nais also includes direct sales and agency channels, but the channel market is more subdivided into three types: distribution channels, retail terminals, and unique channels.

The distribution channels are mainly low-cost consumption places such as county-level wholesale markets, community convenience stores, and bazaars. They are primarily characterized by extensive operation and a general shopping environment, but the operating cost is also low, which is suitable for large quantities of goods. Such scenarios penetrate deeply into the daily consumption life of residents.

The retail terminals of Nais mainly include KA (Key Account) supermarkets such as chain supermarkets. The characteristics of this type of channel market are unified collection and distribution, a good shopping environment, and refined management, but high operating costs. In such conditions, Nais attaches great importance to the standard scoring and inspection of various account managers and supermarkets. At the same time, establishes a model market according to the scoring results to promote extra promotion and publicity.

Nais's unique channel is mainly the group purchase of enterprises, institutions, and groups. This kind of consumer group is fixed and loyal. Once cultivated and developed, it can become a stable sales channel for Nais. The operating cost is low, but due to the particularity of connecting with customers, the overall quality of the business team is required to be high [5].

#### 3. Comparative Analysis of the Marketing Model of Blue Moon and Nais

## 3.1. Target Demographics

Blue Moon Laundry Detergent is widely used in home care, and in Chinese families, the role of buying home care products is generally taken over by women such as mothers, wives, etc. Blue Moon targets women and the elderly as its target market. And because the product does not hurt hands, it is a natural washing product, with a unique appeal for women who love beauty. At the same time, statistics found that Blue Moon's target customers are mainly concentrated in large cities, and users are younger, more educated, and have higher income levels. Nais care products mainly include carved brand laundry detergent, laundry soap, and super laundry detergent. Nais' main products are laundry

detergent and laundry soap. Most of the users of this type of product are older 80s women. Due to long-term habits, compared to laundry detergent, they are more likely to accept laundry soap, washing powder, and other washing products. And such products are cheaper than laundry detergent, which is suitable for the purchasing power of such people. From the comparison of the target groups, it is found that the audience of Blue Moon is concentrated in first-tier cities, and the consumption scene is mainly based on KA supermarkets and online purchases; The audience of Nais is more concentrated in the sinking markets such as the second and third lines, and even the fourth line and the consumption scenarios are mainly distributed in community convenience stores, small supermarkets, and other places.

#### 3.2. Comparison of Channel Marketing Methods

Traditional channel marketing, that is, at the right time, the right amount of products to the appropriate point of sale, in the proper display, the products are presented in front of the consumers in the target market, to facilitate consumers to choose and buy. At present, the research on traditional channel marketing is divided into five major sections, namely marketing channel structure, marketing channel behavior, marketing channel relationship, channel conflict management, and marketing channel performance research. Next, a comparative analysis of the marketing channel behavior of Blue Moon and Nais will be analyzed.

In channel marketing, the essential difference between Blue Moon and Nais is whether it grasps the characteristics of the target group and carries out targeted channel marketing design. Blue Moon stepped out of the innovative channel model of "Moon Cabin", but ignored whether the audience of the channel matched the target group of the brand. The operation mode of Moon Cottage is essentially similar to that of micro-business, and the sales model of micro-business has an audience in third- and fourth-tier cities, rather than high-income people in first-tier cities that match Blue Moon. At the same time, Moon Cottage also provides laundry services to facilitate consumer demand, closer to consumers in first-tier cities. This also poses a significant challenge to the location of the Moon Lodge. Moreover, in the context of the time, more than 80% of the sales of Blue Moon Laundry Detergent came from offline, almost wholly abandoning offline channels and focusing on the O2O (Online to Offline) direct sales model of Moon Cottage, which was very risky [6]. The failure of the Moon Cabin model has caused Blue Moon's market share to decline rapidly, and it has been overtaken by other washing brands, and its loss is vast [6]. Nais is very clear about where its consumers are and how to make the product reach the target consumer through the control and management of the channel. The audience consumption scene of Nais is mainly in community convenience stores, wholesale markets, bazaars, and other places. In the Nais channel market, the wholesale market and dealers are very mainstream channels. Nais adopts strict price management and regional control, stabilizes the dealer's price system and market order, as far as possible to make manufacturers, dealers, and consumers satisfied, and stabilizes this part of the market. The core of channel marketing lies in whether the channels that reach the target population can be reasonably planned for promotion, publicity, and sales. When adopting a new channel model, it is critical to analyze how well the audience of that channel model matches the company's target demographic.

#### 3.3. New Channel Marketing Model

New channel marketing, that is, fully invoking the Internet, big data, and other technologies, sinking products to the closest place to consumers. Based on the concept of consumer sovereignty and the bad ecology of enterprises and channels, it is proposed to break the limitations of traditional channels and bring lower promotion and operating costs, more robust stronger interactivity, creativity, and user stickiness to channel marketing in the new era. Reach consumers faster and more accurately.

The new channel marketing model requires a high degree of cooperation between online and offline and the in-depth coverage of Omni-channels. The communication media of traditional channels are generally exhibitions, paper media, and advertising. At the same time, the content is primarily products and prices, and there is a problem of general homogenization, and brand competition is incentivized. The new channel marketing communication media is more diverse, including big data promotion, social platform planting, search engine delivery, etc. Currently, the new channel marketing of toiletries such as Blue Moon and Nais is not prominent, and the layout of e-commerce platforms such as Jingdong and T-mall online sales channels, while promoting and promoting in the form of live streaming with goods from time to time. Such a channel model is limited to moving the offline channel marketing model online. Replace the shelves with e-commerce platforms, and replace the "ground push" salesmen with anchors. Such a channel marketing model does not fully mobilize the advantages of new channel marketing, that is, big data precision marketing, user automatic promotion of word-of-mouth marketing, new media interactive marketing, and other means.

#### 4. New Channel Marketing: The Marketing Future of the FMCG Industry

#### 4.1. Channel Marketing Path

With the changes in the consumption habits of laundry products, the marketing models and means for laundry products are also constantly updated and developed. In the past, the traditional FMCG marketing model was mainly based on sales, which was largely passively accepted by consumers, which was easy to cause consumers to resent, and was time-consuming and labor-intensive, which was not conducive to the long-term development of the brand. With the development of the Internet, the modern marketing model is guided by the needs of consumers, relying on products, combining online and offline, and integrating marketing with the help of Internet platforms. Currently, the research on FMCG marketing models mainly focuses on online media marketing, such as ecommerce and offline channel marketing. The core of channel marketing is the channel path. That is, the starting point and end point of the channel are the enterprises and the consumer, and the channel is only the means for the enterprise to reach the consumer. Whether it's traditional channel marketing or new channel marketing, the core of channel marketing is always to connect the business with the target consumer. New channel marketing has advantages that are difficult to achieve with traditional channel marketing, and can accurately target customers for differentiated marketing and viral marketing. In the era of self-media, everyone is a medium, and the promoters of the traditional channels of FMCG products are not limited to the business agents assigned by the enterprise. Each IP (Intellectual Property) account of each social platform can be the promotion salesman of the enterprise product. To monetize the traffic of these IP accounts, it must seize the grass planting effect, word-of-mouth marketing, and other means to promote channels. In terms of efficiency, the new channel marketing is more efficient, can accurately lock the crowd, efficient delivery, reduce the traditional channels in the non-selective large-area coverage of the spread, ordinary Xiaohongshu, vibrato through big data positioning target customers for delivery. Taking Blue Moon as an example, KOLs (Key Opinion Leader) with large fan volumes and account attributes those match brand concepts are selected in the target user group of the product to distribute grass videos, life notes, and other promotions on social platforms. Under the positioning of big data, it is accurately delivered to similar customer groups, which greatly reduces the operation and promotion costs. It saves a lot of workforce costs compared with traditional offline distribution sales. No matter which new channel marketing model, it is necessary to highly integrate online and offline, form an omnichannel maximum coverage, sink to the closest place to consumers, reach various target groups, generate high user stickiness, and achieve more vital monetization [8]. Based on the case comparison and analysis

above, and combined with the principle of new channel marketing, the paths for the fast-selling industry that are put forward in this study are as follows:

#### 4.2. The Marketing Path of Entertainment Programs and Online Live Broadcasts in Parallel

Through cooperation with popular variety TV series to place advertisements, create brand popularity, and pass on brand value. At the same time, the brand live broadcast will be carried out, and the brand popularity of the entertainment program will be channeled to the live broadcast room so that consumers can understand the brand, recognize the brand and quickly close the loop from the process of purchasing the brand to achieve the purpose of purchase. Make full use of consumer psychology, invisibly transmit brand information, but also form a comprehensive matrix of indoor and outdoor, successfully combined with push and pull marketing, help products quickly introduced to the market.

Channel Marketing Path for New Retail. The retail market has changed, with the rapid development of retail forms and retail terminals, and the proportion of traditional channels has declined. The current end market uses different target customers and demand scenarios, and other channels have been formed for this. With product positioning, identify the channel terminals that target consumers match for new channel marketing.

Marketing Path for Logistics Products. For products with a high degree of product homogenization, delivery will become a key node in the consumer experience. For the different delivery scenarios of B-end and C-end customers, a new logistics delivery system is built. Improving the efficiency of product delivery will become the competitiveness of the product [[9],10].

#### 5. Conclusion

The current washing market is a stock market, and blue moon's original market share has not disappeared out of thin air but has been divided by other washing brands such as Nais, Libai, and so on. Blue Moon's marketing dilemma is a question of how to get back the original customers. In the traditional marketing channels, Blue Moon has suffered losses and setbacks. New channel marketing is an opportunity for Blue Moon to achieve a reversal. The above analysis that the most significant difference between Blue Moon and Nais's original target customers is the income gap and geographical location. The new channel marketing will integrate online channels with offline, no longer restricted by geographical area. Blue Moon can push its products through big data to consumers who have purchased Blue Moon but are currently using other consumers like Nais and Libai. When the target user group opens the shopping platform and search engines to buy laundry detergent, it is accurately delivered. Successfully rolling out the product to the competitors' target customers is the first step. Laundry detergent is highly homogenized and will not make much difference to the consumer experience. At the same time, according to the analysis of target customers, price promotion is the most effective means to obtain market share. Use discounts to re-engage rival customers and cultivate buying habits. Finally, consumers often choose products they frequently buy from internal sources when repurchasing. Blue Moon can get this part of the stable market share. There are certain shortcomings in the research of this paper, and the subsequent research directions can start from the following aspects.

This paper studies the marketing path of new channel marketing and outlines the marketing plan, which can further deepen the practice tracking research of new channel marketing plan, and optimize the design combined with the product characteristics of FMCG. At the same time, the research object selected for the new channel marketing in this paper is mainly the FMCG segment of laundry detergent, and the channel characteristics and target audiences of other market segments are different. The scheme is different, and the targeted research can be done based on this article.

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