

# *Research on the Marketing Strategy of Mi Xue Ice Cream and Tea*

## *-Based on the 4Cs of Marketing*

Luhan Gao<sup>1,a,\*</sup>

<sup>1</sup>*School of Business Administration, South China University of Technology, Guangzhou, Guangdong Province, China, 510000*

*a. gluhan@163.com*

*\*corresponding author*

**Abstract:** With the rapid development of the economy in recent years, China's new-style tea drinks market is expanding, and consumer enthusiasm for new-style tea drinks continues to rise. Among them, Mi Xue Ice Cream and Tea performs outstandingly and develops very well. With increasingly fierce competition, the focus of business operations gradually shifted to how to occupy the customer's mind and obtain long-term customer value. The 4Cs of marketing are widely used in modern marketing practice, which emphasizes consumer-centeredness and helps establish a long-term and stable relationship between enterprises and customers through several elements. Based on the 4Cs of marketing, the study highlights consumer-centeredness. It explores the successful marketing strategy of Mi Xue Ice Cream and Tea from four aspects: customer, cost, convenience, and communication. By taking consumer demands into account, controlling costs, providing convenience to consumers, and paying attention to customer communication, Mi Xue becomes popular among consumers.

**Keywords:** the 4Cs of marketing, Mi Xue Ice Cream and Tea, consumer-centric, marketing strategy, new-style tea drinks

## **1. Introduction**

In recent years, the milk tea industry has been developing rapidly and is full of competition while harboring business opportunities. To meet the constantly upgraded consumer demand, the new style of the tea drink industry is rapidly rising. According to iiMedia Research, China's new-style tea beverage market will reach 333.38 billion yuan in 2023. With more diversified consumption scenarios of new-style tea drinks, continuous innovation, and the broadening of categories, consumer demand will continue to rise. Mi Xue Ice Cream and Tea has gained great success through its unique marketing strategy and brand advantages in such a competitive environment as the new-style tea drink market. Mi Xue Ice Cream and Tea is a chain institution focused on fresh ice cream and tea drinks. In FoodTalks2022 China's Top 100 New Tea Drink Stores list, Mi Xue Ice Cream and Tea breaks the lead, with nearly 24,000 stores, about equal to the sum of the number of stores on the list from the second to the fifth, and is the only brand to reach the level of 10,000 stores in the new tea drink.

The study analyzes the successful marketing strategy of Mi Xue Ice Cream and Tea based on the 4Cs of marketing. According to Dr. B.R. Londhe, marketing is the process of matching a company's capabilities with the needs of its customers [1]. Creating and delivering unique value to potential customers and gaining a sustained competitive advantage are crucial in marketing. Dr. Muhammad Tariq Khan believed that the marketing mix is the most basic concept of marketing, a set of controlled marketing tools that a company uses to generate the desired response in a target market [2].

The 4Cs marketing model puts consumers at the center, aiming to create value for the target group by constantly communicating with them in all phases of the marketing and sales process to understand their needs. The 4Cs of Marketing are Customer, Cost, Convenience, and Communication. The study analyzes the marketing strategy of Mi Xue Ice Cream and Tea according to these four factors to provide some inspiration and reference for the marketing and communication of similar brands.

## **2. Marketing Strategy Analysis of Mi Xue Ice Cream and Tea-based on 4Cs**

### **2.1. Customer: Consumer-centric**

Xia mentioned that in brand building and product communication, enterprises should look for different consumers, tap the potential needs of consumers, and accurately position themselves accordingly so that the brand can be recognized quickly and open product sales [3]. Mi Xue Ice Cream and Tea starts with customer needs and has achieved accurate positioning. When Mi Xue Ice Cream and Tea was founded, it established the corporate mission of "letting everyone in the world enjoy high-quality and affordable delicious drinks." Mi Xue Ice Cream and Tea adhere to the original intention of the brand, and according to the market development status and demand for new tea drinks, the leading target group of Mi Xue Ice Cream and Tea is determined to pursue fashion and cost-effective young groups. With the diversified needs of consumers, Mi Xue Ice Cream and Tea has designed high-quality and affordable tea products for them. The stylish and lovely packaging and great taste attract many consumers.

According to Hu, Yang, Wang and Bai, to fully capture the hearts of potential customer groups, it is essential to grasp consumer psychology and meet the needs of consumers, especially the individual needs of core consumer groups [4]. To better appeal to the target group, Mi Xue Ice Cream and Tea created a lot of unique ads and special discounts, adopting social media and the Internet to promote, and achieved success. According to Yuan, there are three significant means of transmission: assertion, repetition, and infection [5]. Repetition is widely used in advertising. The advertising for Mi Xue Ice Cream and Tea comprises repeats. In addition, Mi Xue played the advertisement repeatedly on TVs in offline stores nationwide. Whenever people surf the Internet or walk down the street, they cannot avoid being influenced by the brainwashing cycle. Therefore, people are more likely to buy Mi Xue's products. In this way, the consumer-centered marketing strategy has further expanded the scope of influence of the company, which has attracted more potential consumers and laid a solid foundation of customers.

### **2.2. Cost: Strict Cost Control**

Xu, Xiang & Wang found that only by trying to control goods and logistics can companies increase production, reduce costs, attract consumers with meager prices, and create competitive advantages [6]. Compared with other tea brands, Mi Xue Ice Cream and Tea built its storage center to control the supply of goods. Mi Xue built its supply chain system to support sustainable operations. It made full efforts in production, transportation, storage, sales, and processes. Mi Xue Ice Cream and Tea has established a nationwide warehousing and logistics system and cooperates directly with tea-producing and processing enterprises to control costs. In addition, Mi Xue has also built an efficient logistics distribution system. Mi Xue Ice Cream and Tea uses a franchise approach to expand stores

and reduce operating costs rapidly. When the franchisee needs raw materials for the product, its nationwide supply capacity can be delivered directly to the store. Mi Xue has a vast number of stores, and the distance between each store is very short, reducing the distribution cost of stores and improving distribution efficiency. Strict cost control can effectively maintain a lower price for the product, which is a great advantage compared to other brands of the same type.

### **2.3. Convenience: Diversified Consumption Channels**

Mi Xue Ice Cream and Tea adopted the form of direct sales and franchise combination so that the price advantage could be maximized and form a particular scale. Mi Xue Ice Cream and Tea has successfully used this strategy to exceed 20,000 stores in 2021. Because of the large number of stores, it is very convenient for people to find stores in their area to buy products. At the same time, Mi Xue Ice Cream and Tea also created an online ordering function that allows people to order in advance through a mobile app, which provides great convenience.

Meanwhile, Mi Xue Ice Cream and Tea also grasped the market, carried out extensive marketing on different Internet platforms, and diverted online traffic to offline stores in the same city through online and offline methods. The combination of online and offline sales channels makes it convenient for consumers to buy the products at any time, and also expands Mi Xue's brand awareness and influence. Mi Xue's most typical marketing strategy is to promote their brainwashing style of theme songs. People are more likely to prefer familiar things in daily life. Zajonc discovered that exposure to an object is enough to make people like it [7]. Zhang believes that one of the reasons the marketing strategy of Misue Ice City has achieved good results is that Misue has given consumers a clear impression of the brand through high-intensity exposure online and offline [8]. Mi Xue Ice Cream and Tea stores are widely spread, playing a continuous loop of the theme song. People can see their stores and advertisements in many places, and they can hear the theme song's melody everywhere. Over time, it makes people accept the brand and attracts consumers to buy the products. And these stores are close to them, so it is easy for people to go and buy the products they want.

### **2.4. Communication: Brand Image Building**

Wang and Li believe that promoting the development of new-style tea drink brands requires innovative communication content to attract consumers to participate in communication activities [9]. Mi Xue Ice Cream and Tea has launched its brand mascot, the Snow King. The Snow King image not only has the visual appearance of the brand but also the vitality of the people. The lovely and lively image of Snow King caters to the aesthetic and personality needs of young consumers and is widely loved. As an adorable mascot, Snow King shortens the distance between consumers, has its own popularity, and is challenging to create a gap between consumers and brands. Mi Xue Ice Cream and Tea chooses a highly plastic and stable IP image, which not only reduces the cooperation and publicity costs of celebrity endorsement but also dramatically reduces the communication cost and also brings its own traffic and communication effect, using cultural identity to cause value resonance and enhance user viscosity [10]. It can also communicate better with customers and make connections.

Mi Xue Ice Cream and Tea also attaches great importance to communication with customers and the customer's consumption experience. Mi Xue hopes to build a good relationship with customers and constantly explore and meet their potential needs. Mi Xue uses the image of Snow King to promote products and activities, often issues topics on social media to attract netizens to discuss them, creates fan welfare groups, and holds activities to reward fans, which increases the interaction with fans and also improves the visibility of Mi Xue Ice Cream and Tea.

### 3. Conclusion

In the increasingly fierce market competition, various brands constantly seek efficient development strategies to seize the industry development trend and occupy a market position. Based on the 4Cs model, the paper discovers Mi Xue's strategies in customer, cost, convenience, and communication. In terms of consumers, Mi Xue focuses on consumers and has a deep understanding of the characteristics and needs of target consumers to develop unique marketing strategies for these people. Mi Xue strictly controls costs from production, transportation, warehousing, sales, processing and other links, so it has always maintained a price advantage. Simultaneously, it has established diversified sales channels that combine online and offline, making it convenient for consumers to buy products. Mi Xue also introduced a cute mascot, the Snow King, to better communicate with consumers. Mi Xue Ice Cream and Tea occupies customers' minds through various marketing strategies, establishing a long-term close relationship between the brand and consumers and helping enterprises continuously obtain customer value. These strategies can also be used as a reference for other enterprises. However, people's living standards are constantly improving, and the needs of consumers are constantly changing, so the marketing strategy in this study can only reflect the current situation. Different enterprises and different times have different situations, so the specific marketing strategy needs to be constantly changed according to the actual situation.

### References

- [1] Londhe, B. R. (2014). *Marketing mix for next generation marketing*. *Procedia Economics and Finance*, 11, 335-340.
- [2] Khan, M. T. (2014). *The concept of 'marketing mix' and its elements*. *International journal of information, business, and management*, 6(2), 95-107.
- [3] Xia, Y. (2022). *Integrated Marketing Communication Based on 4C Theory and Its Application-Taking Mi Xue Ice Cream and Tea as an Example*. *Commercial Exhibition Economy* (19), 42-44. doi:10.19995/j.cnki.CN10-1617/F7.2022.19.042.
- [4] Hu, Z., Yang, M., Wang S., Han, C., & Bai Y. (2023). *Exploration of New Media Marketing Strategy of Mi Xue Ice Cream and Tea Based on 4I Theory*. *Modern Business*. (03),3-6. doi:10.14097/j.cnki.5392/2023.03.004.
- [5] Yuan, P. (2022). *Analysis of communication strategies for advertising music on short video platforms -- Take Mi Xue Ice Cream and Tea as an example*. *Interviewing, writing, and editing* (04),143-145.
- [6] Xu, H., Xiang, Y. & Wang J. (2023) *Analysis on the development model of new tea drink brand based on differentiation strategy -- taking Mi Xue Ice Cream and Tea as an example*. *Operation and management* (05), 44-49. doi:10.16517/j.cnki.cn12-1034/f.2023.05.005.
- [7] Zajonc, R. B. (1968). *Attitudinal effects of mere exposure*. *Journal of Personality and Social Psychology*, 9(2, Pt.2), 1-27.
- [8] Zhang Y. (2022). *Analysis of tea industry development strategy based on the SWOT model -- Take Mi Xue Ice Cream and Tea as an example*. *Modern Marketing (Next issue)* (09),68-70. doi:10.19932/j.cnki.22-1256/F.2022.09.068.
- [9] Wang, W. & Li, J. (2023). *Research on tea brand Communication from the perspective of Communication Ritual: A case study of Mi Xue Ice Cream and Tea*. *Communication and Copyright* (10),85-88. doi:10.16852/j.cnki.45-1390/g2.2023.10.023.
- [10] Yao, Y. (2022). *Analysis of Marketing and Communication Strategies in the New Consumption Era Based on Brand IP: The Case of Mi Xue Ice Cream and Tea*. *Brand Marketing for Old Firms* (21),21-23.