

An Analysis of Consumer Behavior and Marketing Principles in Blind Box Purchasing

– A Case Study of Pop Mart

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Abstract: As an emerging marketing model, blind box marketing has been sought after by consumers and various industries. Based on the consumer purchase process of blind box, this paper takes Pop Mart, the leading blind box brand, as an example, carries out a consumer behavior analysis including motivation generation, information collection and selection, purchase process and post-purchase behavior, and discusses the principle of "blind box marketing". Consumers do not know what is the specific toy before purchase. The uncertainty of probabilistic marketing incentives, as well as the pricing method of sales channels, hit the consumers' psychology, bringing a sense of excitement for consumers, further stimulating the desire to consume, and enhancing user loyalty. Finally, this paper explores the use of "blind box marketing", and categorizes and analyzes its applicable products. Due to its price, and consumer preferences, FMCG (Fast Moving Consumer Goods) products are more suitable for the "blind box" marketing model, while products with strong functionality or luxury products are not suitable for this model.

Keywords: Blind box, Consumer behavior, Pop Mart, Probabilistic marketing

1. Introduction

In recent years, as people's lives become more materially rich and their purchasing power continues to increase, people are focusing more on products that can satisfy their emotional value, and their acceptance of various types of products is also increasing. In such an environment, products with novel concepts such as blind boxes have emerged. Blind box, also known as "surprise toys", belongs to the current trend of fashionable toys. When consumers buy them, they cannot know the specific toy hidden in the package only at the moment of unpacking know whether they have drawn the desired toy. Purchasing by the consumers has randomness, which can stimulate the consumers' sense of location for the purchased product and increase the excitement. According to the research report Post-95 Players Purchasing Power List released by Tmall in August 2019, among the hobbies with the most consumption power by the current young people groups, the purchase of different types of trendy collectibles is ranked the first, in which the blind box purchase has also become the fastest growing aspect in terms of the number of purchasers. The sales of the blind box brand Pop Mart in the China Shopping Festival that year exceeded 140 million yuan [1].

The special characteristic of the blind box makes the products have a strong uncertainty, which is easy to stimulate the consumers in the manner of irrational, and easy to causes repeated purchase behavior, even becoming an addiction. Among them, the well-known blind box brand Pop Mart has a large market share in the blind box market and is a deserved leader in the blind box industry. With its own IPs and a series of blind box image production, Pop Mart has six IPs on the list of top 100 IPs on the Taobao platform announced in Tmall's White Paper of Tmall Trendy Toys Operation, which are MOLLY, DIMOO, SKULL PANDA, and MOLLY POP BEAN. MOLLY ranked No. 4 and DIMOO ranked No.12. Pop Mart's products are divided according to different series of IPs, it set up different themes, and each theme has 13 different images of products, which can be distinguished as ordinary and hidden versions [2]. At the same time, all the blind boxes are printed with regular version images, while the hidden versions are the unpublished toys. A certain community established by consumers through social media, the physical dolls with collectible value. The trendy toys are given with special emotional value by consumers, and the fact that consumers who own the same series of blind boxes will have more common topics and establish emotional bonds, all of which make the consumer behavior of purchasing blind boxes gain a unique value and interest that is different from other commodities.

2. Positioning of Consumers

Take Pop-Mart as an example, according to its official user data, its consumer group is mainly white-collar workers, accounting for 33.20%, and among other consumers, 25.20% are students, 8.7% are self-employed, 12.00% are teaching staff, and 20.9% are in other occupations. It can be seen that consumers who are willing to buy blind boxes have a good educational background, solid financial ability and the pursuit of a certain quality of life. In terms of age, young consumers between 18- and 24 years old account for the highest proportion, about 32%, consumers between 25 and 29 years old are 36%, consumers between 30 and 34 years old are 20%, and consumers in other age groups are 22%. It can be concluded that the female group born after 1995 is the main purchasing power of blind box consumption.

3. Analysis of Consumers' Purchase Decision Process

3.1. Generation of Consumption Motivation

Consumption motivation, that is, the reason driving the purchase behavior, when people have a certain consumption demand, at the same time this demand exceeds a specific threshold, consumption motivation will arise. Blind box purchase can not only experience the excitement and joy of owning a product and randomly drawing a blind box but also enter a certain community and gain certain social attributes, which stems from the advancement of the Internet as well as the development of social media, allowing consumers to have the ability to synchronize the input and output of information through online and offline. Pop Mart brand not only has its official accounts in all major new media channels, but also has an exclusive sales channel - the WeChat Mini program online store, which allows it to have a strong communication ability, so that people accept the product information and produce the willingness to buy subtly, but also has a stable consumer communication platform and community to further strengthen user loyalty. Consumption motivation is generated in the process of these high-frequency and intense stimulation.

3.2. Information Collection and Selection

In terms of information sources, most of the first-time blind box buyers are mainly from personal and public sources. Consumers first pay attention to the offline stores selling blind boxes and the sharing

of users on various social media platforms. The opinions of friends who have had the experience of drawing blind boxes are highly trustworthy to them, and they are also easily changed by the purchasing choices of others in the offline stores and the related atmosphere, which adds to their sense of security when they consume.

Internal information collection generally precedes external information collection, and the more involved the purchase decision, the broader the scope of internal information collection. The toys of blind boxes vary greatly from brand to brand, and the types of targeted audiences are also different, but the channels for choosing blind boxes can be present in the memory sources. For example, some people have decided which blind box to choose through the experience posted on "Xiaohongshu", a Chinese Instagram-like platform, and some people have directly placed orders online instead of taking the box offline. In this case, different people will decide which blind box they want to draw. The collection of external information is for consumers who have no relevant experience in purchasing choices or have a single channel, they will choose to learn from social media channels or seek help from others. They believe that by learning as much information as possible, they can enrich their personal experience and improve their ability to recognize and compare information, to avoid related purchase risks.

3.3. Purchase Process

In the transition from intended purchase to actual purchase, consumers consider the attitudes of others as well as unforeseen circumstances. First, the attitudes of others. Although the price of a single-blind box is not high, the attitudes of others can easily interfere with their purchasing behavior because they do not know the internal details of the blind box they are buying. When the relationship between others and the consumer becomes closer, such as a friend who accompanies the consumer during the purchase, or a person who has experience and knowledge in dealing with such issues, such as a "blind box guru" who has purchased blind boxes many times before and has a unique approach to blind box purchasing, the chances of the consumer's decision-making being changed by the influence of the consumer are relatively higher. At the same time, the emergence of unforeseen circumstances also affects the consumer's decision, such as the situation and atmosphere in the blind box store. If many people show frustration and regret after tearing down the blind box, it is likely to change the consumer's buying decision process.

Impulsive purchasing and the pursuit of variety are relatively huge in the purchase of blind boxes. In the process of selecting blind boxes, consumers may even implement the purchasing action immediately because of momentary thought and generally do not plan their purchases. And it is also easier to pursue the purchase of variety. Some consumers may not get the one they want the most or may want to collect more because they have drawn one of the blind boxes in a series. Therefore, the attributes of blind boxes determine that it is very difficult for consumers to feel saturated and bored.

3.4. Post-purchase Behavior Analysis

In terms of consumer satisfaction, the moment the blind box is opened to reveal the image of the toy inside determines whether the consumer will be satisfied with the purchase. If they get their favorite kind, they will feel satisfied, and this satisfaction will continue for a long time because the internal toy has a certain ornamental value, and it is likely to influence the next blind box purchase. In terms of consumer psychology, even if the consumers are not satisfied after purchasing the blind box, consumers will gradually adapt to it because there is a certain psychological expectation of a bad outcome after opening it before the purchase. While some consumers will be aggravated with dissatisfaction if the gap between the opened blind box and the type of box, they want to draw is too big.

As for their discontent emotions, blind box consumers usually do not take extreme release methods for their grievances due to the specific probabilistic attributes of blind boxes, which are usually only to complain to others through social media and the period of time is short.

In terms of re-purchase, some consumers will form a preference for a product or brand through this purchase. Because the output of a blind box is usually a series, some consumers will want to continue to buy the same series after purchasing one of them. For example, Pop Mart has gathered a series of loyal and highly adhesive fan groups, who will only buy Pop Mart's blind boxes, and highly respect the concept and brand image of Pop Mart.

4. Factors Affecting Decision: Principal Analysis of "Blind Box Marketing"

4.1. Drawing Process: Uncertainty Incentives

The study of uncertainty in "blind box marketing" is usually applied to probabilistic products such as lotteries, gambling, and loot boxes in games. In games, free-to-play (F2P) [3], refers to the fact that most of the products and services in the game are free of charge, the game profits from the transactions, and the payment process enhances the player's gaming experience [4]. For example, the goods obtained after consumption in games are virtual goods, that is digital objects that exist in a digital environment [5], with functional, enjoyable, and social attributes.

In general, consumers are "risk averse" to such "uncertainty", but the game of drawing a blind box adds certainty to this risk. They will get a trendy toy; they just don't know which one. This reverses the consumer's risk aversion. Therefore, most consumers are likely to make repeat purchases, mainly because the moment they open the blind box, they not only get a toy as a material reward but also get a psychological reward of conquering uncertainty. Of course, there is a boundary condition for this kind of repetitive purchasing behavior: It is necessary to be able to know what you are buying immediately after the purchase.

4.2. Probabilistic Marketing Process

Blind boxes are probabilistic products, and the most essential difference between probabilistic products and traditional products is that they are not a specific product or service [6], but a possibility of "getting one of several products or services" [7]. Fixed rewards produce a softer stimulus to the brain, but probabilistic goods such as the blind box produce a variable-interval stimulus that fills the brain with dopamine, and the consumer is eager to find out the exact contents of the blind box. These types of products or services should satisfy horizontal differentiation, which means that even though the product varies on some specific attributes, the optimal choice for the consumer is related to his or her preferences. There is no common measure of good or bad for the consumer on that characteristic. For instance, the product's color, the style of the clothing, etc.

The play of drawing blind boxes allows consumers to buy "unknown toys" and the possibility enhances the fun and entertainment of consumer shopping. When consumers draw their own special toys or hidden versions, it will bring more than expected surprises, to enhance consumer shopping satisfaction and loyalty. When consumers fail to draw a satisfactory toy, the limited number of blind boxes, that is how many toys in a series is known, which in turn reduces the consumers' aversion to risk, and on the contrary, it motivates the consumers to continue to draw boxes.

4.3. Channels and Pricing

In addition, most of the blind boxes have their considerations in terms of channels and pricing. For example, Pop Mart has its characteristics. First, online Pop Mart has a very large number of trendy series for consumers to choose from. In Taobao, the official store contains 39 different series, and

each series has "12+1" models of different trendy toys. At the same time, Pop Mart takes differentiated pricing for the blind box, its price ranges from 59 to 2,899 yuan, suitable for all classes and needs of consumers. Second, the play of online blind box was officially launched by Pop Martin in May 2019, and the online blind box is similar to the offline one in a big way, including setting up a shake link so that participants can guess what might be inside the blind box by shaking it as they do offline [8]. Pop Mart has also subdivided the blind box in some ways, such as the "King Blind Box", where the probability of drawing the hidden version increases, but the price is also a bit more expensive than the regular blind box.

5. Promotion and Replication of "Blind Box Marketing"

5.1. Products Suitable for the "Blind Box Marketing"

Snacks and other FMCG products are very suitable for "blind box marketing", these products' price is very high, and consumers do not have specific preferences. The use of blind boxes can improve the interest of consumers to buy, in line with the consumer psychology of uncertainty reward [9].

5.2. Products not Suitable for "Blind Box Marketing"

First, "blind box marketing" is not necessarily suitable for the product with particularly strong practical functions, because the demand for such products is a clear need to obtain a certain function. If due to the attributes of the blind box and not knowing what the specific function is, it will enhance the consumer's psychological uncertainty risk perception so that consumers will feel repellent to buy it [10]. Product function cannot be drawn from the blind box, but the product appearance and color can be taken to draw the blind box method. Luxury goods are unsuitable for this model. Consumers purchase luxury goods because they have a special preference for a certain design, and the price of luxury goods is very expensive [11]. If this paper uses the blind box drawing method, it will raise the consumers' perception of the risk of psychological uncertainty, and thus they will reject this kind of play. Service products are also unsuitable for "blind box marketing", as the purchase of services in the service category is usually certain, and the use of blind boxes for services is likely to confuse.

6. Conclusion

The difference between "blind box" marketing and traditional marketing is the uncertainty that comes with opening a blind box. Blind trendy boxes are mainly trendy toys with ornamental and collectible values and potential appreciation. In the process of purchasing the blind box, consumers experience a stimulus-response like probabilistic marketing, which stimulates the desire to buy. In addition, the IP contained in the blind box will generate topics and trends with social value. Therefore, the topics triggered by the blind box promote spontaneous discussion among consumers, forming a social circle, increasing the sense of participation, strengthening consumer loyalty, and positively affecting purchase behavior. Meanwhile, in the "blind box" marketing, most of the products suitable for this mode are FMCG products, for which consumers have a very strong preference, while the unsuitable ones are functional products and luxury goods, which are not suitable for "blind box" marketing due to their specific functional value and price factors.

Based on objective data and through empirical analysis and observation, this study provides an in-depth discussion of the behavior of consumers in purchasing blind boxes as well as the marketing mode of blind boxes. Second-hand transaction data social data on social platforms and transaction data on e-commerce platforms were collected for the study, which has certain limitations due to the characteristics of the data itself and other factors. In addition, the data in this paper mainly focuses on Pop Mart and does not cover other blind box companies. This may lead to some bias in the results

due to the differences in the audiences of different companies and the differences in the size of audience groups between companies.

In future studies, it is necessary to include companies with flagship stores on e-commerce platforms and the products they sell in the dataset to ensure the accuracy of the findings. Subsequent studies could also collect relevant popularity data to measure the impact of IP attributes of blind boxes more accurately on their uncertainty and the extent to which social attributes interfere with consumer purchasing behavior.

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