

Research on Jelly Cat's Marketing Strategy Based on SWOT Analysis

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Abstract: In recent years, against the backdrop of the rapid development of the times, people's lives and mental pressure have become increasingly high. People increasingly need items that can express emotions, so some plush toys with calming effects have emerged. Based on this background, the SWOT model will be used to analyze and study the marketing strategy of Jelly Cat, a plush toy. Based on this analysis, it can be understood that Jelly Cat's marketing advantage is its superior quality. Moreover, its strong innovation ability continues to attract customer groups. Its disadvantages are higher prices and fewer consumption channels. In the current environment where people urgently need emotional support, Bringing it development opportunities. It is also important to note that the emergence of highly imitated products may impact genuine products, which is also a threat that needs to be considered. People can not only comprehend and acquire knowledge of Jelly Cat's marketing approach, but also offer valuable insights for other comparable businesses, foster the advancement of plush toys.

Keywords: Plush toys, Jelly Cat, Emotional value, Marketing strategy, SWOT analysis.

1. Introduction

Jelly Cat is a high-end gift brand that originated in London, UK, in 1999, specializing in children's soothing dolls. The name was given to a four year old child who loves jelly and cats. It mainly focuses on the developing and manufacturing of plush toys. It has always been committed to creating high-quality and cute plush toys. It can cure the restless adults who conquer everyone's hearts, enhancing people's joy and happiness in life. Therefore, it is deeply loved by children and adults, and quickly won a high reputation worldwide. It is aimed at people aged 0-100 is because it is endowed with warm and companionship emotional connections, inspiring people's love and desire for it. Jelly Cat's design philosophy is even more unique, refusing to make animal dolls like specimens, but pursuing uniqueness and creativity, and is also known as the "softest soothing toy in the world.". This article will analyze Jelly Cat's marketing model and brand innovation strategy using the SWOT model, and conduct in-depth research on the brand's leading reasons in the plush toy industry, to provide a better experience for other similar enterprises and promote the development of the enterprise and the plush toy industry.

2. Marketing status of Jelly cat

2.1. Jelly Cat's current marketing effectiveness

According to the official website, Jelly Cat has opened multiple offline stores nationwide, such as in Beijing, Shanghai, Shenzhen, Chengdu, and other places. The brand's official account also regularly releases offline exhibitions to attract consumers to take photos. From a global market perspective, Jelly Cat's operating revenue in 2022 was €146 million (¥1.157 billion), a 71% increase compared to 2021 [1]. According to an industry insider, Jelly Cat's revenue from Tmall alone was over \$100 million in 2022. In 2023, the sales of plush toys on the Tmall platform increased by 30.4% year-on-year, with Jelly Cat maintaining a high market share due to its strong sales performance and provocative design [2]. In 2023, the cumulative GMV successfully squeezed into the top ten sales of trendy toy stores. According to a report from the China Association of Amusements, during 2023, products priced above ¥400 accounted for 12.4% of the total sales. Among them, the average transaction price of Jelly Cat reached ¥465, further dominating the plush handicraft category [3].

2.2. Brand Innovation Strategy Analysis

Hunger marketing strategy: While launching various plush toys, Jelly Cat insists on innovating and constantly designing new series and limited edition plush toys. This keeps consumers who love Jelly Cat plush toys eager to purchase, which confirms Jelly Cat's strong marketing strategy - using scarcity and hunger marketing, through a fixed & limited edition model, to stimulate consumers' curiosity and drive their original psychology to place orders, and using the hunger marketing strategy of consumer truck psychology to promote product sales. Hunger marketing often refers to the phenomenon where businesses intentionally reduce product quantities or create hot selling queues, giving consumers a feeling of oversupply and scarcity to create a buzz for the product and ultimately sell it at a high price or achieve higher profits [4]. Its main manifestation is limited edition products. The emergence of truck psychology largely stems from the pressure and anxiety. People always try their best to find things that can give them with a sense of security in this unstable and insecure environment. Also, because people have a certain emotional dependence on Jelly Cat plush toys themselves, and this winter of card collecting psychology stems from the emotional and spiritual dependence on a certain objects [5]. The scarce supply captures consumers' pursuit of fresh and rare things. People with this card-collecting mentality generally believe that the more Jelly Cat plush toys they collect, the more they will feel secure and happy.

Social media KOL marketing strategy: In the era of rapid technological development, utilizing online social media platforms for marketing is a wise choice. Jelly Cat brand creates online and offline multi-dimensional channels to promote product sales. Offline physical stores provide offline experiences and purchasing services, enhancing consumer confidence and loyalty in purchasing. In addition to offline stores, Jelly Cat has set up flagship stores on online channels such as Taobao, Tmall, JD.com, Xiaohongshu, and WeChat Mini Program, greatly increasing the flexibility and scalability of the brand through multi-channel sales. Sell through official websites and e-commerce platforms and use online marketing to expand brand awareness and influence. Moreover, when promoting products, the brand also conducts advertising, public relations activities, and KOL collaborations. KOL (Key Opinion Leader) refers to individuals with a certain level of influence and expertise in a specific field [6]. For example, on the Xiaohongshu APP, cross-border cooperation is carried out with well-known IPs, celebrities, bloggers, etc. By creating content that meets the interests and needs of consumers and can resonate, such as sharing the experience and feelings of using the doll, publishing some promotional information, etc., with the influence of partners, expanding the scope of content dissemination through their reposts and recommendations, enhancing brand

awareness, and attracting fans to pay attention and purchase with the power of opinion leaders - this is also known as the celebrity effect [7]. Based on the hunger marketing mentioned above, the second-hand market of this product is extremely active, especially in China where "idle fish" are the main products. The second-hand toys traded on this market will be priced based on their popularity and whether they are limited edition, with most prices being higher than the original price. Based on this "profit margin" method, many resellers have also flooded into the second-hand market, further promoting the development of Jelly Cat's second-hand market. In turn, it also drives Jelly Cat's sales in China.

3. Analysis of Jelly Cat's Marketing Strategy Based on SWOT Theory

3.1. Strengths

Jelly Cat designs and manufactures soft and high-quality toys, such as plush toys, baby comfort toys, etc. These toys typically use soft materials and unique designs to cater to the needs of children of different age groups while attracting adult players' attention. Dolls under the Jelly Cat brand come in different materials and are divided into many types, such as wool rolls, rabbit fur, Miffy cashmere and snow rabbit fur. Rabbit plush fabric is a natural fiber fabric known for its softness, warmth, and other characteristics. The materials mentioned above have all passed the European Toy Safety Standards EN71-1, EN71-2, EN71-3, American ASTM, and domestic GB tests, while jewelry products (such as crossbody bags and keychains) comply with the EU Product Safety Directive for this product group [8]. Jelly Cat products are made of safe and soft fabrics, and have also been awarded the title of "World's Super Soft Toy Brand". This makes Jelly Cat toys very suitable for children and infants, and the peace of mind and trust of mothers are important pillars that keep Jelly Cat sales high.

Jelly Cat has a strong innovation ability, follows the concept of "not making animal specimens" and maintains a "anthropomorphic" design feature when innovating products. The previous doll market needed more vitality due to pursuing realistic dolls resulting in a dull and sluggish doll market. While its creative doll design brings the doll market back to life. For example, in the Amuseable (Fun) series launched in 2018, Jelly Cat painted smiling faces on objects that were originally lifeless and had no facial features - the bean eyed smiling face, and added limbs to personify the doll, giving it a new life [9]. In addition, Jelly Cats often come with slightly bizarre and nonsensical ugliness. For example, designs such as fried penguins and ugly and cute bat pigs cater to the current mental state of young people, resonating on some social media platforms - allowing dolls to always portray my "crazy" mental state. This is also the advantage that sets Jelly Cat brand apart from other plush toy brands.

3.2. Weaknesses

The prices of products under the Jelly Cat brand are 1-2 times higher than those of other similar brands. This limits the purchasing desire of some low consumers. High prices can lead to products or services losing their competitive advantage in a fiercely competitive market. The influx of competitors has led to the rapid emergence of imitations and substitutes, and it will force the prices of genuine products to drop sharply, causing difficulties in sales. High prices often make consumers less sensitive to their needs for products or services. Consumers will consider purchasing decisions more cautiously, or choose to delay or abandon purchases. It is not conducive to market development, increasing sales, and also not conducive to occupying and stabilizing the market, which can easily lead to the failure of new product development.

In addition, Jelly Cat's sales channels are relatively limited, mainly concentrated on official websites, with fewer offline physical stores, and are only distributed in more developed central cities. The limited sales channels make it difficult for enterprises to cover a broader range of potential

customer groups and reach different customer groups. It will lead to a decrease in the sensitivity of enterprises to the market, inability to adjust their strategy and product positioning promptly, difficulty in achieving rapid growth and market share enhancement, limiting the market potential of enterprises, affecting market expansion [10].

3.3. Opportunities

With the rise of the global middle class, there is an increasing demand for high-quality, safe, and environmentally friendly products. People's inner emptiness, lack of security, confusion, and helplessness, coupled with the serious social "involution", and they cannot get sufficient rest, problems such as anxiety, insomnia, and mental stress will follow. At this point, people are more willing to consume products that can bring them positive emotional value, and are also more willing to accept a certain degree of "luxury" within the scope of economic security, so that this "light luxury" consumption and the role of plush toy products themselves can be transformed into spiritual pleasure. Jelly Cat, named "healing," personifies dolls and gives them a personalized story background. Consumers are more willing to view these plush toys as independent lives and individuals, thus giving rise to some behaviors, such as registering dolls with household registration, dressing them, and taking them on trips. Through personal processing, these plush toys have their own persona, story, and life trajectory, which brings consumers closer to plush toys. This further leads to an increasing spiritual dependence and sustenance among consumers towards plush toys, resulting in a growing demand for plush toys. Meanwhile, plush toys are also essential products for children. Psychoanalyst Donald W. Winnicott once proposed the concept of "transitional object", which refers to the child's search for a second attachment outside of their mother, such as a blanket, mother's clothing, or plush toys. Therefore, parents will use plush toys as a comforting toy for their babies, giving them more sense of security. As children grow up, their dependence on comfort toys does not diminish with age but increases. Research has shown that the connection between this group and comfort products can still help these young people better adapt to life stress even as they grow up [11]. The Jelly Cat brand discovered the psychology and emotions of contemporary young people, made it able to help Jelly Cat break through the encirclement.

3.4. Threats

Jelly Cat is a plush toy brand from the UK, so what Jelly Cat needs to face is competition from domestic and international markets. Among so many competitors, high-end and traditional toy brands have a higher level of popularity, so they exert the greatest competitive pressure. In addition, the Jelly Cat brand has a relatively high selling price, leading to the emergence of many highly imitated products. In situations where the quality is similar but the price is greatly discounted, consumers tend to prefer products with good quality and affordable prices, which can lower the market competitiveness of the Jelly Cat brand.

With the rapid times, consumer preferences and needs are constantly changing. How to accelerate innovation and keep up with the trend of the times to meet consumer needs will also become a major challenge. In addition, the high patriotic sentiment in China in recent years has led domestic consumers to lean more towards domestic brands, which will also become one of the threats to the sales of the Jelly Cat brand in China.

4. Development suggestions

For products, Jelly Cat is impeccable in terms of softness and comfort, but it should pay more attention to the continuous innovation of the product. For example, the Doudouyan smiling face has been a selling point for a long time. It is worth considering whether other creative designs can be

added. On the other hand, Jelly Cat has a relatively high price and does not have a price advantage in competition with similar products. Therefore, the price can be adjusted appropriately to expand the customer base and promote sales growth. Moreover, the quality issues of the product itself must be addressed. For the issue of quality advantage, it is even more necessary for enterprises to insist on quality and safety testing of the product to ensure that the quality of the product is qualified and can be trusted by consumers.

For enterprises, although Jelly Cat has done a good job in online marketing on social media, in addition to promotion on social media, its marketing on traditional media and online media websites is still slightly insufficient, and it still needs to spend some time and effort to earn money for promotion and sales. For example, it is rare to see advertisements about Jelly Cat on TV, and it is also rare to see promotions on some app pages. These are areas where companies can think and improve. For enterprises, they can design some interesting advertisements to enhance brand awareness and reputation. In addition, Jelly Cat's product model is a combination of fixed and limited editions, and personalized customization services for consumers have not been fully promoted yet. For this reason, enterprises can provide more diverse, personalized services, and promote and advertise them in multiple places. Enterprises should adhere to local laws and regulations to standardize the product sales process and procedures, to promote the sustainable development of the industry. Furthermore, as Jelly Cat is a British brand, when exporting to China or other countries, it is necessary to follow the principle of consistency, treat exported products from different countries equally, and have the same standards for product quality. There should be no distinction between good and bad products to lead to market chaos.

5. Conclusion

In the era of rapid economic and social development and increasing life pressure, the emotional value provided by Jelly Cat plush toys has effectively alleviated people's mental and psychological pressure. People's dependence on Jelly Cat has greatly helped the brand's progress and development. This article explores the application and effectiveness of innovative emotional marketing strategies, innovative contact marketing strategies, and innovative social media KOL marketing strategies by analyzing Jelly Cat's marketing status and brand innovation strategy. The SWOT model also analyzes the brand's marketing strategy advantages, disadvantages, opportunities, and threats. It can be seen that Jelly Cat's marketing model is largely different from the marketing models of other similar enterprises, and these innovations have greatly promoted Jelly Cat's success and had a great impact on its marketing effectiveness. Especially in today's era of immense economic pressure, amidst the backdrop of internal competition and the urgent need to release pressure, the emergence of Jelly Cat has seized people's needs, seized opportunities, and completed a qualitative leap. At the same time, the popularity of Jelly Cat has also been greatly increased, strongly promoting its further development.

However, this article needs more specific research and examination of other companies in the same industry. It cannot obtain more accurate data to support the actual differences between Jelly Cat and other companies in the same industry. In future research, we will further explore the differences and connections between them, gain a deeper understanding of whether Jelly Cat's marketing model strategy applies to other plush toy brands and its reasons, and analyze their essential differences at a deeper level through forms such as questionnaires or interviews, and provide appropriate suggestions for communication and learning, thereby promoting the high-quality development of the plush toy industry.

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