

Research on Marketing Strategy of HEYTEA under New Media Environment

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Abstract: The emergence and development of new media have provided new ideas and paths for brands' marketing strategies, and countless brands have utilized the interactivity and real-time nature of new media to upgrade and transform their marketing and continuously enhance their influence and communication capabilities. HEYTEA is a clear example of using the new environment to create brand value. Through the case description, this paper will consider and study the brand communication behavior and unique marketing strategy of HEYTEA in new media. It will analyze how to make use of external opportunities such as the fast-emerging consumer groups and the fast-developing Internet and new media to overcome the problems of serious homogenization, over-marketing, weak public relations, and lack of community interaction, and explore the background reasons for these problems. Based on the issues identified, this paper will summarize the effective promotion path of the brand in the new media environment, further improve the marketing strategy of HEYTEA, and put forward practical suggestions and measures to provide consumers with more diversified services and products. The research in this paper can not only promote the optimization of HEYTEA's marketing strategy but also provide inspiration and reference for other tea brands in the industry, guiding more brands to adapt to the new media development environment and realizing the innovation and progress of the industry.

Keywords: brand marketing strategy, new media marketing, HEYTEA, marketing innovation, word-of-mouth

1. Introduction

1.1. Research Background

With the rapid development of the Internet and the new media industry, the way people communicate and information dissemination mechanisms are constantly changing, and new media are gradually penetrating people's lives. More and more brands want to seize the opportunity to enhance their communication power and influence with the latest economic model and development environment and realize the effective transformation of marketing. Various brands have actively launched new media marketing practices by establishing official accounts on social media platforms such as WeChat, Weibo, Little Red Book, and TikTok. Although the gradual increase in media users activates customer comments and discussions about brands, turning this content into practical and valuable

information for brand management is challenging. In this new era, capturing and differentiating user feedback on new media platforms is essential to understand the effectiveness and improving the efficiency of brand marketing [1].

As an emerging representative brand in the tea market, HEYTEA has been committed to creating an omnichannel marketing model that combines online and offline to realize the transformation of marketing strategy in the new media environment. After nearly a decade of development, HEYTEA has become an industry leader, opening 787 stores in dozens of cities in many countries around the world, with an average of one new store opening every week, an average of 2,000 orders per day, and an average of up to 1 million per month [2]. In 2017, HEYTEA was the first to cooperate with Meituan Takeaway, which pioneered the takeaway service for the beverage tea category. In addition, in 2018, HEYTEA also developed the “HEYTEA GO” app to improve the efficiency of store operations. By 2019, 15.82 million users were added to the “HEYTEA GO” app, and the total number of users reached 21.5 million [3]. This paper summarizes the effective promotion path of the brand in the new media environment by analyzing the brand communication behavior and the unique marketing strategy of HEYTEA in the new media and identifies some of the current problems of HEYTEA marketing. It further improves the brand promotion strategy, gives reference and inspiration for other brands, increases the competitiveness of the product, and at the same time, drives the continuous innovation and improvement of marketing in the tea beverage industry.

1.2. Literature Review

Regarding the research on the marketing strategy of HEYTEA in the new media environment, several scholars have conducted in-depth analyses and discussions. Huo proposed that the official Weibo of HEYTEA publish content on various topics, generally focusing on product promotion, interactive activities released to enhance the consumer experience, etc. HEYTEA has adopted a model of all-media channel communication, combining online traffic with offline physical resources. When consumers post adverse comments against HEYTEA on social media, the official account can quickly control public opinion, reassure consumers, and solve problems. In addition, Huo found that HEYTEA used visual identity and extension of peripheral products to bring consumers closer to the brand and enhance product exposure [1]. Shao analyzed that word-of-mouth marketing with the help of Internet platforms plays a crucial role in breaking the information barrier between companies and consumers and improving the efficiency of the whole marketing process [4]. HEYTEA has used hot topics for word-of-mouth marketing, but at the same time, due to the fierce competition in the industry, the marketing effect has been far less than in the early stage of development. Negative comments and cluttered messages have caused HEYTEA to lose many customers, and the marketing process needs to be revised and more costly.

Wang proposed that HEYTEA cooperate with KOLs and celebrities in social media to promote its products, use its official social accounts to shape the brand image, and conduct cross-border co-branding to enhance its brand influence [5]. This shows the total transformation of HEYTEA in the new media environment. In response to the current tea marketing environment, Wang argued that customers' needs are not static and have significant uncertainty. Only by constantly meeting customers' requirements and changing the company's strategies can the brand survive in the long run. Yang et al. analyzed that HEYTEA is adept at co-branding with different industries and infiltrating its products into various lifestyle scenarios [6]. Using hunger marketing can lead to a large amount of conversation and sales. Posting the product on social media will expand the brand's reach and attract more potential consumers.

In recent years, most articles have mainly studied the changes and characteristics of marketing strategies after the emergence of the Internet and new media. In the studies on HEYTEA, a tea beverage brand, scholars have mainly focused on HEYTEA's unique all-media marketing strategy

and the description of its marketing advantages, using SWOT, 4P model, and PEST in-depth analysis. However, few scholars have studied the problems and drawbacks brought by the current new marketing model of HEYTEA, the phenomenon of homogenization, the hazards when all brands transform into the same marketing model, etc. The latest problems brought by the new media environment may become factors affecting brand promotion, and the current research in this area still needs to be completed.

1.3. Research Framework

The research in this paper is based on the environmental context of new media and analyzes the marketing strategy of HEYTEA. The article's structure is as follows: The first part is the introduction, which introduces the research direction, research content, and value of this paper. The second part is about the introduction and analysis of the marketing examples of HEYTEA. The third part is based on the case study to identify the problems in marketing and the reasons for them. Next, it proposes solutions and new marketing approaches to address the issues and the current situation. The last part is the conclusion, which summarizes the study's viewpoints and limitations.

2. Case Description

2.1. All-Media Channel Marketing

HEYTEA has fully utilized new media marketing to attract its customer base through social media publicity and promotion. It uses Weibo, WeChat, Little Red Book, and other platforms to expand its fan base and popularity and maintains close and positive interactions with its fans [7]. For example, HEYTEA has launched the topic of "sharing moments of love for life" on Weibo, soliciting online contributions from netizens to establish an emotional connection with consumers, bringing the brand and users closer socially with an approachable image, and subconsciously conveying the brand's image. In addition, creating the "HEYTEA GO" app solves the queuing problem, which puts pressure on store operations. Mini programs can provide more diversified services, such as pre-orders, points for gifts, etc., to better pool consumer data, further segment consumer groups while harvesting new users, activate the old users, and improve user retention and re-purchase rate [8].

2.2. Cross-Border Co-Branding Marketing

The primary target audience of HEYTEA is still the young group. Young groups like a sense of identity, and increasing cross-border cooperation can effectively create a sense of identity. Along with people's diversified consumption requirements, multi-brand marketing and IP cross-border cooperation has become inevitable. From 2017 to 2021, HEYTEA carried out more than 70 cross-border marketing cooperation activities [9]. Recently, the co-branding of HEYTEA with the luxury brand "Fendi" and the gold brand "Chow Tai Fook" has attracted much attention and popularity among consumers. Consumers purchased limited peripheral products and shared and spread them on social media. Through these co-branding activities, consumers developed a stronger sense of brand experience and engagement and made the brand more youthful and competitive.

2.3. KOLs & Celebrity Promotion

HEYTEA often uses KOLs and celebrities to post pictures or soft articles on social media to promote new products. Offline, it also organizes various activities and invites KOLs to the site for tasting. Many fans will generate consumption behavior due to their love and trust in KOLs, which expands the potential audience and deepens consumers' brand impression. Secondary communication through the fan base effectively increases the influence and popularity of HEYTEA. At the same time, the

positive image of KOLs and celebrities will also bring a positive reputation to the brand. In addition, HEYTEA has created its live streaming room, inviting KOLs to introduce new products and the production process, actively interacting with netizens online, and answering questions.

2.4. Hunger Marketing

HEYTEA has always insisted on product innovation, creating scarcity and constantly updating limited edition products. Queuing to order has been a hallmark of HEYTEA, and the brand makes a scene of oversupply for consumers to stimulate their desire to buy and their sense of nervousness [10]. Excessive marketing can have adverse effects. However, HEYTEA has kept this strategy within a reasonable range. With the arrival of the new media era, hunger marketing is more often shown in the limited, seasonal products online publicity campaign so that consumers produce psychological resonance and herd mentality, thus increasing product sales.

3. Analysis of Problems

3.1. Serious Homogenization

Brand homogenization is one of the major problems encountered by HEYTEA, which is regarded in economics as the phenomenon that the products of a specific category in a particular region will be approximately the same at the late stage of the competition, so it is difficult for consumers to distinguish the difference between the products [1]. With the continuous development and upgrading of the new tea drink market, the competitors of HEYTEA have been increasing, and NAIXUE, ChaYanYueSe, Cha Panda, and so on have all become the favored brands of young people. The marketing strategies of various brands are also borrowing from each other and gradually tend to be the same, whether it is packaging design, promotional activities, or product categories and names that are very similar. The brand recognition of HEYTEA has become blurred as a result. Homogenization makes it difficult for the brand to leave a unique and exclusive impression in the minds of consumers, and the effect of marketing communication is significantly reduced. Product elimination is getting faster and faster, and consumers cannot form a biased perception of a particular brand among the dazzling tea drink brands. The homogeneity of the brand image and the homogeneity of the products make it difficult for the brand personality to have space to develop on the new media platform [8].

In this emerging market with serious homogenization and fierce competition, HEYTEA must seek differentiation advantages, solidify its brand image, and form differentiated perceptions in the minds of consumers to win in the competition.

3.2. Excessive Marketing and Low-Cost Efficiency

The excessive marketing of HEYTEA is mainly reflected in the frequent cross-border cooperation and hunger marketing. Although cross-border co-branded products can arouse consumers' interest quickly, the stickiness could be higher, and there is a risk of mixed reviews. Although the popularity attribute can produce consumers' interest temporarily, it stimulates consumers' interest in the long term. Frequent cross-border cooperation will weaken the brand identity; consumers are used to cross-border co-branding mode, gradually weakening the brand's identification and leading to only a short-term interest in consumers. Or most consumers hold the mentality of trying to complete a one-time consumption and need to produce loyal consumers and consumer stickiness.

Excessive hunger marketing will gradually wear down consumers' patience and the product's favorable impression. Long queuing time is the negative impact of hunger marketing; many consumers will be unable to contact the brand directly for a long time to reduce the desire to buy. In addition, to purchase the product, some consumers can only find a ticket scalper, who constantly

increases the price of the product and profits from it; the brand's image and reputation will also receive significant damage.

3.3. Weak Awareness of Crisis Public Relations

In 2021, the collaboration between HEYTEA and Durex led to a significant crisis public relations event. The Durex advertisement is famous worldwide, and as a typical case, the Durex advertisement has excellent creative text in the whole process of market operation. The ads are interesting and very much in line with the essence of brand building and development, highlighting the personality and style of the Durex brand. However, once the expression of these advertisements got out of hand, it was difficult to avoid it turning vulgar and filthy. Durex triggered resentment and discomfort when it published a new text, but at the same time actively interacted with HEYTEA by using the ads to promote HEYTEA's products. This behavior led to solid consumer resistance and antipathy towards HEYTEA, affecting product sales. Although the brand responded and apologized even though it was given, HEYTEA's image was still hurt to a certain extent.

From this cooperation, it can be seen that HEYTEA's awareness of crisis PR needed to be more apparent, the marketing program required to consider consumers' feelings fully, and there needed to be a rigorous review and crisis response program when choosing a partner.

3.4. Limited Interaction with Consumers

Due to the difficulty of communicating and interacting with consumers offline, HEYTEA relies more on social media platforms to initiate discussions or promotional activities to increase intimacy with consumers. If the brand's promotions and advertisements are spread too much on social media platforms, it is easy to cause users to be rebellious and become bored and disgusted with the brand [8]. Most consumers believe that contact with the brand is limited to the purchase of products; the brand launched the marketing content activities in the form of people who need a higher sense of participation and initiative. And most activities can only bring a short-lived heat; the publicity effect will decline as time passes.

Consumers think their chances of winning are low for online lucky draw campaigns, so they are reluctant to try. For offline interactive activities, consumers do not have enough time to participate and are not necessarily interested in the theme of the activity. Thus, consumers must still be aware of the brand's social interaction. It is difficult for HEYTEA to reach consumers' behavior directly, which requires HEYTEA to optimize its operation mode and strengthen communication and interaction with consumers.

3.5. Lack of Community Marketing

HEYTEA has made great efforts in personalized marketing, especially after each consumer purchase; HEYTEA will collect consumers' feedback and opinions through small WeChat programs or messages and then launch suitable products for consumers according to different preferences. In addition, new product releases are also notified to consumers promptly. However, HEYTEA could be better in its management and marketing of the community. First, in spreading the brand, many loyal consumers gather in the online social media space to form a community of friends and gain the identity of "HEYTEA fans" [11]. Building a consensus group is an essential issue for HEYTEA to consider. Secondly, this group of fans has higher motivation, loyalty, and consumption potential. If HEYTEA can utilize this critical group of people, it can also explore more potential consumers. Their positive interactions can convey the brand's cultural values. In this atmosphere, consumers' emotional energy will continue to accumulate, which will not only increase the brand's exposure but also increase consumers' sense of belonging to the brand.

3.6. Lack of Opinion Leader's Voice

The need for opinion leaders to speak out for HEYTEA limits the brand's and consumers' communication. The brand spokesperson can be understood as a celebrity endorsement, but it also can be understood as an opinion leader with social influence or a certain amount of fans [3]. So far, HEYTEA has yet to have an official brand spokesperson or a fixed opinion leader to speak for it. A clear opinion leader can show the brand's qualities, convey the brand's cultural value, and impress consumers. After HEYTEA's mass communication, it needs to include the process of being communicated by opinion leaders to the general audience again. Opinion leaders, as the brand's voice, can share and interact with consumers promptly instead of the brand, and consumers will be more trusting and recognize the opinions put forward by opinion leaders. The publicity of opinion leaders can drive word-of-mouth marketing and transform potential consumer groups into ultimate consumer groups.

4. Suggestions

4.1. Promote Brand Differentiation

4.1.1. Integrated Media Marketing and Innovative Communication Content

Media platforms are highly interactive and connected. HEYTEA must reach the target and potential consumers on different social media platforms. At the same time, the decentralized media platforms should be integrated and interoperable to achieve resource sharing. When using composite media platforms for marketing, it should focus on the content output of all media platforms, which can be achieved through marketing methods such as promotional discounts and combining the differentiation between platforms [3]. In addition, due to the mobility and real-time dissemination of social media, marketing trends are changing dynamically. HEYTEA needs to pay attention to the movement and the fluctuation of the data, expand and adjust the marketing strategy in time, and innovate the marketing content.

HEYTEA can promote offline sales with online marketing promotions, follow the hot topics and find the right fit between the topic and the brand. To stimulate the interest of consumers, HEYTEA can use a lottery, and those who do not win the prize can be given total reduction coupons to enhance the desire to buy.

4.1.2. Establish Communities and Strengthen Interaction

HEYTEA's current membership system has more than 20 million registrants, which has the prototype of private domain traffic [1]. Therefore, HEYTEA can gather its loyal fan base and establish a community, creating an exclusive name for the community. The brand can publicize its products, respond to feedback, and sell them in the community. The community is a platform to understand consumers intuitively, and the brand can collect and analyze consumer data promptly to continuously optimize the marketing plan to meet consumers' needs. The community should have a unique membership mechanism and community rules, language, and culture, which will enhance the relationship and cohesion of the consumer group and improve consumer interaction and experience.

HEYTEA can let consumers open their tea store online through the APP, and the game includes decoration, product selection, sharing, etc. Consumers can redeem actual goods offline by accumulating the amount of goods sold. And all store owners in the online game will also be ranked to increase interactivity and fun.

4.2. Reasonable Cross-Border Marketing and Innovative Forms of Communication

4.2.1. Enrich Cross-Border Marketing Fields

HEYTEA's co-branding collaboration can go beyond cross-branding and reach different areas and cultures. In today's prevalent trend of the national movement, HEYTEA can promote traditional Chinese culture, blending ancient and modern features. For example, it can actively cooperate with the National Museum and the art of paper-cutting to develop more peripheral products and attract consumers' attention. This kind of humanistic art promotion can expand consumer perception and create emotional resonance with consumers. Broadening the field of cross-border marketing enriches the consumer experience, creates a new brand style, and enhances the brand's competitive advantage. Diverse co-branding content allows brands to reach more potential consumers.

4.2.2. Build Up Word-of-Mouth and Moderate Marketing

HEYTEA should use marketing strategies wisely and choose the right partners. Co-branding should be carefully considered, and there should be enough commonality between brands. Although HEYTEA is skilled in co-branding, it should not mindlessly increase the number of partners but control marketing costs and publicize the brands efficiently. Establishing word-of-mouth requires the consumer's voice, so HEYTEA can regularly publish online discussions, relying on the production mode of user-generated content, which can promote the cycle of dissemination. And for users, the highly participatory format can increase user stickiness. Brand image and word-of-mouth will be gradually built up through information dissemination.

4.3. Build a High-Quality Brand Image

HEYTEA should improve its crisis communication skills and cultivate corporate social responsibility to build a solid brand image. In the early stages, HEYTEA should strengthen its ability to monitor public opinion and utilize big data and other technologies to monitor brand keywords 24 hours a day to ensure that risks can be detected and controlled at the budding stage of a crisis. Previous adverse events have shown that HEYTEA needs a professional crisis communication team to adopt different programs promptly, depending on the importance of the situation. In addition, public interest marketing can greatly reflect corporate social responsibility. Combining concern for general welfare with the Internet can gain consumers' emotional recognition through media communication and enhance brand influence.

4.4. Cultivate Exclusive Opinion Leaders

HEYTEA can look for an exclusive opinion leader to speak for itself, a celebrity or a representative of a specialized field that fits the brand image, or, more likely, a loyal brand consumer [12]. Customer reviews influence other customers to make purchases. When loyal consumers act as opinion leaders, they represent the general public. The content they share on the social network may seem to have little to do with business and is more related to daily life. Still, precisely because it is more authentic, it is more credible to the general public and, at the same time, possesses a higher penetration. For HEYTEA, KOLs with more significant influence and power in the food industry can also help HEYTEA increase its exposure and impact.

However, opinion leaders have the characteristic of variability, and their character image will change due to certain remarks and events, and their attention will slowly fade over time [3]. Therefore, an exclusive and fixed spokesperson is crucial to establishing HEYTEA's brand image and is more likely to be recognized by consumers in the long term.

5. Conclusion

Taking HEYTEA as the research object, this paper analyzes the unique marketing strategy of HEYTEA in the new media environment, identifies the problems and loopholes, and gives relevant suggestions and measures to deal with them. Through the case description, this paper finds that HEYTEA utilizes omni-media channel marketing and is adept at cross-border co-branding and publicity with the help of KOLs. However, as the competition in the industry is getting fierce and the phenomenon of brand homogenization is severe, more and more brands are borrowing the same marketing model, which leads to consumer interest fatigue. In addition, HEYTEA's strategy also suffers from excessive marketing, weak awareness of crisis public relations, limited interaction with consumers, lack of community marketing, etc. In response to these problems, this paper proposes optimization plans. Firstly, it is necessary to promote the differentiated development of HEYTEA, innovate communication content, and establish communities to enhance interaction. Secondly, it is essential to rationalize cross-border marketing, constantly enrich the areas involved, and build up word of mouth. Next, to build a favorable brand image and establish corporate social responsibility. Finally, HEYTEA should cultivate exclusive opinion leaders to increase brand exposure and gain consumers' trust and recognition.

The research in this paper not only analyzes the marketing of HEYTEA in detail but also shows the common problems in today's tea beverage industry, which has specific business value. The measures mentioned in this paper can help brands in the same industry to learn from each other effectively, and the negative impacts brought by improper marketing can alert tea beverage brands other than HEYTEA to avoid the hidden dangers promptly. By enhancing its marketing strategy, HEYTEA can strengthen its differentiation advantage, improve its brand image and influence, and gain more potential and loyal consumers. In addition, the research in this paper can guide the tea beverage industry to continuously innovate the marketing communication mode and content, realize industrial upgrading, and increase the industry's overall competitiveness.

Due to the limited academic ability and research capacity, this paper's analysis of HEYTEA's marketing strategy and marketing problems could be better and in-depth and needs to be supported by more relevant literature and data to enhance the objectivity and reliability of the study. The new media environment has been in continuous development. Hence, the current analysis is not set in stone and needs to be updated and refined according to future trends.

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