



A Study of the Marketing Strategy of MIXUE in Thailand

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ABSTRACT

With the development of the economy and the rapid growth of China's beverage industry, consumer demand has become diversified, and the beverage market has also shown a trend of diversification.

This study focuses on the market strategy of MIXUE, and applies the 7Ps theory and SWOT analysis to explore its success factors and challenges in the beverage market. The goal is to explore the application status of the 7Ps theory in the market strategy of MIXUE, and to provide optimization suggestions for its future development based on the SWOT analysis.

This study used the documentary research method, analyzing relevant domestic and foreign literature, official data and industry reports, and drew research conclusions. The study found that the success of MIXUE is inseparable from the synergistic effect of price, product and promotion strategies in the 7Ps theory. Rich milk and tea products, low prices between 15-50 baht, a wide range of offline franchise stores, interactive and flyer promotion methods, standard service processes, and four major store specifications have helped MIXUE quickly gain a wide market share. In addition, the SWOT analysis reveals that MIXUE should further strengthen product innovation, expand online sales channels, and enhance brand image management. By optimizing these strategic initiatives, MIXUE can continue to improve its market competitiveness and achieve more stable development in the future.

Keywords: MIXUE, marketing strategy, 7Ps theory, SWOT analysis

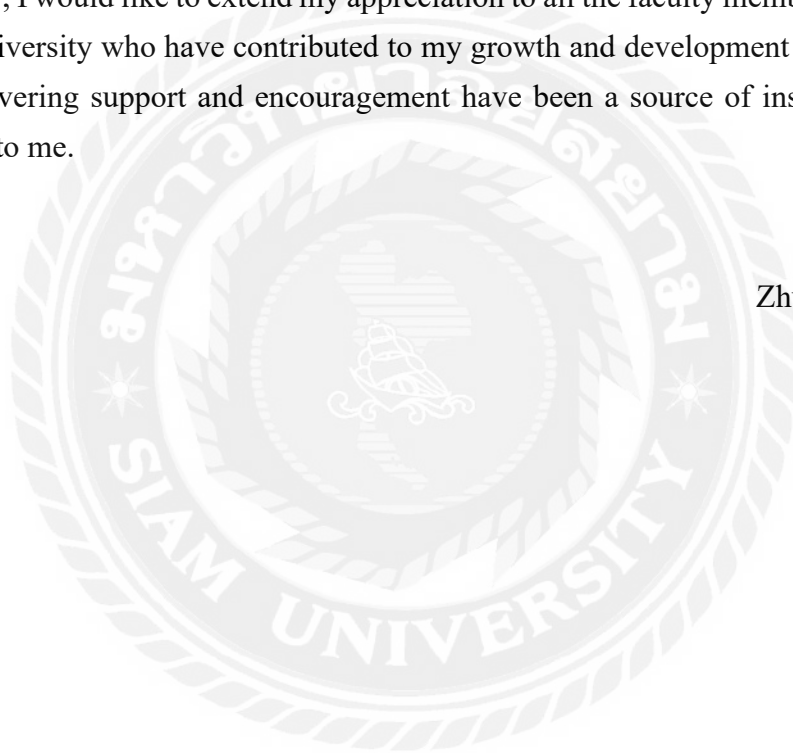
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Zhu Chengfeng



DECLARATION

I, Zhu Chengfeng, hereby declare that this Independent Study entitled “A Study of the Marketing Strategy of MIXUE in Thailand” is an original work and has never been submitted to any academic institution for a degree.



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(Zhu Chengfeng)

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Chapter 1 Introduction

1.1 Background of the Study

At the end of the 20th century and the beginning of the 21st century, modern beverages, mainly milk tea, gradually entered the Chinese market. With the rise of China's economy, the beverage market has gradually prospered. and with the continuous diversification of consumer demand, the beverage market has also become diversified. As a result, various beverage brands have sprung up like mushrooms in the beverage market, and each brand has gained a certain market share through unique market strategies.

As one of the representative brands of China's beverage industry, MIXUE has risen rapidly and expanded on a large scale with its “high quality and affordable” market strategy. The rapid rise of MIXUE has a distinct research value. As a highly representative enterprise in the industry, MIXUE occupies a dominant position in the affordable market. Through the “high quality and affordable” market strategy, it has created a “people-friendly” brand image, and with the “three-in-one complete industrial chain”, i.e. R&D and production, warehousing and logistics, and operation management, as well as a wide range of franchise models (<https://www.mxbc.com/>), it has quickly acquired a huge consumer base and has become an important way to observe the development trend of the beverage industry. MIXUE's successful experience has important reference value for other beverage brands and the entire beverage industry. Through in-depth research on MIXUE's market strategy, it can help companies understand how to achieve rapid expansion through innovation and efficiency improvement in a highly competitive market. however, MIXUE also faces difficulties and challenges, such as fierce market competition, diversified consumer demand, and increased supply chain costs. The purpose of studying MIXUE is not only to summarize successful experiences, but also to explore how to deal with these difficulties and challenges and provide a theoretical basis for its future development.

The 7Ps theory is a classic strategic analysis tool in marketing theory. It expands the traditional 4Ps theory: Product, Price, Place, Promotion, adds Participant, Process, and Physical Evidence, pays more attention to customer service, is customer-centric, emphasizes customer needs, improves service quality, and meets different customer experiences, thereby improving service quality and customer satisfaction (Wikipedia, 2016). It is more suitable for analyzing complex market strategies in the service industry and fast-moving consumer goods. As a representative brand of the beverage service industry, MIXUE can use the 7Ps theory to cover multiple dimensions of its marketing

strategy and make the analysis more comprehensive. As an important part of the service industry, the beverage industry not only needs to analyze its traditional factors such as products and prices, but also needs to pay attention to the service process, store environment and the management of front-line service personnel in an era that pays more attention to service quality and customer experience. Through the 7Ps theoretical framework, the specific practice of MIXUE's marketing strategy in various factors is fully analyzed, providing theoretical support for MIXUE to optimize its market strategy and solve difficulties and challenges.

The SWOT analysis, also known as situation analysis, is a market strategy tool for analyzing and evaluating the internal strengths and weaknesses of an enterprise and external opportunities and threats (Wikipedia, 2018). MIXUE's market strategy not only involves the effective use of its internal resources, but is also closely related to changes in the external market environment. The SWOT analysis, can systematically reveal how MIXUE's internal advantages drive market expansion, the limitations of internal disadvantages on corporate development, how external opportunities create new opportunities for enterprises, and the impact that external threats may have on enterprises. This study can also provide targeted plans for MIXUE's future development, such as how to strengthen its own competitiveness to cope with fierce market competition, how to better serve customers to cope with diversified consumer demand, and how to reduce supply costs. The SWOT analysis not only focuses on current strategic performance, but also emphasizes the dynamic adjustment ability of strategy, which is conducive to helping MIXUE better cope with market changes.

This study uses the 7Ps theory and the SWOT analysis to explore the core elements of the beverage industry market strategy, supplement the theoretical research on industry market strategy from the perspective of theoretical value, enrich the case analysis of the practical application of the 7Ps theory in the service industry, and use the SWOT analysis to reveal the competitiveness of MIXUE. From the perspective of practical value, it provides targeted strategic suggestions for the future development of MIXUE, and also provides reference for other beverage brands' successful experience, which is conducive to formulating market strategies in a fiercely competitive market. From the perspective of social value, it helps to understand how to promote consumption upgrades and economic growth through business innovation.

1.2 Questions of the Study

1. What is the current status of the application of the 7Ps theory in MIXUE's marketing strategy?
2. Using with the SWOT analysis, what specific optimization suggestions can be put forward for MIXUE's future development to help it further enhance its market competitiveness?

1.3 Objectives of the Study

This study aims to analyze the application status of the 7Ps theory in MIXUE's marketing strategy, and uses the SWOT analysis to provide targeted suggestions for MIXUE's future development to help it optimize its market strategy and enhance its competitiveness.

1. To explore the application status of the 7Ps theory in MIXUE's marketing strategy.
2. To provide suggestions for MIXUE based on the SWOT analysis.

1.4 Scope of the Study

This study mainly focuses the marketing strategy of MIXUE, and uses the 7Ps theory and the SWOT analysis to conduct a comprehensive analysis of the marketing strategy.

This study took up to six months to complete the data collection and field investigation, and consulted about 30 relevant academic papers and documents, covering the current status of the beverage industry and the case analysis of MIXUE. The analysis focused on the period from 2020 to 2024, analyzing the development status and development trend of the industry in recent years.

1.5 Significance of the Study

This study mainly focuses on the marketing strategy of MIXUE. By using the 7Ps theory and the SWOT analysis. An in-depth analysis of the marketing methods and competitive strategies used by MIXUE in market competition help enrich the theoretical research on marketing strategy, improve the application of relevant theories in the actual market, and provide reference for the study of marketing strategy, brand strategy and other directions.

This study analyzes on the success factors of MIXUE in the fiercely competitive beverage market. By finding out the success factors and the difficulties and challenges in practice, it provides reference for the practical application of formulating market

strategies. The specific analysis of products, prices, channels and other aspects can also provide a reference for the industry in a certain aspect or as a whole in specific marketing strategies, and also provide suggestions for similar brands, helping them to adjust and optimize their own marketing strategies in a timely manner according to market changes.

1.6 Definition of Key Terms

MIXUE is a Chinese tea brand founded in 1997. It has rapidly expanded its market with the strategy of “affordable price and high quality”. Its core products include milk tea, ice cream and fruit tea. Through low-price strategy and standardized operation, it has successfully covered the whole country and some overseas markets. MIXUE's business model is mainly based on franchising, and its brand positioning focuses on mass consumer groups, especially the sinking market.

Marketing strategy is a global planning of possible or existing situations and problems in the market in order to achieve certain marketing goals in a complex market environment. It involves market segmentation, target market selection and positioning (STP), and meets consumer needs, enhances competitiveness and achieves sustainable development through the effective application of marketing mix.

The 7Ps theory is a classic strategic analysis tool in marketing theory, including Product, Price, Place, Promotion Participant, Process and Physical Evidence. This theory comprehensively covers the core elements of corporate marketing activities and helps companies plan and implement market strategies more systematically.

SWOT analysis, or situation analysis, is a marketing strategy tool for analyzing and evaluating a company's Strengths and Weaknesses, Opportunities and Threats.

Chapter 2 Literature Review

This chapter mainly reviews the concepts of MIXUE, the 7Ps theory: Product, Price, Place, Promotion, Participant, Process, and Physical Evidence, and the SWOT analysis method which is used to analyze the current advantages, disadvantages, opportunities and challenges of MIXUE in the market.

2.1 MIXUE

In 1997, Zhang Hongchao founded MIXUE in Zhengzhou. In 2006, the first “one yuan fresh ice cream” was launched and became very popular. In 2008, “Zhengzhou MIXUE Trading Co., Ltd.” was officially registered, with more than 180 franchise stores. In 2018, MIXUE went to Vietnam, and the first store officially opened in Hanoi. In September 2022, MIXUE entered Thailand and established a branch. As of December 31, 2023, MIXUE has more than 34,000 stores in 33 provinces, municipalities and autonomous regions in China, and about 4,000 stores overseas (<https://www.mxbc.com/>).

Relying on the core positioning of “affordable and high quality”, MIXUE has become a well-known brand in the Chinese beverage industry, and has gone overseas to expand markets in Southeast Asia, Oceania, and the Americas. Its products cover a variety of categories such as ice cream, milk tea, and fruit tea. MIXUE has an official slogan “Let everyone in the world enjoy high-quality and affordable delicacies”. It has attracted a large number of consumers through its affordable strategy, and mainly occupies the low-end market share in China's second- and third-tier cities. Unlike in China, after going overseas, MIXUE has transformed into a “light luxury brand” like the crown on the head of the Snow King. MIXUE's first stores in Sydney and Tokyo are both opened in the most prosperous CBD business districts (FoodTalks, 2023).

The three-in-one industrial chain is MIXUE's trump card: R&D and production, warehousing and logistics, and operation management. MIXUE has an independent product development team and independently develops products. It realizes the self-production of core raw materials and has a number of patented technologies. It has its own warehousing system and logistics system, and has realized the service of providing franchise stores with free shipping and delivery of raw materials. It formulates the brand's business strategy, stipulates the scale standards, services, and quality standards of stores, and conducts comprehensive training.

MIXUE has formulated localized innovations that are adapted to local conditions. Taking Thailand as an example, MIXUE's market strategy first targeted the Chinese

community and the student community. In September 2022, MIXUE entered Thailand and took “opening near the university” as its location strategy. The first MIXUE was opened near Ramkhamhaeng University, and branches were expanded near universities such as the University of the Chamber of Commerce, Burapha University, Bangkok University, Thammasat University, Kasetsart University, and Mahidol University. With its high-quality and low-priced products, it has successfully won the favor of many students (TAP Magazine 2023). In terms of price, a MIXUE ice cream costs 15 THB, equivalent to about 3 yuan in RMB, Fresh Lemonade 20 THB, equivalent to about 4 yuan in RMB, and strawberry sundae 40 THB, equivalent to about 8 yuan in RMB, which is almost the same price as in China. Through the mutual dissemination of Chinese groups such as Chinese tourists and international students on the Internet, the brand awareness and recognition in the Thai market are enhanced. In addition, the “Snow King” of MIXUE's Thailand store wore a crown costume with Thai characteristics, and was ridiculed by netizens: Wearing gold and silver, so rich.

As of the beginning of last year, Michelle had nearly 22,000 franchise stores worldwide, becoming the world's fifth largest fast-food chain, second only to McDonald's, Subway, Starbucks and KFC (The Economist, 2023).

2.2 Marketing Strategy

The concept of marketing strategy originated in the 1960s. It refers to the overall planning of enterprises for situations and problems that may or have occurred in the market when they have not achieved certain marketing goals in a complex market environment (Wikipedia, 2018). It covers target market selection, resource allocation, marketing strategy and other aspects. H. Igor Ansoff first systematically expounded the concept of strategic management in his book *Corporate Strategy*, and proposed four growth strategies: market development, product development, market penetration and diversification (Ansoff, 1965). Since then, Michael Porter has further enriched the market strategy theory through *Competitive Strategy*, and proposed three competitive strategy models: cost leadership, differentiation and concentration (Porter, 1980). These theories lay the foundation for how enterprises formulate market strategies. Formulating an effective market strategy can maintain brand competitiveness in a rapidly changing market.

According to the content classification, marketing strategies include market penetration strategy, market development strategy, market development strategy and mixed market strategy. According to the nature classification, there are offensive, defensive and retreat strategies. According to the stage of the product in the market, it

is divided from the introduction product strategy to the growth product strategy, then to the mature product strategy, and finally to the decline product strategy. When an enterprise formulates a market strategy, it should follow the following five principles: the principle of relative unity between micro and macro, the principle of leveraging strengths and avoiding weaknesses, the principle of systematization, the principle of economic rationality, and the principle of selecting the best solution.

Porter proposed that through differentiation strategy, enterprises can establish unique value in competition and provide consumers with irreplaceable products or services (Porter, 1985). For example, through brand positioning and service innovation, service-oriented enterprises can stand out in the market. Philip Kotler believes that the core of market strategy is customer-centricity, and precision marketing is achieved through market segmentation and differentiated positioning (Kotler & Keller, 2012). This approach is particularly suitable for industries with complex and diverse demands, such as the tea beverage industry, where enterprises need to design personalized products and services for different consumer groups. In the context of low-cost strategy, market strategy emphasizes how to improve service value while maintaining low-price advantage. Research has found that low-price strategy requires not only efficient cost control, but also marketing innovation and supply chain optimization to maintain competitive advantage (Prahalad & Hamel, 1994).

2.3 Marketing Theory of 7Ps

The 7Ps theory refers to Product, Price, Place, Promotion, Participant, Process, and Physical Evidence, which is the continuation and development of the 4Ps theory. In 1964, McCarthy proposed the 4Ps theory, namely Product, Price, Place, and Promotion. In 1981, Booms & Bitner added Participant, Process, and Physical Evidence to this theory, which is the 7Ps theory, forming the basic framework of service marketing (Wikipedia, 2016). The 7Ps theory pays more attention to customer service, is customer-centric, emphasizes customer needs, improves service quality, and meets different customer experiences, thereby improving service quality and customer satisfaction. In the case of saturated product market, it is more necessary to focus on service quality marketing and win customer loyalty through word of mouth.

Product: The core product or service provided by the enterprise, including its function, quality and the degree of matching with consumer needs.

Price: The cost that consumers pay for a product or service, including direct price, discounts, and additional costs.

Place: The delivery method and location of a product or service, including the coverage of physical stores and online channels.

Promotion: The spread of information through advertising, promotional activities, public relations, etc. to increase product awareness and attractiveness.

People: The interaction between corporate employees and consumers. Bitner (1990) pointed out that in the service industry, the attitude, ability, and service level of employees directly affect customer experience and satisfaction. For example, in the catering industry, the politeness and professionalism of service staff are important factors in determining customer loyalty.

Process: The service delivery process, including the efficiency, standardization, and consistency of service provision. Optimization of service processes can reduce customer waiting time and improve overall satisfaction (Zeithaml et al., 1985). For example, the fast food industry has improved service efficiency and customer experience through process standardization.

Physical Evidence: The tangible elements that consumers come into contact with during the service delivery process, including store design, facilities and equipment, decoration, and environmental atmosphere. These factors can convey brand value and enhance customer experience (Booms & Bitner, 1981). For example, coffee chains enhance brand appeal and consumer loyalty through carefully designed indoor environments.

The 7Ps theory has been widely used in service industries, such as catering, retail, tourism, education, and medical fields. Studies have shown that service industry companies can significantly improve customer satisfaction and market competitiveness by optimizing the 7Ps combination (Kotler & Keller, 2012). The elements of 7Ps do not exist independently, but are interconnected. For example, the optimization of personnel and processes can enhance consumers' identification with the physical environment, while the implementation of promotional strategies needs to be coordinated with the price and channel combination (Bitner, 1990). With the popularization of digitalization, the application areas of the 7Ps theory are constantly expanding. E-commerce platforms and digital marketing tools enable companies to optimize their 7Ps combination in a virtual environment. For example, online customer service staff, online service processes, and websites and apps have become important components of virtual Physical Evidence (Kotler & Armstrong, 2017).

2.4 SWOT Analysis

The SWOT analysis is an important tool for strategic planning and decision-making, which can help enterprises systematically identify key factors in the internal and external environment. The model provides a theoretical basis for enterprises to formulate appropriate strategies by analyzing strengths, weaknesses, opportunities and threats. The origin of SWOT analysis can be traced back to the 1950s and 1960s. It is generally believed that the tool was first proposed by Kenneth Andrews, a professor at Harvard Business School, in his book *The Concept of Corporate Strategy* (Andrews, 1971). The SWOT analysis is grounded in resource-based theory and environmental scanning, emphasizing that organizations must align internal resources with external conditions to achieve sustainable competitive advantage (Barney, 1991. Teece, 2018). After the 1980s, the SWOT analysis was gradually promoted and developed, becoming one of the most commonly used analysis frameworks in the field of strategic management and marketing (Mintzberg et al., 1998). Over time, it has become an integral component of modern strategic management, often combined with complementary models like Porter's Five Forces and PESTLE analysis (Helms & Nixon, 2010). The framework's adaptability makes it a staple in strategic management, as it offers a structured method for integrating qualitative and quantitative assessments of a firm's positioning (Gürel & Tat, 2017).

Strengths: Representing a firm's internal capabilities or competitive advantages, such as technological leadership, brand equity, or proprietary resources. Strength identification supports differentiated strategy formulation and market positioning (Barney & Clark, 2007).

Weaknesses: Highlighting internal limitations, such as outdated infrastructure, skill gaps, or limited financial resources, which may impede growth. Addressing these factors through internal reforms or external partnerships is critical (Kotler & Keller, 2021).

Opportunities: External conditions or trends that present growth potential, including technological advancements, emerging markets, or regulatory support (Ansoff, 2019). Recognizing and leveraging opportunities ensures proactive strategic moves.

Threats: External challenges such as increased competition, economic volatility, or shifts in consumer behavior that can hinder a firm's success. Effective threat management often requires contingency planning and diversification (Grant, 2021).

The SWOT analysis is most commonly used in corporate strategic planning. By evaluating the competitiveness and external environment of the company, it provides a

basis for the company to set long-term development goals. For example, when entering a new market, the SWOT analysis can help companies identify opportunities and challenges in the target market and formulate entry strategies based on the company's resource allocation (Gürel & Tat, 2017). In the field of marketing, the SWOT analysis can be used to evaluate brand positioning and promotion strategies. For example, by analyzing the brand's strengths, such as high visibility, and opportunities, such as increased consumer demand for health products, companies can develop precise marketing plans (Kotler & Keller, 2012). In addition to the business field, the SWOT analysis is also widely used in non-profit organizations and the public sector to evaluate the feasibility of projects and optimize resource allocation. For example, when the government formulates urban development plans, it uses the SWOT analysis to identify the city's unique advantages and development bottlenecks (Hill & Westbrook, 1997).

2.5 Conceptual Framework

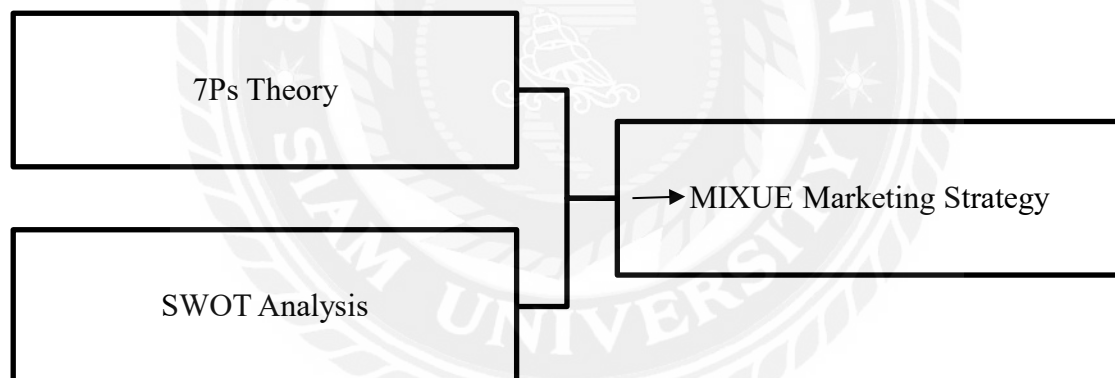


Figure 2.1 Conceptual Framework

Chapter 3 Research Methodology

3.1 Research Design

This study used the documentary research method to systematically analyze the marketing strategy of MIXUE by comprehensively collecting, reviewing and synthesizing a large number of relevant documents. This study used the 7Ps theory to explore the application of each marketing mix element in the MIXUE strategy. In addition, through the SWOT analysis, targeted suggestions are provided for the future development of MIXUE to enhance its competitiveness. The research process included collecting domestic and foreign research on the marketing strategy, the 7Ps theory and the SWOT analysis of the beverage industry. It combined authoritative data from industry reports on MIXUE market size, consumer behavior and industry trends, as well as promotional materials and public data from MIXUE's official website. News reports and relevant case studies were also combined to ensure the theoretical rigor and reliability of the research results.

This study first briefly reviewed the development history of MIXUE, and then classified and synthesized the relevant documents and data. Using the 7Ps theory, MIXUE's marketing strategy was analyzed in detail and the factors that contribute to its success were identified. Through the SWOT analysis, strengths, weaknesses, opportunities and threats were pointed out, and targeted suggestions were formulated. These suggestions are intended to support the future development of MIXUE while providing insights for theoretical research and practical applications in the entire beverage industry.

3.2 Sources of Data

The sources of data of this study are mainly academic papers, industry reports and public data of enterprises related to MIXUE, including but not limited to the following data sources: Academic journals: Through the search of Google Scholar, CNKI and other databases, relevant literature published between 2020 and 2024 was obtained, covering the fields of marketing, service management and corporate strategy. Industry data: Authoritative market research reports on the Chinese beverage market and the international catering chain industry, such as iResearch, Zhiyan Consulting and public government statistics. Corporate case studies: MIXUE's corporate development report, marketing plan and social media public opinion. The final selected sources were 30 core academic papers, 5 industry analysis reports and 5 related corporate case reports to ensure the comprehensiveness and rigor of the research.

3.3 Data Analysis

This study systematically interpreted and classified the collected documents, extracted key themes and core conclusions from them, with the aim of: understanding the core principles and scope of application of the 7Ps theory and the SWOT analysis in the field of service marketing, extracted the key points of MIXUE's marketing strategy, such as low-cost positioning and diversified channel layout and sorted out the research gaps in the current literature to provide a basis for the innovation of this study.

Then, by analyzing the development history of MIXUE vertically, the relationship between its strategic adjustment and changes in the industry environment was revealed from the time dimension: The important strategic decisions and market performance of MIXUE since its establishment were examined. The historical background of the development of China's beverage industry and its impact on MIXUE were analyzed, and the dynamic evolution of the 7Ps theory and the SWOT analysis in the case of MIXUE was revealed by combining historical data.

Finally, MIXUE was compared horizontally with other beverage brands, such as Heytea and Nayuki's Tea, to explore the differences between different brands in market positioning, pricing strategies, channel construction, etc. The advantages and disadvantages of MIXUE's low-price strategy and the differentiated positioning of high-end beverage brands was compared. The impact of different brands' 7Ps model combinations on corporate competitiveness and the unique success factors of MIXUE were identified to provide reference for other companies in the industry.

Chapter 4 Findings and Discussion

4.1 Findings

4.1.1 Current Status of the 7Ps in MIXUE Market Strategy

Product. In the early days, MIXUE's main product was ice cream. Since the development of the first “one yuan ice cream” in 2006, MIXUE has now covered a variety of products such as ice cream, milk tea, and fruit tea. Taking Thailand as an example, there are 27 regular menu products, including 6 ice creams, 3 milkshakes, 4 lattes, 8 fruit teas, and 6 milk teas. Unlike China, due to the hot climate all year round, MIXUE's regular products do not have hot drinks, all of them are iced drinks, and because of the local food culture and local agricultural product structure in Thailand, the number of fruit tea products is the largest.

Price. Judging from the menu of Thailand MIXUE, the price range is between 15-50 baht, about 3-10 yuan in RMB, the lowest price is MIXUE ice cream 15 baht, about 3 yuan in RMB. the highest price is L-size Classic Milk Tea, Super-Triple Milk Tea, Twin-Topping Milk Tea, all 50 baht, about 10 yuan in RMB.

Place. The main form of MIXUE is offline franchise stores. By signing a “franchise contract” with franchisees, franchisees are authorized to use MIXUE-related trademarks and logos in franchise stores during the operating period and operate stores in accordance with the established unified standards and operating methods. MIXUE's franchise model is a single-store franchise, which requires full operation by customers, and the company does not participate in the profit sharing. Its main process has 9 links. Franchisees first conduct project consultation, learn specific details by phone or Internet, and then fill in and submit the “Franchise Application Form”. MIXUE conducts online video interviews, conducts store opening qualification assessments, and reviews comprehensive conditions such as financial conditions, franchise willingness, and operating capabilities. After passing the interview, you will be invited to visit MIXUE company. On-site research and site selection are required, and stores must be reviewed. Site selection requires inspections from multiple aspects such as store location, store area, store location traffic, competitiveness, profit level, and sanitary conditions. After passing the review, you can sign the “Franchise Contract” and design and decorate according to the store drawings. After the hardware is ready, the company needs to provide franchisees with comprehensive training on store operation management knowledge and practical operations. After the training is passed, the company will provide opening guidance for the official opening. According to the information on MIXUE's official website, the franchise fee includes the following: a

contract performance guarantee of 20,000 yuan. daily management, activity guidance and support costs of 4,800 yuan per year. post-production process and operation method consulting costs of 2,000 yuan per year. store operation equipment budget of 80,000 yuan. initial operating raw material costs of 60,000 yuan. decoration budget of about 80,000 yuan. rent and other expenses of 100,000 yuan. In addition, the franchise fee varies according to the level of the city: 11,000 yuan per year for provincial capital cities, 9,000 yuan per year for prefecture-level cities, and 7,000 yuan per year for county-level cities.

Promotion. MIXUE's promotional methods mainly rely on the interaction between offline stores and consumers, and through a series of promotional activities for customers in offline stores, such as mobile phone registration for membership, enjoying the “buy one get one free” member discount, gift vouchers, numerous advertising banners and billboards in stores, etc. In addition, MIXUE also uses the “Snow King” IP online and offline activities to support each other and create a full-dimensional grid-like three-dimensional promotion method. In 2018, MIXUE launched the IP of “Snow King”. After that, around “Snow King”, through the theme song “MIXUE Theme Song”, cultural and creative peripherals, ice cream music festival and other activities, with the help of major network platforms such as WeChat, Tik Tok, and Weibo, a comprehensive marketing network was formed. Among them, the theme song “MIXUE Theme Song” was played continuously in stores, attracting a large number of consumers. It was also adapted into multiple languages such as English, Thai, and Vietnamese to adapt to the language environment of different countries.

Participant. MIXUE has a standardized system business training. The company provides personnel recruitment and personnel system reference materials, opens corresponding store management courses for store managers and store clerks, and dispatches business consultants for on-site guidance. This ensures the service quality and operational efficiency of offline stores. Taking Thailand as an example, the specific store service process includes ordering and cashiering, product production, and finished product production. Sometimes, they also have to take on the work of replenishing raw materials. Depending on the store location, customer flow, and time period, it usually takes 2-3 employees to complete the service process. In idle time, there may be only one employee at the bar to receive customers.

Process. MIXUE's service process is ordering and cashiering, product production, and finished product production. However, the beverage industry is similar to the catering industry. The service behavior begins when the customer enters the store. Taking Thailand as an example, MIXUE stores have vertical signs and electronic

screens with prices and sample displays, as well as paper menus placed on the bar table to provide customers with choices. Then customers go to the ordering place to choose the products they want and pay the corresponding fees. After that employees make products in sequence according to the food delivery receipt. After the finished products are made, they will be placed at the food pickup place, and the numbers will be called in order according to the order of the receipt numbers. Customers pick up the finished products in order of the numbers, and a complete service process is over. This standardized service process standardizes the service method, improves service efficiency, plays a positive role in the overall service quality and service level, and thus improves customer experience.

Physical Evidence. Currently, there are four types of MIXUE store images, namely standard stall store, dine-in store type, flagship store type, and container store type. These four types of stores are used in different scenarios and have different functions, but they all use red and white as the main color scheme, with red as the base, white brand name and the “Snow King” IP image. MIXUE's product packaging will be printed with the brand image, cold drinks are packaged in plastic cups, ice cream is packaged in paper cones in waffle cones, and straws of corresponding sizes will be provided to customers depending on the addition of pearls, fruit pulp and other small ingredients to the drinks.

4.1.2 SWOT analysis

Strength Analysis

Price advantage. MIXUE has built its own production and processing base to realize self-production of raw materials. With Henan as the center, it has achieved relatively low production costs by covering storage and logistics centers in various places from point to surface.

Supply chain advantage. MIXUE's trump card: a complete industrial chain of three in one. MIXUE has independently developed products through its own independent production and R&D team, realized the self-production of core raw materials, and selected high-quality raw materials from all over the world, with localized production and procurement, ensuring relatively low costs and strong bargaining power. with Zhengzhou as the center, it covers storage centers in various places from point to surface, and there is a free shipping policy, which ensures the strong logistics and transportation capabilities and guarantee capabilities between MIXUE headquarters and various stores.

Brand advantage. Since the launch of the IP image of “Snow King” in 2018, MIXUE's brand awareness has been further improved. With the brainwashing “MIXUE Theme Song”, MIXUE has formed a brand marketing network centered on “Snow King”.

Sales advantage. MIXUE mainly relies on franchisees to expand stores, and franchisees are responsible for their own profits and losses. They only need to pay relevant franchise fees every year, which ensures MIXUE's stable profit level. Relying on the guarantee capability of a strong warehousing and logistics system, franchise stores have stable and continuous raw materials and operating equipment guarantees to ensure stable product output.

Weakness analysis

Product homogeneity. MIXUE has been operating for many years, and “MIXUE Ice Cream” and “Fresh Lemonade” are unshakable. These are MIXUE's iconic products, but they are also a manifestation of insufficient product diversity. Although some new fruit tea products have been launched in Thailand in recent years to suit the preferences of local consumers, they have always failed to jump out of the original framework and have no iconic and popular new products. In addition, there are many similar products on the market as substitutes, which reduces the necessity of MIXUE products.

Insufficient digitization. In an era where apps and takeaways are everywhere, MIXUE's online platform is not prominent. At most, it is a QR code scan order in offline stores. Taking Thailand as an example, most stores still rely on manual ordering, and the takeaway system also relies on takeaway platforms such as grab and bolt. MIXUE urgently needs digital transformation.

Insufficient social attributes. In the current beverage industry consumption scenarios, social attributes are becoming stronger and stronger, and social needs are increasing. Among the four types of MIXUE stores, the standard stall store area is greater than 12 m² and has no rest area. the dine-in store type has an area of 30-60 m² and a small number of rest areas. the flagship store type has an area of not less than 90 m² on the first floor and not less than 80 m² on the second floor. The main functions are to display the store image and brand peripherals, etc., squeezing out the rest function area. the container store type has an area of more than 12 m², and the main functions are takeaway and special themes, with a small number of rest areas. Most stores have a few simple tables and chairs, and there is no comfortable and cozy rest area. Some customers who are tired of shopping do not have a comfortable rest space, and cannot meet consumers' more social needs.

Opportunity Analysis

The new beverage culture is prevalent. The tea industry was born in 2010. HEYTEA, which was born in Jiangmen, Guangdong in 2012, took the lead in opening up the market of young consumer groups and quickly expanded to the whole country. Since 2016, with the rapid growth of the tea market, various tea brands have emerged. Major brands are actively expanding their market share, constantly launching new products and new brand concepts, and actively cross-border joint ventures with other industries, which not only attracts more consumers, but also makes consumers become the disseminators of new beverage culture and promotes the development of new beverage culture.

MIXUE brand influence has increased. Since 1997, after about 30 years, MIXUE's stores have spread all over the world. According to the MIXUE official website: As of December 31, 2023, MIXUE has more than 34,000 stores in 33 provinces, municipalities and autonomous regions in China, and about 4,000 stores overseas. These stores are not only a sales channel for MIXUE, but also a publicity channel. Through “Snow King” and “MIXUE Theme Song”, MIXUE's brand awareness is promoted. At present, MIXUE can be found in some major business districts or around schools, which is a concentrated reflection of MIXUE's growing influence.

New media is popular in the Internet era. Just one “MIXUE Theme Song”, “You love me, I love you, MIXUE is sweet” is widely popular on the Internet. MIXUE has also thoughtfully produced different languages such as English, Thai, and Vietnamese to meet the language needs of overseas consumers. The rapid spread of new media on the Internet has rapidly increased the popularity of “Snow King” and strongly promoted the improvement of MIXUE's brand influence.

Threat Analysis

Competition among brands in the same industry is fierce. In recent years, the beverage industry has been very popular. Due to its low entry threshold, low investment cost and large profit margin, it has attracted many investors and more and more tea brands have emerged. With the end of the epidemic and the gradual recovery of the economy, brands in the same industry have begun to expand rapidly again.

Consumer demand is becoming increasingly diversified. More and more consumers pay more attention to healthy consumption and spiritual consumption, and the social attributes of the beverage industry are rapidly improving. Healthy drinks such as juice, fresh milk, and health tea are gradually occupying the market share of the beverage market, and consumers are gradually engaging in social behaviors such as

making friends and business negotiations in scenes such as coffee shops and milk tea shops.

Rising prices have led to increased operating costs. With the development of the economy, the price level is also constantly rising. The increasing basic costs such as rent, water, electricity, and employee wages have challenged MIXUE's "small profits but quick turnover" revenue model and gradually become a stumbling block for MIXUE's continued development.

4.2 Discussion

4.2.1 Discussion on Findings

This study analyzes MIXUE's marketing strategy and the success factors of MIXUE. The results show that MIXUE's low-price and efficient pricing strategy, flexible product portfolio and extensive channel layout are all key factors for its success in the market. In particular, through the 7Ps theoretical analysis, it is found that MIXUE attracts a wide range of consumer groups through relatively low price strategies, and strengthens the brand's market penetration through a wide range of franchisees and promotional strategies.

The results of the SWOT analysis show that MIXUE has obvious strengths in the market, such as strong brand awareness, low-cost supply chain and standard business model, but also has weaknesses such as product homogeneity, insufficient digitalization and insufficient social attributes. In addition, opportunities come from the prevalence of beverage culture, the expansion of brand influence and the development of the new media era, while threats mainly come from brand competition in the same industry, diversified consumer demand and rising costs. These results show that MIXUE's market strategy is successful at the current stage, but it still needs to be adjusted and optimized in the face of future challenges.

4.2.2 Relationship of Findings to Previous Research

The findings of this study are highly consistent with previous research conclusions. The analysis of MIXUE's marketing strategy through the 7Ps theory verifies the importance of low-price strategies and cost-effective products in attracting consumers. For example, Kotler's marketing theory emphasizes the decisive role of price, product and promotion combination in consumer decision-making, and MIXUE has done very well in these aspects. In addition, research on distribution strategy and supply chain management is also consistent with MIXUE's successful experience. The view that companies can reduce operating costs and increase market coverage by

optimizing supply chains and providing more convenient distribution channels is also verified by this study.

However, the results of this study also propose a supplement to some previous theories. Previous studies generally believe that low-priced brands are mainly aimed at low-income consumers, while this study finds that MIXUE's friendly brand image has also successfully attracted mid- to high-end consumers, especially in some first- and second-tier cities. This shows that brand affinity and the attractiveness of innovative products can break through the boundaries of traditional market levels and have a wider market adaptability.

4.2.3 Unexpected Discovery

This study has some unexpected gains in the research process.

MIXUE's brand image and low-price strategy are contradictory and unified. Usually, low-price strategy will lead to the “cheap” and “low-end” brand image, but MIXUE cleverly compensates for this problem through the interesting brand image of “Snow King”, and combines the brainwashing “theme song” to enhance the distance between consumers. This research result shows that there is not a strict linear relationship between brand image and price strategy.

“High-end” is not the only choice for brand image. The brand image of many companies will avoid “low-end” and “cheap”. Even some brands that focus on the affordable market are usually packaged as “non-cheap” during the promotion process, but MIXUE's brand image has always been mostly “cheap” and has been widely recognized by the market.

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study focuses on the increasingly prosperous beverage market in recent years. MIXUE has grown rapidly in the low-end market with the strategy of “high quality and low price”. The study shows that MIXUE's success is mainly due to its low-price and efficient pricing strategy, flexible product portfolio, strong brand image and extensive distribution channels.

In the 7Ps theory, rich milk and tea products, low prices between 15-50 baht, a wide range of offline franchise stores, promotional methods such as interaction and flyers, standard service processes, and four main store specifications have helped MIXUE quickly gain a wide market share.

The SWOT analysis further reveals MIXUE's internal strengths, such as low prices, strong brand recognition, low-cost supply chain and standard business model. Internal weaknesses include product homogeneity, insufficient digitalization and insufficient social attributes. External opportunities come from the prevalence of beverage culture, the expansion of brand influence and the development of the new media era. External threats include industry brand competition, diversified consumer demand and rising costs. These factors indicate that MIXUE must adopt a more flexible strategy to cope with the rapidly changing market environment.

Based on the research results, this study recommends that MIXUE should strengthen product innovation and optimize the existing product portfolio to better meet the increasingly diverse needs of consumers. In addition, expanding online sales channels and improving digital marketing and brand image management are also key measures to enhance market competitiveness. Through these optimization measures, MIXUE can maintain its leading position in the fierce market competition and achieve sustainable development.

5.2 Recommendation

Based on the SWOT analysis of MIXUE's marketing strategy, the following suggestions are put forward:

Exploit advantages. Continue to maintain the low-price strategy, strengthen brand awareness, and use price and brand advantages to continue to attract more consumers, especially in the sinking market. The cost-effective strategy will help further increase market share. In addition, continue to optimize supply chain management, reduce operating costs, and ensure the original supply efficiency. And deepen management,

precise management to ensure product quality and production efficiency, and maintain market competitiveness.

Make up for disadvantages. For product homogeneity, develop new products and catering combinations to meet more consumer needs, especially for young groups, and launch more personalized and innovative products. Fully apply digital technology, promote the progress of apps and online services, and strengthen interaction with consumers. Strengthen brand social attributes, transform stores, and provide more rest areas and social elements.

Seize opportunities. Keep up with the popularity of beverage culture, expand market share, and seize young people. Further expand, increase store coverage and overseas efforts. Strengthen the utilization of new media platforms, and use short videos, live broadcasts and other methods to increase brand exposure and attention.

Deal with threats. Maintain brand differentiation and brand characteristics to cope with industry competition, launch peripheral products to strengthen brand image and characteristics. Conduct market research, provide customized and personalized products in response to diverse consumer needs. In response to rising costs, sign long-term contracts with suppliers and partners, establish long-term partnerships, and lock in preferential prices. Or consider automation and digitalization of certain links to reduce costs and increase efficiency.

5.3 Further Study

Future research may focus on how MIXUE optimizes its marketing, supply chain, and customer experience through digital technologies, such as big data analysis and artificial intelligence. The application of these technologies should be further quantified to evaluate their specific impact on corporate efficiency and consumer satisfaction.

As consumer trends continue to change, researchers may need to more comprehensively investigate changes in consumer preferences for healthy eating, brand loyalty, and price sensitivity. Research should analyze the long-term impact of these changes on MIXUE's market strategy through longitudinal data.

Future research may combine more theoretical frameworks, such as Porter's Five Forces Model and PEST analysis, to evaluate MIXUE's marketing strategy in multiple dimensions. This cross-theoretical approach may provide broader insights for other beverage brands.

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