



Analysis of Labubu's Marketing Strategies: a 4P and AIDA Model Analysis

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Abstract. Pop Mart's Labubu has recently become popular with Gen Z consumers in the Chinese and even international markets. This review takes Pop Mart's well-known trendy IP, Labubu, as the research object, aiming to deeply analyze its successful marketing strategy, focusing on how the blind box mechanism drives its market growth. This review aims to analyze to know Labubu's 4P strategy. According to the analysis, Labubu has adopted a differentiated product strategy, which accurately fits the cultural psychology of Generation Z's pursuit of individual expression and identity through its "weird and cute" style, and also stimulates consumers' desire to collect and repeat purchase behavior through the blind box mechanism. Labubu has adopted a flexible premium strategy. The randomness of the blind box itself is also a price strategy. Labubu has constructed a multi-channel distribution strategy to extensively cover the market through the combination of online and offline channels, lowering consumers' purchase barriers and promoting final purchase actions. Labubu promotes sales in various ways, such as limited sales, cross-border co-branding, social media marketing, and encouraging user-generated content (UGC). Those actions have successfully attracted consumers' attention, cultivated brand interest, stimulated the desire to own, and finally transformed into purchasing actions. Labubu's marketing practice provides valuable reference for the trendy toy industry. Trendy toy brands should focus on developing unique IP, implementing tiered pricing, expanding multiple channels and making full use of social media for user co-creation, so as to build a sustainable competitive advantage in the fierce market competition.

Keywords: Pop Mart, Marketing, 4P Model, AIDA Model, User-generated Content

1 Introduction

In recent years, trendy toys have been loved by young people. Chaowan is a toy with independent IP and trend attributes. Its consumers are mainly young adults rather than children. They display trendy toys as decorations in their homes or workplaces to express their individuals and identities [1]. Individual consumers are even willing to invest a lot of money to collect a series of trendy toys, reflecting the rise of trendy toy collection culture [2]. Designer toy has gradually exploded with its unique design, and

its market development prospect is very broad. The data shows that the global designer toy market size is estimated at USD 42,071. 57 million in 2025 and is expected to grow to USD 166,027. 44 million by 2033 [3]. Many trendy toy brands rely on the blind box mechanism to develop rapidly. Blind boxes refer to those boxes that consumers can't know the specific product styles in advance and get products randomly. They originated in Japan and satisfy consumers' curiosity and freshness. It not only attracts users with its exquisite design and random gameplay, but also reconstructs the consumption logic of youth groups through emotional connection and social interaction [4]. Therefore, blind boxes are popular as a sales method because of their novelty and unknownness. The global blind box market size was US \$10. 09 billion in 2023 and is expected to reach US \$16. 2 billion by 2032, growing at a CAGR of 5. 4% during 2024-2032 [5]. As a famous Chinese trendy toy brand, Pop Mart's success is inseparable from the blind box mechanism. Its Labubu series has become one of the most famous trendy IPs in China with its blind box. The purpose of this report is to analyze Labubu's marketing strategy, especially the impact of the blind box mechanism on the target market, and to analyze the reasons for Labubu's success.

2 Brand Introduction

Pop Mart was established in October 2010. It was originally positioned as a trendy toy channel distributor, selling creative products to fashionable youth groups, but its operating conditions have been poor for a long time. In 2015, the company noticed the market potential of Japanese blind box IP SonnyAngel and decided to transform into an IP operator [6]. In 2016, Pop Mart signed a contract with Molly creator Wang Xinming to launch the first blind box product "Molly Constellation Series", shifting its main business to tapping artists and creating IP, increasing blind box marketing channels, expanding fan base and improving user experience, trendy toy culture promotion and other fields [7]. Labubu is one of Pop Mart's trendy IPs [8].

Labubu originates from the fantasy picture book world of Hong Kong artist Kasing Lung. In Long Jiasheng's setting, Labubu is a naughty, funny, a little evil but not bad "little monster". Pop Mart took a fancy to the unique charm and artistic value of the elf world described by Long Jiasheng, and decided to materialize the characters in the picture book and turn them into trendy toys. In 2015, Labubu, as one of the main characters in the "The Monsters" elf group series, launched its first generation blind box. The series was a huge success, and Labubu quickly emerged from the crowd of characters and became a favorite with his unique grin and mischievous demeanor. Pop Mart's blind box sales model has greatly stimulated consumers' desire to collect and share. Labubu's various hidden models and limited editions have become the targets of players' crazy pursuit [9].

Not only is Labubu popular in China, it has also become one of the hottest toys in the world [10]. In the first half of 2025, Pop Mart's online and storefront revenue outside the Chinese and Taiwanese regions jumped to 5. 59 billion yuan (\$778 million), accounting for about 40% of the group's total mid-term sales of 13. 88 billion yuan. Among them, Labubu plush toys and dolls set off a global craze, driving its overseas

revenue to soar fivefold in the first half of the year, making it the world's most valuable toy manufacturer and exporter of China's "soft power" [11]. From September this year, the daily sales of Labubu will exceed 10 million units [12]. This shows the success and popularity of Labubu.

3 Literature Review

3.1 4P Theory

Professor McCarthy, an American marketing scholar, first put forward the 4P theory in the 1960s, which mainly includes product, price, location and promotion [13]. Product refers to the tangible goods and intangible services provided by enterprises to customers, including products themselves, design, packaging, quality, function and so on, to meet the core needs of consumers [14]. Price refers to the pricing of a product, which is the economic return that the enterprise hopes to obtain when selling the product, which can bring income to the enterprise [15]. Channels refer to how enterprises distribute their products to customers, such as directly selling them to customers, or through middlemen, distributors, e-commerce platforms, etc. to ensure that their products are sold to customers [13]. Promotion refers to the use of advertising, public relations, promotional activities, personnel promotion and so on by enterprises to stimulate consumers to make purchase decisions. According to the promotion goal, the enterprise optimizes the combination and comprehensive use of various promotion means to complement each other and form a joint force to achieve the greatest communication effect [16].

3.2 The AIDA Model

The AIDA model is based on a series of behaviors that consumers experience cognition, emotion and behavior, that is, four stages of attention, interest, desire and action, to explain the impact of advertising marketing on people's emotions and behaviors, and it is more helpful for marketers to understand how the target audience changes in psychological actions over time [17]. When enterprises implement marketing, they must first attract the attention of consumers, which requires marketers to accurately identify the target audience and understand their preferences, needs and behavior patterns [18]. When consumers focus on a certain product, enterprises need to talk about their attention turning into interest in products and brands. At this stage, marketers need to show consumers the unique value and advantages of products or services through various means, such as product demonstration, case sharing, user evaluation, etc. At the same time, marketers should also pay attention to the interaction with consumers, answer their questions in a timely manner, and solve their doubts, so as to further deepen their goodwill and interest in products or services [19]. Then, enterprises need to stimulate consumers' desire to acquire products. At this stage, enterprises can stimulate consumers' purchase impulse through various promotional means, such as limited-time offers and gifts. At the same time, enterprises can also enhance the added value of products through exquisite packaging and high-end positioning, so that consumers feel that

owning this product is a status symbol and the embodiment of improving the quality of life [17]. Finally, enterprises should talk about transforming consumers' desires into concrete actions. For example, enterprises can stimulate consumers to make purchase decisions through product assurance, emotional resonance, good after-sales service, convenient purchase channels and so on [17].

4 Analysis of Marketing Strategies

The differentiation strategy Labubu has adopted in terms of products. In order to gain sustainable competitiveness, Pop Mart has been improving its product differentiation and IP value. Labubu is one of Pop Mart's differentiated products. Labubu relies on elements such as fangs, round eyes, big heads, and asymmetric design to create a unique "ugly and cute" style that breaks through the conventional aesthetics, showing obvious "weird and cute" characteristics [20]. Its design intention is to break away from the delicate and similar trend of mainstream "cute" images, and combine grotesque, clumsy and subtle "threatening" elements to create a unique IP. The originality of Labubu lies in the unique form formed by combining canine teeth and round eyes. This visual contrast breaks the symmetry and idealization mode in traditional aesthetics, and forms an aesthetic significance with affinity and rebellion. This unique design can easily arouse the attention and interest of the target audience. The aesthetic concept of "ugly and cute" is highly consistent with the cultural and psychological characteristics of Generation Z. This group grew up in a homogeneous context dominated by social media. When faced with appearance anxiety and identity crisis, they will express themselves by rebelling against traditional aesthetic norms and accepting non-mainstream aesthetic elements [21]. Therefore, this group is easily attracted to Labubu. Then, it also increases the value of products through the form of blind boxes. Labubu's blind box mechanism stimulates the 'uncertainty effect' through hidden and limited editions, thus strengthening consumers' repeated purchase behavior.

In terms of price, Labubu adopts a premium strategy. Labubu's starting price is around 50 yuan, which belongs to the mid-to-high-end price of popular trendy toys, but it is still within the "impulse consumption threshold" that young consumers can afford [22]. For high-end collectors, Labubu launches limited edition or large figures priced hundreds to thousands of dollars, using materials, craftsmanship and scarcity to support the premium. Compared with other trendy toy brands, such as Lego, this scarcity is mainly due to the small quantity and the unique design of each toy, which meets the collection needs of core players while maintaining the high-end image of IP. In addition, the randomness of the blind box itself is also a price strategy: users may have repeated purchases in order to obtain their favorite styles. Some blind boxes are priced at higher prices but consumers may get hidden models and limited editions, which supports this price, makes consumers feel that they are worth the money, and even makes hidden models generate a premium much higher than the original price in the secondary market. This pricing mechanism further stimulates consumers' purchasing actions.

Labubu's channel layout covers online and offline, aiming to reduce consumer movement barriers. Labubu sells products directly to customers through offline direct-

operated stores, such as Pop Mart stores, and creates a "punch-in holy land" through its unique layout to bring customers a good purchasing experience. In addition to selling in official website, Labubu also covers online users through several major e-commerce platforms in China, such as Tmall and JD. COM. Its channel strategy is deeply connected with the blind box mechanism, and the implementation of offline box drawing and online "cloud box drawing" brings convenience and a unique experience of opening blind boxes to consumers. Labubu also makes full use of social media platforms for topic marketing and sells products to customers directly through its official account. This multi-channel strategy ensures that consumers can easily access Labubu, greatly improving consumer purchase decisions.

Labubu's promotions focus on emotional resonance and community operation. IP storytelling is one of the cores of Labubu's marketing, helping to enhance consumers' emotional engagement and sense of identity. Labubu builds emotional connections through the creative background of designer Kasing Lung, the stories of Labubu family characters and other content, making products transcend physical objects and become cultural symbols [23]. Secondly, Labubu's hunger marketing and limited-time sales create a sense of urgency. Labubu generally conducts limited sales to trigger rush buying among the target audience, thereby strengthening the brand popularity [24]. Third, Labubu also achieves mutual diversion through cross-border co-branding, such as cooperation with brands such as Fanta and Kiehl's, and breaks through circle barriers [25]. Fourth, Labubu makes full use of social media platforms for topic marketing, encourages user-generated content, and forms viral communication and a strong community effect [26]. Finally, the "social currency" attribute of blind boxes naturally promotes users to spontaneously share videos such as unboxing videos, forming viral spread [24]. These promotional methods have greatly improved the attention, interest and desire of the target audience to Labubu, and prompted them to make a purchase decision.

5 Recommendations to Other Brands based on Labubu's Marketing Practices

The success of Labubu provides some effective reference significance for other trendy toy brands, especially those that have not yet developed. First of all, trendy toy brands need to buy differentiated products or IP. The core competitiveness of an enterprise requires the ability to be different from other enterprises in the market and be chosen by consumers, and IP-oriented products are the foundation of the core competitiveness of an enterprise. There are four identifying characteristics of core competitiveness of enterprises, which are value, scarcity, difficulty in imitation and irreplaceability [27]. Trendy toy brands need to focus on the development of new products or unique IP, improve the value, scarcity, and irreplaceability of their own products, and avoid being copied by other brands. In this way, acquiring this type of product can become a symbol of consumers' identity and interest, and stimulate their purchasing behavior.

Then, trendy toy brands should adopt pricing that suits themselves, and suit different customer groups by dividing pricing. The pricing of many trendy toys is very high, which leads many price-sensitive customers to give up buying such products [28].

Brands can consider launching more affordable products without compromising quality to attract more consumer. At the same time, they also need to ensure the quality and cost performance of their products to prevent brand image from being damaged due to price cuts. For high-end customer groups, brands should continue to leverage the advantages of scarcity marketing and emotion-driven pricing, appealing to their pursuit of exclusivity and status. For example, brands can launch hidden models, special editions or co-branded limited-edition blind boxes to create a sense of urgency and uniqueness by controlling the sales volume, increasing extraction uncertainty and collection value. This kind of strategy can not only meet the psychological needs of high-end users for exclusivity, but also effectively stimulate their purchase desire and repeated extraction behavior, making them willing to pay a higher premium.

Furthermore, trendy toy brands can adopt diversified distribution channels to cover a wider range of target customers. Trendy toy brands can focus on offline physical stores such as flagship stores, themed pop-ups, and collection shops to provide customers with immersive experiences that combine interaction and cultural atmosphere. In addition to focusing on the distribution of offline physical stores, brands can also pay more attention to the distribution of digital media. Nowadays, the main consumer groups of trendy toy brands, especially Generation Z, obtain information through digital media such as social media, which strongly influences their purchase decisions [21]. Trendy toy brands can carry out online limited sales through social media or let well-known live broadcasts to sell products to attract more young users. At the same time, brands can also achieve global circulation by building their own official applets, APPs or settling in mainstream e-commerce platforms, build private domain traffic pools, and increase repurchase rates and customer loyalty through membership systems, points redemption, and exclusive content.

Finally, in terms of promotion, in addition to relying on preferential activities and advertising, trendy toy brands also need to make good use of new media platforms such as Douyin and Weibo. Chaowan brands can cooperate with top anchors, KOLs, etc. to form hot topics and take advantage of the trend-driven marketing, so as to achieve a subtle way to influence consumers. On major festivals, brands can request to invite celebrities to participate in unboxing campaign to attract fans' attention, form a fan effect, and greatly improve the brand's popularity. More importantly, brands should pay attention to the co-creation of user content. Encouraging users to generate content, such as fan competitions, collection stories, and co-created character designs, fosters a sense of ownership among consumers and strengthens loyalty [29]. Trendy toy brands can also encourage users to announce the process of opening blind boxes on social media. Studies show that announcing the process of opening boxes or displaying collectibles is slowly becoming an act of showing identity, taste and luck [30]. So, nowadays, many people will open Labubu blind boxes on social media. Other brands can still use this trend to create hot topics, form viral communication, and form word-of-mouth, so that customers can automatically become brand communicators.

6 Conclusion

All in all, Labubu has achieved great success in China and globally with its marketing strategy. Marketing strategies of Labubu include differentiated product positioning, premium pricing and scarcity creation, omni-channel reach, and emotional community operations. So, Labubu accurately captures the psychological needs of Generation Z consumers, transforming trendy toys from simple collectibles into cultural symbols with both emotional value and social attributes. Its marketing practice shows that in the fierce market competition, trendy toy brands should gain competitive advantages from marketing strategies such as products, pricing, channels, and promotions, such as launching differentiated products, implementing shared pricing, distributing products through multiple channels, and encouraging users' participation and so on.

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