



Omni-Channel Marketing in the Designer Toy Economy: The Brand Breakthrough Path of POP MART's LABUBU

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Abstract. This paper examines POP MART's marketing strategies through the case of its well-known IP, LABUBU. The growth of the designer toy economy and the rising influence of Generation Z consumers have created new opportunities for IP-driven business models. Yet, most existing studies of omni-channel marketing focus on retail and e-commerce, with limited attention to cultural and creative industries. Using company reports, industry data, and the frameworks of omni-channel marketing and experiential consumption, this study explores how POP MART combines its omni-channel system with the emotional value of LABUBU to drive rapid brand growth. The analysis shows that POP MART's success lies in the integration of IP-based scarcity, experiential marketing, and community engagement across both domestic and international markets. This research contributes to academic discussions by extending omni-channel marketing theory to the designer toy sector, while also offering practical guidance for cultural enterprises aiming to build competitive global brands.

Keywords: Omni-Channel, Experiential Marketing, Consumer Behavior, IP Strategy, Branding

1 Introduction

The rapid growth of the designer toy economy among Generation Z has attracted significant attention from both academics and practitioners. As members of this generation come of age, their consumption habits show a strong preference for personalization, emotional connection, and community interaction. These tendencies have accelerated the development of IP-driven business models. Meanwhile, under the wave of globalization, Chinese cultural and creative brands have expanded beyond the domestic market, and some have achieved notable recognition overseas. This trend has raised new questions about the factors behind their success[1-2].

However, existing research has mainly examined omni-channel strategies in the fields of retail, e-commerce, and traditional branding. Studies that focus specifically on the cultural and creative industries remain relatively scarce. In particular, there has been little discussion on how companies like POP MART combine omni-channel

marketing with core IP assets to build distinctive growth paths in competitive markets[3].

To address this gap, this paper uses POP MART and its signature IP, LABUBU, as a case study. The analysis explores how POP MART has leveraged the global popularity of LABUBU through an omni-channel marketing approach, achieving rapid growth and unique brand positioning.

The contribution of this study is twofold. On the theoretical level, it broadens the application of omni-channel marketing research by extending it to the cultural and creative sector, an area that has received limited attention so far. On the practical level, it offers insights for Chinese cultural enterprises pursuing globalization and provides useful references for emerging firms with innovative potential. It should be noted that this study does not focus solely on POP MART's overseas expansion; the domestic market is also considered, as it continues to serve as the company's main foundation and a key driver of growth[4].

Finally, the paper is structured as follows: Section 2 reviews relevant literature on omni-channel marketing, experiential consumption, and IP-driven business models. Section 3 outlines the research methodology and data sources. Section 4 presents the case analysis of POP MART and LABUBU, highlighting its omni-channel marketing practices and brand breakthrough path. Section 5 discusses the findings in relation to existing theories and managerial implications. Section 6 concludes with key contributions, limitations, and directions for future research.

2 Literature Review

2.1 From Multi-Channel to Omni-Channel Marketing

Research on omni-channel marketing has developed from earlier studies of multi-channel and cross-channel strategies. Verhoef, Kannan, and Inman (2015) define omni-channel marketing as the seamless integration of various customer touchpoints, providing a unified experience across online and offline platforms. Beck and Rygl (2015) further distinguish between multi-channel, cross-channel, and omni-channel retailing, emphasizing that the latter requires deep integration rather than channel independence (Figure 1).

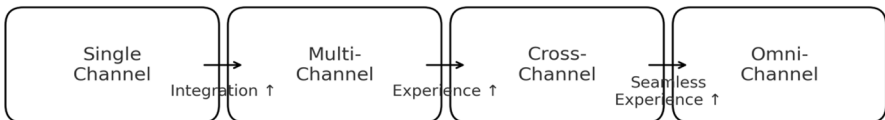


Fig. 1. Evolution from Multi-Channel to Omni-Channel Marketing illustrates this conceptual transition.

2.2 Experiential Marketing and Consumer Behavior

Experiential marketing emphasizes consumer engagement through multisensory, emotional, cognitive, and social experiences [5]. Holbrook and Hirschman (1982) also argue that consumption should be understood as an experiential process involving fantasies, feelings, and fun (Table 1). This perspective is particularly relevant for Generation Z consumers, who value immersive experiences and social identity (Ordun, 2015).

Table 1. Application of Schmitt's Strategic Experiential Modules (SEMs) in the Labubu Brand demonstrates how these dimensions are operationalized in LABUBU's branding.

Schmitt Model	Definition	Example: Labubu
SENSE	Stimulates the senses through visual, auditory, and tactile stimuli.	LABUBU's unique "monster-cute" appearance and vibrant color design attract visual attention, while its refined blind box packaging enhances tactile excitement during the unboxing experience.
FEEL	Elicits emotions and fosters affective resonance among consumers.	The "ugly-yet-cute" image of LABUBU evokes emotional resonance among young consumers who project their own feelings and form a sense of companionship with the character.
THINK	Triggers curiosity and encourages creative cognitive engagement.	The uncertainty of blind box purchases provokes curiosity and anticipation ("Will I get the hidden edition?"), while consumer creativity expands LABUBU's universe through fan-made designs and artworks.
ACT	Shapes consumer lifestyles and behavioral patterns through interaction.	"Unboxing-Sharing-Trading" has become a behavioral norm among designer toy collectors, fostering habits of collection and exchange that stimulate activity in secondary markets.
RELATE	Establishes social connections and shared identities among individuals.	LABUBU fan communities (WeChat groups, Xiaohongshu circles) facilitate ongoing social interaction, while in exhibitions and offline events, LABUBU serves as an identity symbol for its followers.

2.3 IP-Driven Business Models in Cultural and Creative Industries

The IP-driven model has become a central strategy in cultural and creative sectors, where symbolic value and emotional resonance play a crucial role in consumer decisions. Previous studies on fan economy and symbolic consumption suggest that consumers engage with brands not only for functional value but also to construct social identity. In the case of POP MART, while IPs such as MOLLY and DIMOO have achieved significant commercial success, LABUBU has emerged as a standout example, demonstrating the company's ability to leverage IP-driven strategies effectively [6].

MOLLY has a classic and somewhat mysterious image, which has attracted a large number of collectors who appreciate its timeless charm. Its design and narrative have created a strong fan base, but its appeal is more rooted in its collectible nature and aesthetic value. DIMOO, on the other hand, is known for its cute and versatile designs, appealing to a wide range of consumers, especially younger demographics. Its approach focuses on mass appeal and broad market penetration[7].

LABUBU, however, has managed to carve out its own niche by combining elements of both collectibility and cultural symbolism in a way that resonates deeply with consumers. Unlike MOLLY, which relies heavily on its aesthetic appeal, and DIMOO, which focuses on broad market appeal, LABUBU has developed a unique narrative and character development that goes beyond mere collectibility. Its distinctive design and the narrative built around the character create a strong emotional connection, allowing POP MART to mobilize fan communities more effectively and expand into global markets[8-9].

LABUBU's success can be attributed to several factors. First, its character design is highly recognizable and memorable, making it an instant hit among consumers. Second, the narrative and backstory associated with LABUBU add depth and meaning, transforming it from a mere collectible to a cultural symbol. This narrative aspect allows consumers to connect with the character on a deeper level, fostering a sense of loyalty and engagement. Finally, POP MART's strategic marketing and community-building efforts around LABUBU have further enhanced its appeal, creating a vibrant fan community that actively participates in the brand's growth.

In summary, while MOLLY and DIMOO are successful in their own right, LABUBU's unique combination of character design, narrative depth, and strategic marketing has enabled POP MART to stand out in the crowded IP market. This highlights the importance of not just having a strong IP, but also understanding how to leverage its unique attributes to foster consumer engagement and loyalty, ultimately driving the brand's global expansion.

3 Methodology

This study adopts a qualitative case study approach to analyze POP MART's marketing strategies, focusing on the role of LABUBU as a flagship IP. Data sources include POP MART's annual reports (2020–2023), iiMedia Research reports on the designer toy industry, academic literature, and social media content (e.g., Xiaohongshu, TikTok, Instagram).

The analysis framework combines omni-channel marketing theory with Schmitt's experiential marketing model. This dual framework enables the identification of how omni-channel integration and experiential factors jointly contribute to POP MART's brand breakthrough(Figure 2).

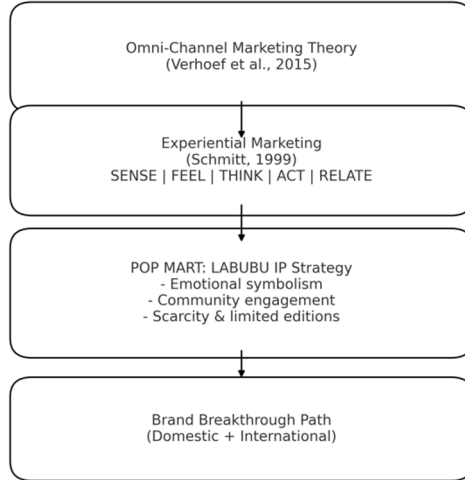


Fig. 2. Research Framework Integrating Omni-Channel Marketing, Experiential Marketing, and IP Strategy presents this integrated model.

4 Case Analysis: POP MART and LABUBU

4.1 POP MART’s Business Model and IP Strategy

POP MART’s core business model encompasses blind box sales, IP licensing, offline exhibitions, and secondary market participation. Among its portfolio, LABUBU—created by artist Kasing Lung—has emerged as a flagship IP, generating substantial revenue and cultivating a dedicated fan base.

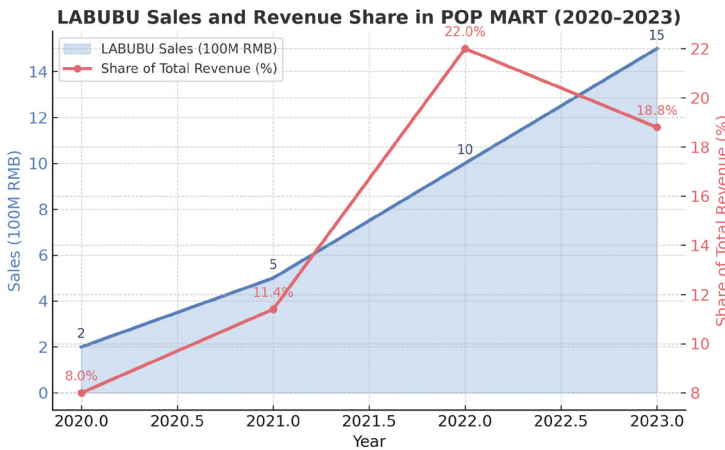


Fig. 3. LABUBU Sales and Revenue Share in POP MART (2020–2023) highlights LABUBU’s rapid revenue growth and increasing share of total company income.

As shown in The Figure 3, LABUBU's sales have grown rapidly from 2 billion RMB in 2020 to nearly 15 billion RMB in 2023, accounting for an increasing share of POP MART's total revenue. This upward trend highlights the crucial role of LABUBU as the company's flagship IP and its contribution to overall brand expansion.

4.2 Comparative Analysis: LABUBU vs. Underperforming IPs

To mitigate potential sample-selection bias, it is essential to examine IPs that have not achieved comparable market success. For instance, certain POP MART IPs such as Pucky and The Monsters (non-LABUBU series) have experienced limited traction beyond initial launches. These IPs often lacked consistent narrative development, limited cross-media exposure, and minimal community engagement initiatives. In contrast, LABUBU benefits from a coherent backstory, sustained character evolution, and active fan involvement across platforms.

Additionally, LABUBU's visual identity—marked by distinctive facial expressions and stylistic consistency—enhances brand recall. Underperforming IPs, by comparison, often exhibit aesthetic variability and weaker symbolic resonance, limiting their ability to foster emotional attachment or cultural identification. These differences highlight the importance of IP-specific strategies rather than relying solely on POP MART's general operational model.

4.3 Dynamic Process of IP Development: From Launch to Brand Equity

The evolution of LABUBU as a cultural product follows a multi-stage trajectory: product launch, community diffusion, channel deepening, and brand sedimentation. Initially introduced through limited-edition blind boxes, LABUBU rapidly gained visibility via social media platforms such as Xiaohongshu and TikTok, where user-generated unboxing content amplified its appeal.

Subsequently, POP MART expanded LABUBU's presence through thematic exhibitions, collaborations with fashion brands, and international pop-up stores. These initiatives deepened consumer engagement and reinforced LABUBU's positioning as both an art object and cultural symbol. Over time, sustained community interaction and secondary market activity contributed to the accumulation of symbolic capital, transforming LABUBU from a product into a brand asset with enduring cultural value.

4.4 Omni-Channel Integration

POP MART's omni-channel strategy integrates online platforms (e.g., Tmall, official app, international e-commerce), offline retail (flagship stores, vending machines, pop-ups), and community-based engagement (social media, fan forums, exhibitions). This seamless integration ensures consistent brand exposure and facilitates consumer access across diverse contexts.

4.5 Experiential Marketing Dimensions

As illustrated in Figure 4, POP MART applies Schmitt’s experiential marketing framework to create a multidimensional brand experience through its LABUBU series. The brand appeals to consumers’ senses with visually striking blind box packaging and distinctive character design, while cultivating emotional resonance by positioning LABUBU as a cultural symbol that evokes a sense of attachment and companionship. The uncertainty and surprise associated with hidden editions stimulate curiosity and cognitive engagement, encouraging consumers to actively participate through collecting, unboxing, and creating fan art. Moreover, POP MART fosters social interaction and shared identity within both online and offline fan communities, as well as during exhibitions and events. Through this comprehensive experiential design, POP MART successfully transforms product consumption into a meaningful cultural and emotional experience that strengthens brand loyalty and community cohesion.

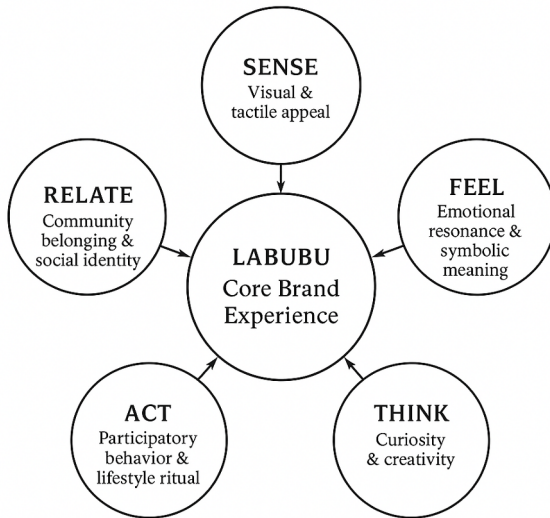


Fig. 4. LABUBU Experiential Marketing Integration Model (Adapted from Schmitt, 1999)

4.6 Domestic and International Market Development

Domestically, POP MART leverages LABUBU to anchor brand loyalty through localized events and continuous retail expansion. In East Asian markets such as Japan and South Korea, LABUBU aligns with regional collectible cultures, benefiting from aesthetic affinities and hobbyist subcultures.

In Southeast Asia, immersive exhibitions and large-scale pop-ups serve as demand-generating mechanisms. In Western markets, LABUBU is positioned within the art toy niche, emphasizing its design pedigree and cultural symbolism. These region-specific strategies illustrate how omni-channel and experiential marketing are adapted to local contexts while preserving core brand identity.

5 Discussion

This case illustrates that POP MART's success stems not only from its distinctive product design but, more importantly, from its ability to integrate omni-channel marketing with IP-driven brand strategies. Unlike multi-channel marketing, which focuses primarily on the breadth of distribution, the omni-channel approach emphasizes coherence and continuity across all consumer touchpoints, thereby providing a seamless and emotionally consistent brand experience. Through this integration, POP MART reinforces both symbolic meaning and emotional attachment, enabling consumers to interact with the brand in interconnected physical and digital spaces. From a sociological perspective, this marketing model also reflects several underlying aspects of consumer psychology. The widespread enthusiasm for blind box unboxing demonstrates herd behavior, as collective imitation and participation amplify social engagement and visibility. Meanwhile, the act of owning a LABUBU figure functions as a form of identity construction, symbolizing belonging within a shared cultural community. Furthermore, the emergence of a fan economy—driven by user-generated content and secondary trading markets—deepens consumer interaction and enhances overall brand equity. Taken together, these mechanisms illustrate how experiential marketing and omni-channel integration converge to construct a cohesive and sustainable branding model within the cultural and creative industries.

6 Conclusion

This study shows that POP MART's success with LABUBU stems from its combination of omni-channel integration, experiential marketing, and IP-driven brand strategy. The company has effectively used both domestic and international markets to build a global presence, relying on emotional resonance and community engagement.

Theoretically, this research contributes by extending omni-channel marketing studies into the cultural and creative industries, highlighting the role of IP as a symbolic driver of consumer behavior. Practically, it offers a reference for emerging Chinese enterprises aiming for globalization while consolidating their domestic base.

Limitations include the reliance on secondary data and the focus on a single case. Future research could involve consumer surveys, cross-country comparisons, or longitudinal studies to validate and generalize these findings.

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