



Research on Cultural Marketing Strategies of New Chinese-style Tea Beverages — A Case Study of CHAGEE

Cuicui Lyu^{1,*} and Yixuan Song²

¹Shandong Technology and Business University, Yantai, Shandong Province, China

²Malvern College Qingdao, Qingdao, Shandong Province, China

*82064940@qq.com

Abstract. Based on the 4P marketing theory, semiotic theory and cross-cultural marketing theory, this paper takes CHAGEE as the research object to systematically analyze the practical approaches for new Chinese-style tea beverage brands to break free from homogeneous industrial competition by leveraging indigenous cultural resources. The study finds that full-link cultural symbol empowerment effectively helps brands build differentiated positioning and achieve premium pricing. Nevertheless, the industry generally suffers from drawbacks including superficial stacking of cultural symbols, insufficient content innovation and inadequate cross-cultural integration. Accordingly, optimization suggestions are proposed from four dimensions: in-depth product content development, integrated brand system construction, value-based pricing and refined multichannel promotion. The research aims to provide replicable cultural marketing paradigms and practical references for domestic trend tea brands as well as other Chinese homegrown brands going global.

Keywords: 4P Theory; New Chinese-style Tea Beverage; Cultural Marketing; Optimization Path

1 Introduction

Driven by growing cultural confidence and updated consumption needs in China, traditional culture has turned into marketable resources, fueling the booming China-trend economy. Young consumers value cultural identity and experiential feelings more than basic product functions, pushing the tea drink industry away from homogenized competition over taste and ingredients. Fierce price wars shrink industrial profits, so cultural marketing has become vital for industrial upgrade.

With thousands of years of history, Chinese tea culture provides rich cultural resources for new-style tea brands. CHAGEE, drawing on Yunnan tea culture, traditional operas and the ancient tea horse road, has expanded into Southeast Asia since 2018 and built over 60 stores in Malaysia, Thailand and Singapore.

Although many studies discuss China-trend brands' cultural promotion, most only focus on visual symbols without systematic 4P-based analysis of domestic and overseas

marketing differences. This paper therefore analyzes CHAGEE's cultural marketing problems and proposes improvement strategies.

2 Theoretical Foundation

2.1 The 4P Marketing Theory

Proposed by E. Jerome McCarthy, the 4P Theory divides marketing activities into four core components: product, price, place and promotion ^[4], forming the fundamental analytical framework of modern marketing. Essentially, cultural marketing integrates traditional cultural resources into the conventional 4P system, embedding cultural elements into the whole process of product development, brand building, pricing design and full-channel promotion to overcome product homogenization and build core competitiveness via added cultural value. Unlike function-oriented traditional marketing, the culture-empowered 4P system shifts competition from tangible product attributes to multi-dimensional rivalry over spiritual value and experiential satisfaction ^[1], serving as the core analytical tool adopted in this paper.

2.2 Semiotic Theory

Roland Barthes splits signs into two layers: signifier and signified. The signifier refers to tangible external carriers including brand logos, product names, packaging patterns and store interior decoration; the signified stands for embedded historical connotations, national spirits, values and cultural essences behind symbols. Sound cultural marketing requires deep integration between signifiers and signifieds. Superficial application of decorative patterns without conveying underlying cultural meanings will lead to shallow symbolic marketing pitfalls ^[8].

2.3 Cross-cultural Marketing Theory

Cross-cultural marketing puts priority to striking a balance between maintaining one's native culture and meanwhile adjusting to the local culture of target markets. However, cultural obstacles which derive from diverse customs, values and consumption habits across regions tend to hinder cross-border practice. On the one hand, brands need to maintain their unique inherent cultural features. On the other hand, they need to fine-tune their marketing content to be consistent with host-country customs, bridge cultural gaps, remove consumer psychological rejection and finally achieve flexible cultural dissemination ^[5].

3 CHAGEE's Practical Cultural Marketing Strategies

3.1 Product-focused Cultural Marketing: Multi-dimensional Empowerment of Physical Merchandise

Products carry CHAGEE's cultural marketing. The brand integrates oriental tea culture and China-trend symbols into positioning, product development and packaging [3]. CHAGEE position itself as an oriental new-style tea house. It is different from low-cost mass-market brands and high-end western-style tea chains. It caters to lovers who like traditional Chinese culture and natural tea. Its Southeast Asian stores operate as Chinese casual tea houses matching local afternoon tea customs.

CHAGEE names drinks after ancient poems and the ancient tea horse road and uses natural Yunnan tea instead of artificial creamers. Domestic packaging features traditional Chinese colors and intangible heritage designs, while Southeast Asian packages combine Peking Opera patterns with local decorations through IP collaborations like Dunhuang.

However, there are still some problems with its cultural design. Cultural elements are arbitrarily pieced together without consistent storylines. In addition, instead of integrating cultural elements into recipes, most packages only add decorative patterns, which result in superficial cultural marketing practice.

3.2 Brand-focused Cultural Marketing: Joint Brand Building via Symbols and Narratives

CHAGEE builds its brand culture via symbolic design and historical storytelling. Its original logo derives from Peking Opera's Dan facial makeup; in 2021, it changed its overseas name from Bawangchaji to CHAGEE for easier pronunciation across Southeast Asian languages while keeping the core facial makeup symbol.

Centered on the legend of Xiang Yu and consort Yu, its brand story integrates Yunnan tea history and the ancient tea horse road. It partners with Dunhuang museum and IPs domestically yet neglects folk arts. Stores adopt wooden decor, Chinese calligraphy and traditional instrumental music. Southeast Asian outlets install large shared tables, and Malaysia runs an in-cup gift raffle. However, its overseas adaptation is superficial, relying heavily on unilateral Chinese cultural export with little localized innovation for Thai and Malaysian markets.

3.3 Price-focused Cultural Marketing: Realizing Value Premium via Cultural Endorsement

Moving beyond cost-oriented pricing, CHAGEE adopts culture-value-based pricing, with product prices determined by raw material cost plus additional cultural and experiential value to achieve reasonable premium via traditional Chinese culture [6]. Regular domestic drinks are priced between 15 and 22 RMB, filling the pricing gap between budget and high-end tea beverages; raw material costs are comparable to competitors, while embedded tea culture and in-store experience form the core source of premium.

Limited-edition IP co-branded products such as Dunhuang collaborations are priced from 25 to 32 RMB to capture national trend enthusiasts' willingness to pay. In Southeast Asia, local pricing ranges from the equivalent of 18 to 26 RMB per serving; thanks to its exclusive oriental tea culture attribute, CHAGEE gains pricing advantages against local milk tea brands and other Chinese outbound beverage competitors.

Nonetheless, its pricing system lacks refinement: price tiers are set only by IP promotional activities rather than hierarchical cultural scarcity categorized by ancient tree raw materials, traditional handmade craftsmanship and regular tea bases. Temporary price hikes during traditional festivals harvest short-term profits without long-term value-realizing products like bundled tea & traditional craft gift sets, and monotonous pricing strategies limit potential cultural monetization.

3.4 Promotion-focused Cultural Marketing: Dual-track Culture-oriented Promotion for Domestic and Overseas Markets

CHAGEE executes separate domestic and Southeast Asian promotional plans aligned with regional cultural differences, centered on traditional festivals, social media communication and offline events ^[9].

Domestically, themed marketing is rolled out for Chinese traditional festivals including Spring Festival, Mid-Autumn Festival and Dragon Boat Festival with limited-edition drinks and peripheral merchandise alongside Hanfu garden parties and traditional tea appreciation gatherings ^[2]. Short-video platforms such as Xiaohongshu and Douyin are leveraged for KOL content marketing highlighting elegant store design and product aesthetics to achieve low-cost viral exposure; partnerships with domestic tea expos and intangible cultural heritage charity programs enhance corporate reputation.

Overseas promotion follows cross-cultural adaptation principles ^[7]: official accounts are operated on mainstream Southeast Asian platforms including Facebook and Instagram, featuring Chinese traditional festival introductions; limited new products are launched for local festivals such as Thailand's Songkran and Malaysia's Thaipusam with bilingual local-language and Chinese copywriting. Lion dance performances are arranged for Malaysia's new store openings to attract foot traffic via indigenous Chinese folk customs. Significant promotional weaknesses remain, however: overseas social media mostly functions as one-way content release lacking regular user interaction and community operation; independent accounts exist for Thailand only while Malaysia and Singapore share a single official profile with no presence on region-dominant platforms such as WhatsApp. Promotions over-rely on discounts and free gifts with scarce immersive tea culture events, leading to homogenized promotional activities.

4 Optimized Cultural Marketing Suggestions for CHAGEE

4.1 Product Side: Unify Cultural Narration and Integrate Signifiers with Signified

CHAGEE could categorize product lines by regions along the ancient tea horse road and align each item's name, raw materials and packaging with local tea cultures to

avoid fragmented Chinese-style element stacking. Dual-track R&D is proposed: one line restoring Tang and Song ancient tea-making techniques and another reformulating recipes to fit modern drinking habits. CHAGEE is advised to print short historical stories on cups to link facial makeup and ink-wash patterns to cultural connotations, turning packages into culture carriers and ending superficial marketing.

4.2 Brand Side: Expand IP Boundaries and Deepen Bilateral Cross-cultural Integration

CHAGEE could diversify IP cooperation: work with folk tea craftsmen and launch regional drinks featuring Thai shadow puppetry and Malaysian batik for bilateral cultural integration. It may hold regular offline tea events at home and abroad to boost customer recognition and develop localized Southeast Asian sub-brands to reduce the sense of compulsory cultural output.

4.3 Price Side: Establish Tiered Culture-based Pricing System

CHAGEE could set three price tiers by tea grade: ancient-tree, handmade and regular tea, rather than changing prices only for IP collaborations. It can sell drink bundles with handicrafts or in-store tea experiences to boost profit. Instead of hiking prices temporarily on festivals, the brand can sell cultural gift sets for stable earnings.

4.4 Promotion Side: Improve Full-channel Layout and Restructure Activity Portfolio

CHAGEE could launch separate social media accounts for Malaysia and Singapore and expand onto WhatsApp and TikTok to build an integrated overseas online ecosystem. It may create fan groups with tea quizzes and new product co-design to retain customers. The brand can reduce discount promotions and host tea parties and heritage pop-ups, cooperating with cultural exhibitions and charities to avoid cut-throat price wars.

5 Industry Enlightenments

First, new domestic trend tea brands could follow unified signifier-signified marketing logic. They should focus on in-depth cultural meanings rather than only superficial logo and package designs, and integrate traditional culture into product development and services to prevent empty gimmicky marketing. Second, brands could arrange full-range cultural marketing under the 4P framework. Cultural planning could begin at the product design stage and cover pricing, distribution and promotion instead of random temporary themed activities. Third, overseas Chinese brands could balance original cultural features and local customization, keeping core Chinese traits while adjusting products to fit local customs and avoid excessive localization or forced cultural output. Fourth, enterprises could gain cultural premium to get away from price wars. Exploring

traditional culture helps form unique product value and extra profits to beat homogeneous competition.

6 Conclusion

Using the 4P, semiotic and cross-cultural marketing theories, this study analyzes CHAGEE's cultural marketing and reaches three findings. First, culture-driven integrated marketing helps new Chinese tea brands avoid homogenization, gain premium and expand globally. Second, CHAGEE's common drawbacks include scattered cultural symbols, weak innovation, shallow cross-cultural integration and single promotion due to poor top-level planning. Third, optimized product storytelling, diverse IP partnerships, tiered pricing and refined promotion can improve its cultural marketing and boost cultural benefits.

With booming national-trend economy, brands need to explore in-depth culture and balance native features with local adaptation for unique competitiveness. Limited by unavailable business data, this paper has no quantitative analysis, which can be supplemented by relevant data in future studies.

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