

## The Research on M Milk Tea Brand: Market Positioning, Consumer Insights, and Future Strategic Outlook

Jinghua Xu<sup>1</sup>, Khunanan Sukpasjaroen<sup>2</sup>, Thitinan Chankoson<sup>3</sup>

### Abstract

*In recent years, with the increase in per capita income of Chinese residents and the growth of urban population, the milk tea industry has achieved tremendous success in the Chinese market. This study comprehensively analyzes the market positioning, consumer characteristics, and marketing strategies of the M Milk Tea brand. Through in-depth analysis of age structure, gender distribution, and occupational characteristics, the researchers found that the M Milk Tea brand has a strong market appeal among young people, especially dominating the age groups under 18 and 18-24. There is a trend of more female consumers in gender distribution, but compared to the entire milk tea market, the M Milk Tea brand's gender characteristics are more inclusive. In terms of occupational characteristics, white-collar workers and students are the main consumer groups, with the M Milk Tea brand holding a larger proportion, especially among students. In addition, the researchers analyzed the choice of sales channels and found that the M Milk Tea brand primarily focuses on offline stores, with relatively lagging development in online sales channels. Regarding promotional strategies, the study revealed consumer preferences for traditional promotions such as "buy one, get one free" and "half-price for the second cup," but pointed out potential opportunities for promotional innovation and online channel expansion. By understanding the sources of consumer knowledge, the researchers found that personal consumption experience is the main source of information, and the utilization of new media and other marketing methods is relatively limited. Finally, from the perspective of integrating multiple studies, this research discusses the advantages and potential development opportunities of the M Milk Tea brand in market competition. Overall, the M Milk Tea brand shows good potential in terms of youthfulness, brand awareness, and market share, but there is still room for improvement in promotional innovation and online channel expansion. The research results provide profound market insights and reference for the future development strategies of the milk tea industry.*

**Keywords:** M Milk Tea Brand, Market Positioning, Consumer Insights, Future Strategic Outlook.

### 1. Introduction

In recent years, with the continuous increase in per capita income of Chinese residents and the steady growth of the urban population, the residents' consumption level has been consistently rising. This trend has propelled the vigorous development of freshly brewed

---

<sup>1</sup> Chakrabongse Bhuvanarth International Institute for Interdisciplinary Studies (CBIS), Rajamangala University of Technology Tawan-OK, Thailand

<sup>2</sup> Chakrabongse Bhuvanarth International Institute for Interdisciplinary Studies (CBIS), Rajamangala University of Technology Tawan-OK, Thailand

<sup>3</sup> Faculty of Business Administration for Society, Srinakharinwirot University, Thailand.

milk tea in the market. Its rich flavors, diverse ingredients, and personalized products have gained widespread acclaim, leading to a rapid expansion of the market. According to data from iMedia Consulting, the market size of new-style milk tea in China reached 293.85 billion yuan in 2022, and it is expected to reach 374.93 billion yuan by 2025 (iMedia, 2023). With the sustained development of the national economy and the rapid improvement of China's industrialization level, the trend of non-agricultural industries and rural populations moving towards urban areas and cities has become more pronounced. The continuous increase in China's urbanization level has led to a growing number of milk tea consumers, and the consumption potential of the milk tea market is continually being tapped into. This phenomenon provides broad market development prospects for the milk tea industry (Song, 2023). However, as the size of the milk tea market expands, competition has become more intense. The rise of leading brands in the market requires not only attention to product taste and quality but also the formulation of effective competitive strategies to cope with the increasingly complex market environment. Therefore, this study delves into the development process of leading brands in the Chinese milk tea industry, the competitive strategies they have adopted, and the challenges they may face in the future. Through an in-depth exploration of these aspects, it is hoped that a better understanding of the dynamics of the Chinese milk tea industry will be gained, providing valuable insights for brands to formulate future development strategies.

### 1.1 Current Status of Marketing Strategies in the Chinese Milk Tea Brand Research

Xu (2022), through a study on the "X" and "Y" milk tea brands, thoroughly explores their successful operational experiences in the market and provides valuable suggestions for the development of the freshly brewed tea industry. Liu (2022) adopts a combined approach of theory and data analysis to examine the pricing and marketing strategies of the S brand in China, aiming to validate its successful experiences and inspire global beverage companies. Xue, Peng, and Chen (2021), through an in-depth analysis of overseas marketing cases of the S brand and considering the current status of new tea beverages, propose development recommendations for the cross-border marketing of novel Chinese tea beverages. Shi et al. (2021), based on research on three chain brands in China, found that low-end milk tea shops focus on affordability, mid-range shops emphasize a diverse range of products, while high-end milk tea shops prioritize visual effects. They believe that the future of the milk tea industry is promising, and the market will move towards personalized and branded development, adopting a store-opening model with a focus on chain franchising. Additionally, milk tea shops may implement more diversified cooperation models in the future, even developing more distinctive products. Chen et al. (2021), through literature analysis, expert interviews, and the Delphi method, validate key success factors for tea beverage chain enterprises and propose exploration of indicators in five dimensions. By identifying these key indicators, they offer recommendations for current owners or operators to improve their critical work in business management, providing valuable reference for newcomers interested in the chain business. Christy (2021) employs behaviorism theory, Stimulus-Organism-Response (SOR) theory, and action reasoning theory to explain consumer reactions on social media to the network marketing activities of pearl milk tea brands and the stimulation of knowledge acquisition. The research results on network marketing variables show that attitude and knowledge variables account for 61.2%, with the remaining 38.8% influenced by other variables not examined in this study. This provides a deep theoretical foundation for understanding consumer responses to milk tea brands on social media.

Ji et al. (2021) conducted an in-depth study on the marketing status of the X Milk Tea brand using the SWOT analysis method. Through surveys of the main consumer groups for new tea beverages and the application of the Analytic Hierarchy Process to rank the influencing factors in the marketing of the X Milk Tea brand, they proposed optimization measures for the marketing strategy of X Milk Tea. This study provides profound insights

into understanding the market competitive environment of the X Milk Tea brand and formulating effective marketing strategies. Zhang (2021), based on content analysis and in-depth interviews, extensively researched the co-marketing strategies of the X Milk Tea brand. Summarizing the co-marketing strategies of the X Milk Tea brand, including reverse orientation, high-frequency marketing, deepening, connectivity, hunger marketing, and IP integration, they suggested that the brand should focus on brand positioning and product quality, promoting development through ceremonial co-marketing. This study provides practical strategic directions for co-marketing in the milk tea industry. Tao (2021), leveraging theories such as 4P and USP, analyzed the marketing strategy issues of the N Milk Tea brand and proposed corresponding optimization measures. The comprehensive application of these theories aids in understanding the brand's market positioning and competitive strategy comprehensively, providing guidance for the development of more effective marketing plans. Hu (2021) applied the 4C marketing theory to study the marketing strategy of the C Milk Tea brand, a popular internet celebrity tea brand in Changsha. This research highlights the importance of interactive communication between the brand and consumers, as well as comprehensive user management and high-quality service provision. For milk tea brands, this is crucial in meeting the challenges of the digital era. Jiang (2021), through an analysis of the characteristics and current state of the new tea beverage industry, combined with industry development trends, presented future prospects. This provides valuable reference for practitioners in the milk tea industry, helping them better grasp market dynamics and formulate long-term development strategies. Lu (2021) believes that the precision marketing model based on internet technology will be the key to future marketing for businesses. Emphasizing the importance of accurate market positioning and segmentation, along with strengthening interactive communication with consumers and managing users throughout the entire process to provide excellent services. This has guiding significance for milk tea brands to maintain a competitive advantage in the digital age market competition. Xie et al. (2019) explored the brand marketing strategies and insights of internet-famous tea from a social creativity perspective. This provides innovative ideas for milk tea brands to conduct creative promotional activities on social media.

Zhao (2019) conducted a SWOT analysis of Heytea's marketing environment and proposed 4P marketing strategies and recommendations. This study provides valuable reference for Heytea and other milk tea brands to formulate strategies in a fiercely competitive market. Ding (2019), drawing on the development experience of the S brand, explored the development path of marketing methods for new-style tea beverages in China. By learning from successful brands, specific marketing strategy recommendations were provided for the milk tea industry. Nugroho (2018) tested the decision factors influencing the purchase of Teh Pucuk Harum. The research results indicate that factors such as brand image, price, and product quality significantly impact purchase decisions, with price being the most crucial factor, while the impact of the image is relatively smaller. This has practical implications for understanding the driving factors of consumer purchasing behavior. Wang and Yu (2016), by focusing on the attributes of ready-to-drink tea beverage products, prompted consumers to purchase ready-to-drink tea. The results show that consumers purchase ready-to-drink tea beverages primarily based on satisfaction with taste, flavor, packaging, and ingredients, reflecting consumers' expectations for deliciousness, thirst-quenching, and health promotion. This provides beneficial insights for milk tea brands in product development and market positioning. By synthesizing these studies, researchers found that marketing strategies in the milk tea industry involve various aspects, including product innovation, co-branding, pricing strategies, and market positioning. With the intensification of market competition, milk tea brands need to continually innovate and optimize marketing strategies to meet consumer needs and maintain a competitive edge. These studies provide profound

theoretical and practical guidance for practitioners in the milk tea industry, helping them better cope with market changes and achieve long-term business success.

## 1.2 Research on the Development Status of M Milk Tea Brand

Lin et al. (2023), utilizing POI big data and ArcGIS tools, conducted an in-depth study on the spatial diffusion and clustering patterns of X and M milk tea brands. The study revealed that the spatial distribution of M and X milk tea brand stores is influenced by multiple factors such as brand positioning, regional culture, and economic development levels. Particularly, M milk tea brand exhibits significant spatial clustering characteristics in second and third-tier cities, with high clustering values observed in these cities. This research provides robust geographical information support for understanding the market penetration and expansion of milk tea brands. Yuan (2022), from the perspective of brand communication, used the marketing of theme songs by M milk tea brand as a case study to investigate the dissemination mechanism of advertising music on short video platforms. Through a case analysis of the music marketing by M milk tea brand, the researchers revealed its successful communication strategies, offering valuable experience for other brands engaging in music marketing on short video platforms. Xia (2022), based on the 4C theory of integrated marketing, systematically analyzed the integrated marketing strategy of M milk tea brand. This study deeply dissected M milk tea brand's integrated marketing practices from the perspectives of customers, costs, convenience, and communication, providing practical guidance for the milk tea industry regarding integrated marketing strategies. Wu (2022), using M milk tea brand as an example, extensively explored the phenomenon of brand communication entertainment in the era of new media and unearthed the fundamental reasons for the success of M milk tea brand in the market. Combining McLuhan's "the medium is the message" theory, the researchers offered profound insights and suggestions on the potential challenges and risks M milk tea brand might face, providing strategic guidance for the brand's future development.

Du (2022), from the three dimensions of brand positioning, brand symbols, and brand communication, summarized the measures taken by M milk tea brand for rejuvenation and discussed strategies for building a national brand in the internet environment. This study provides profound theoretical guidance and practical operational suggestions for the rejuvenation and nationalization of brands in the milk tea industry. Zhang (2022), focusing on M milk tea brand, comprehensively analyzed it using the SWOT tool and formulated corresponding marketing development strategies. This study, starting from the internal strengths and weaknesses, external opportunities, and threats of the brand, provides a clear strategic path for the future development of M milk tea brand. Yang et al. (2021), using M milk tea brand's theme song as an example, analyzed the propagation mechanism of internet memes. Through an in-depth study of internet meme propagation, the researchers revealed the mechanisms behind the successful dissemination of M milk tea brand on social media, offering beneficial insights for other brands engaged in creative communication in the internet age. Tian et al. (2020), using a questionnaire survey, explored customer loyalty to M milk tea brand and its influencing factors. This study, delving into M milk tea brand's performance and influencing factors in the market from the consumer's perspective, provides practical suggestions for enhancing brand loyalty. Liu (2016), using the SWOT tool, analyzed the marketing status of M milk tea brand in Zhengzhou and identified problems using the 4P theory. This study provides specific marketing strategy recommendations for the development of M milk tea brand in local markets, offering robust support for addressing practical issues faced by the brand. By integrating these studies, researchers found diversity and richness in research on various aspects of the Chinese milk tea industry. Studies in areas such as geographical information analysis, music marketing, integrated marketing, entertainment communication, rejuvenation measures, SWOT analysis, and more provide comprehensive guidance and strategic support for milk tea brands. These studies not only

assist milk tea brands in better understanding the market and consumers but also offer practical and feasible strategic directions for industry practitioners. In the rapidly evolving milk tea market, these studies have a profound impact on the sustainable development of milk tea brands.

## **2. Management Issues of M Milk Tea Brand**

In enterprise management, the crucial role of cost management is self-evident, which is essential for enhancing the overall management level of the enterprise (Lu, 2023). Precise cost management accounting can not only improve operational efficiency and profitability, reducing costs, but also provide comprehensive cost information to help business managers make more accurate, scientific, and rational strategic decisions. M Milk Tea Brand, as a well-known chain enterprise specializing in freshly made milk tea and desserts, possesses its unique experiences and challenges. However, similar to other enterprises, M Milk Tea Brand needs continuous improvement and innovation in cost management to better adapt to market changes and competitive pressures (Liao, 2023). Researchers believe that the current intensity of market competition makes the fluctuation of raw material prices one of the challenges faced by M Milk Tea Brand. Therefore, it is suggested that M Milk Tea Brand strengthen cooperation with suppliers, explore the establishment of long-term strategic partnerships to ensure a stable supply of raw materials. Additionally, introducing technological tools such as artificial intelligence and big data analysis to monitor the raw material market in real-time can enable more flexible adjustment of procurement strategies, thereby reducing purchasing costs. Secondly, potential factors contributing to cost escalation may arise from waste and losses in the production process. To address this issue, M Milk Tea Brand can consider adopting advanced production technologies to enhance production efficiency and reduce waste rates. Furthermore, implementing employee training programs to improve operational skills and awareness can effectively mitigate the negative impact of human factors on costs. Cost management in the sales process is equally crucial. By utilizing data analysis and market research, M Milk Tea Brand can more accurately predict product demand, avoid overstock, and reduce the cost of capital occupation. Moreover, optimizing sales channels through e-commerce platforms and social media can lower sales costs and improve sales efficiency. To tackle these challenges, M Milk Tea Brand can draw inspiration from the success of advanced enterprises, introducing information technology systems for precise monitoring and management of costs. Additionally, it is advisable to strengthen the training of internal teams, enhance the professional level of cost management, and ensure the team is equipped to respond to market changes and competitive challenges. In conclusion, cost management plays a critical role in the operations of M Milk Tea Brand. By formulating flexible cost management strategies and addressing issues related to raw material procurement, the production process, and the sales process, M Milk Tea Brand is poised to better adapt to intense market competition and achieve sustainable development. In the future, the brand can continue to refine its cost management mechanisms, continually optimize business processes to better navigate the unpredictable market.

M Milk Tea Brand, as a modern chain enterprise, has long adhered to the product philosophy of "high quality at an affordable price," dedicating itself to providing a wide range of high-quality food products, including freshly made milk tea and ice cream, to a vast consumer base. Its complete industrial chain covers various aspects such as product research and development, production, warehousing, logistics, sales, and various components of chain operations (Huangpu & Zhang, 2022). Operating under the model of "direct chain as a guide, franchise chain as the main body," M Milk Tea Brand has successfully established influential chain brands like Snow Ice City, with Snow Ice City's store count leading the industry. As of March 2022, it has exceeded 20,000 stores, spanning across provinces, autonomous regions, and municipalities in mainland China.

Moreover, M Milk Tea Brand has actively expanded into the international market, opening 317 and 249 stores in countries such as Indonesia and Vietnam, respectively. The rapid growth of M Milk Tea Brand's store count is evident. From 2019 to 2021, the average net increase in stores per year was 6,643, with a compound annual growth rate as high as 68.49%. In the first quarter of 2022 alone, the company added a net total of 1,765 stores. This has resulted in a dense network of M Milk Tea Brand stores, highlighting its competitive advantage. In terms of financial performance, M Milk Tea Brand achieved operating revenues of 10.351 billion yuan and 2.434 billion yuan in 2021 and the first quarter of 2022, respectively. The main business gross profits reached 3.28 billion yuan and 750 million yuan during the same periods. The gross profit margins were 31.73% and 30.89%, demonstrating a positive development trend (Wang, 2022). This fully reflects the successful implementation of M Milk Tea Brand's sound business operations and business expansion strategies in the market. However, with the continuous changes in the market and the increasing competition, M Milk Tea Brand needs to continually strengthen its core competitiveness, further enhance brand value and service levels to ensure a leading position in the industry. Possible directions for development include expanding international markets, innovating products and services, and improving digital marketing capabilities. Through these initiatives, M Milk Tea Brand will be better positioned to adapt to market changes, continuously create value, and achieve sustainable business success.

Despite M Milk Tea Brand's significant achievements in the market, it still faces challenges on the management front, particularly in terms of the quality of personnel in cost management. Cost management is a crucial aspect of modern enterprise management. However, in one of the critical links of M Snow Ice City's product production, namely the management of franchise stores, the shortage of talent in cost management remains unresolved. For a franchise store, typically 3 to 7 employees, including 1 store manager, 1 to 2 service staff, and 2 to 4 milk tea makers, are usually recruited to meet daily operational needs. However, in M Milk Tea Brand's recruitment requirements, cost management skills and experience are not given sufficient attention and are almost entirely overlooked when recruiting financial personnel. Nevertheless, cost management is a key business process, and ensuring its effectiveness requires the collective effort of various departments (Miu, 2022). To address this issue, M Milk Tea Brand can take a series of measures. For example, strengthening training for the management of franchise stores to enhance their awareness and skills in cost management. This can be achieved through regular training courses, seminars, and platforms for sharing experiences. Simultaneously, adjusting recruitment policies to emphasize the financial background and cost management experience of personnel, ensuring they have sufficient expertise for effective cost management. Additionally, it is recommended to establish professional cost management positions at various levels, ensuring that each store has dedicated personnel responsible for cost management, thereby raising the overall management level. Effective cost management not only helps improve operational efficiency but also reduces unnecessary expenses, ultimately achieving better profitability. Therefore, while M Milk Tea Brand experiences rapid development, strengthening the cultivation and recruitment of cost management talent is crucial to ensuring sustainable success for the enterprise. By enhancing the professionalism of cost management, M Milk Tea Brand will be better equipped to withstand intense market competition and achieve long-term business prosperity.

Secondly, M Milk Tea Brand faces an issue of inadequate accuracy in cost management information accounting. With the intensification of market competition and consumers' increasing demands for product quality and pricing, modern enterprises gradually recognize the crucial role of cost management accounting in internal decision-making, operations, and management. Accurate cost management not only helps enterprises better understand their cost situation, reduce expenses, but also supports more precise, scientific, and rational decision-making, thereby improving operational efficiency and

enhancing competitiveness. For M Milk Tea Brand, cost management work is equally significant. Accurate accounting assists in formulating more practical sales strategies, achieving meticulous store management, and optimizing business processes. However, there are some issues in the cost accounting work of M Milk Tea Brand, with one prominent problem being the lack of classification standards based on the city level and the scale of franchise stores. Additionally, the lack of clear accounting methods and standards leads to ineffective use of resources, time, and manpower. The non-standardized and imperfect nature of cost accounting work makes it difficult for M Milk Tea Brand to collect, manage, and analyze cost information, ultimately affecting the accuracy of cost data (Su, 2023). To address this issue, M Milk Tea Brand can consider establishing clear cost accounting standards and processes, classifying them based on different city levels and store scales to ensure more accurate and targeted cost accounting. Simultaneously, strengthening training for relevant personnel to enhance their understanding and professional level in cost accounting is crucial. By establishing a more comprehensive cost management system, M Milk Tea Brand will be able to utilize cost information more effectively, providing strong support for the continuous development of the enterprise.

Lastly, M Milk Tea Brand also faces deficiencies in cost management related to incentive systems. The cost management incentive system plays a crucial role in enterprise operations. This system can motivate employees to identify and capitalize on cost control opportunities during store operations, enhance production efficiency, and promote collaboration. For employees, the cost management incentive system can stimulate their participation and sense of responsibility. Employees will approach their behavior and decisions more responsibly, actively seeking ways to reduce costs. As the achievement of cost savings may lead to rewards or promotion opportunities, employees are more willing to invest time and effort in contemplating how to increase productivity and efficiency. The cost management incentive system also has positive impacts on business operations. Firstly, it helps enterprises reduce costs, improve production efficiency, enhance customer relations, and strengthen competitiveness. Secondly, due to employees' positive attitudes and heightened awareness of the production process, companies can also reduce the risks of errors or product quality issues. These factors collectively contribute to M Milk Tea Brand improving operational efficiency and enhancing market position (Tong, 2023). To enhance the cost management incentive system, M Milk Tea Brand can consider establishing a clear reward mechanism, linking performance related to cost savings with employees' individual or team promotion opportunities. Simultaneously, through regular incentive training, encouraging employees to share experiences and innovative ideas related to cost management can drive overall improvement in the level of cost management. Through these measures, M Milk Tea Brand will be able to simultaneously motivate employees and promote a more refined and efficient approach to cost management within the enterprise.

### **3. Countermeasures for Cost Management in M Milk Tea Brand**

Firstly, M Milk Tea Brand needs to start at the awareness level, establishing the correct concept of costs, which is the foundation for effective cost management. There should be a profound understanding of the necessity and importance of cost management for the long-term development of the enterprise, emphasizing the critical role of cost management at the strategic level. To address the issue of insufficient attention to cost management, it is essential to start with changing mindsets. Through various forms such as promotional education by company or store leaders, employee training, and case sharing, the correct cost concept should be instilled. Secondly, based on M Milk Tea Brand's business model, build a cost management culture at the corporate culture level that suits the needs of the enterprise. Create a culture emphasizing thrift and cost control, defining cost management as a consensus throughout the organization, and implement

cost management comprehensively. Moreover, the corporate culture should include the selection, arrangement, and evaluation mechanisms for talents required for cost management culture to create an environment more conducive to the implementation of cost management. Lastly, enhance individual cost consciousness by guiding employees to establish the correct cost management mindset through training, incentives, and recognition, focusing more on the efficiency of resource utilization and cost expenditure. In terms of compensation, attempt to motivate employees through spiritual rewards and some material incentives, incorporating cost control factors into employee performance evaluations. By integrating awareness of enterprise cost management with store operations, implement it practically. Guide store managers to not only focus on sales results but, more importantly, control costs in daily operations. Establish electronic ledgers specifically for goods procurement and sales management at the store level, conducting regular checks and adjusting operations based on data. Additionally, according to the average gross profit margin level of the stores, the headquarters should commend and encourage stores that have well-controlled costs to promote cost control efforts across all stores (Liao, 2023).

Secondly, addressing the issue of low qualifications in cost management within M Milk Tea Brand requires a focus on strengthening talent development in cost management (Wang, 2022). In terms of personnel recruitment, priority should be given to employees with backgrounds in cost management or finance to ensure the recruitment of talents with cost management skills. This can be achieved by publishing relevant job recruitment advertisements and explicitly emphasizing the key points and responsibilities of recruitment to attract more cost management professionals to join the company. Then, for newly hired employees at M Milk Tea Brand, the company needs to provide necessary cost management training to ensure they have a better understanding of relevant concepts and methods and can apply them to practical work. In addition, M Milk Tea Brand can establish a cost management exchange group to regularly share practical experiences and insights, further enhancing employees' theoretical application and practical operational capabilities. Finally, in addition to internal training, consideration should be given to recruiting high-quality, experienced management talent. If the company lacks experience in cost management, external recruitment or hiring cost management professionals from the same industry can be considered. These professionals can provide specialized cost management training for employees, drawing on successful experiences from other companies, to continuously improve the cost management level of M Milk Tea Brand (Lu, 2021). Additionally, collaboration with professional training institutions can be explored to introduce advanced management concepts and methods, launching customized course training.

Thirdly, it is essential to establish and improve the cost accounting system, clarifying the framework of the entire store cost system for M Milk Tea Brand. This requires a clear understanding of the specific process of internal cost accounting within the stores and the inclusion standards for various costs. Additionally, it is necessary to specify which categories of human, financial, and material resources in store operations should be considered important for accounting. Based on the characteristics of the items being accounted for, standards that align with these characteristics need to be developed, such as valuation and allocation standards for materials and provisions for the depreciation of fixed assets. After establishing a comprehensive accounting framework, there is a continual need to update a unified cost analysis model. The digital economy, a product of modern information technology, holds significant importance in driving the transformation and upgrading of cost management in manufacturing enterprises (Quan, 2022). Through a unified and operational cost accounting model, M Milk Tea Brand can better achieve digital data sharing between stores and headquarters, enabling a more comprehensive understanding of operational conditions and the timely formulation of corresponding business strategies. Furthermore, this model can help stores identify weaknesses in store management during the operation of M Milk Tea Brand and assist

cost management personnel in establishing relevant control plans. Finally, based on the establishment of an organized store accounting system and cost analysis model, M Milk Tea Brand stores should strengthen the construction of the cost management personnel team. This construction can involve targeted training for existing personnel and the introduction of new talents with relevant professional backgrounds, enabling them to acquire new skills and optimize management practices.

Fourthly, establishing and improving incentive mechanisms for cost management is a crucial means to drive optimization in cost management for M Milk Tea Brand. In order to better guide each store and the headquarters service end in achieving better understanding, management, and control of various cost expenditures, some incentive measures can be adopted. These measures include providing performance bonuses, implementing fair assessments, and establishing career advancement channels, thereby inspiring employees to pay high attention to costs. Then, the concept of "strengthening cost control and reducing expenses" can be linked to performance evaluations and bonuses, creating a positive and upward competitive atmosphere. Through clear performance evaluation criteria, a comprehensive assessment of the financial management level and performance of each M Milk Tea Brand store can be conducted. Corresponding rewards can be provided to outstanding stores, thereby driving continuous improvement in the financial management system of stores (Cui, 2022). Next, it is essential to emphasize fair assessments for each store. The M Milk Tea Brand headquarters should establish clear evaluation criteria and purposefully arrange assessment tasks and indicators to ensure that the evaluation process is scientifically fair, and the results are reliable. Through fair assessments, outstanding talents can be identified and promoted, allowing them to grow into elites in the areas of strategic development and cost management for the company. This, in turn, promotes the continuous improvement of the entire M Milk Tea Brand in cost optimization and control.

#### **4. Data Research on M Milk Tea Brand**

Based on past research, a comparative study of M Milk Tea Brand and other milk tea brands has yielded meaningful results. A survey conducted on 218 consumers who have purchased products from M Milk Tea Brand revealed age distribution as follows: those under 18 accounted for 27.06%, 18-24 years old comprised 30.28%, 25-34 years old constituted 23.85%, 35-44 years old made up 13.76%, and those aged 45 and above represented 5.05%. It is noteworthy that the age group below 34 years old accounted for over 81.19%. However, compared to other tea beverage brands, M Milk Tea Brand had a higher proportion of consumers under 18, with 59 out of 63 consumers who had purchased milk tea having chosen M Milk Tea Brand. On the other hand, in the age range of 45 and above, all 11 consumers who had purchased milk tea exclusively chose M Milk Tea Brand. This indicates that M Milk Tea Brand is more popular among consumers under 18, and its products are more attractive compared to other tea beverage brands. Encouragingly, M Milk Tea Brand also performs well among consumers in the higher age range, maintaining a relatively high purchase rate compared to other tea beverage brands (Deng, 2023). This result suggests that M Milk Tea Brand's products have a relatively broad audience across age groups, especially exhibiting stronger appeal among younger consumers. This may be attributed to M Milk Tea Brand's consistent emphasis on product innovation, market positioning, and brand image. In future marketing and product development efforts, M Milk Tea Brand can further explore the characteristics of age distribution, precisely targeting the diverse needs of consumers in different age groups to better meet the market's varied demands.

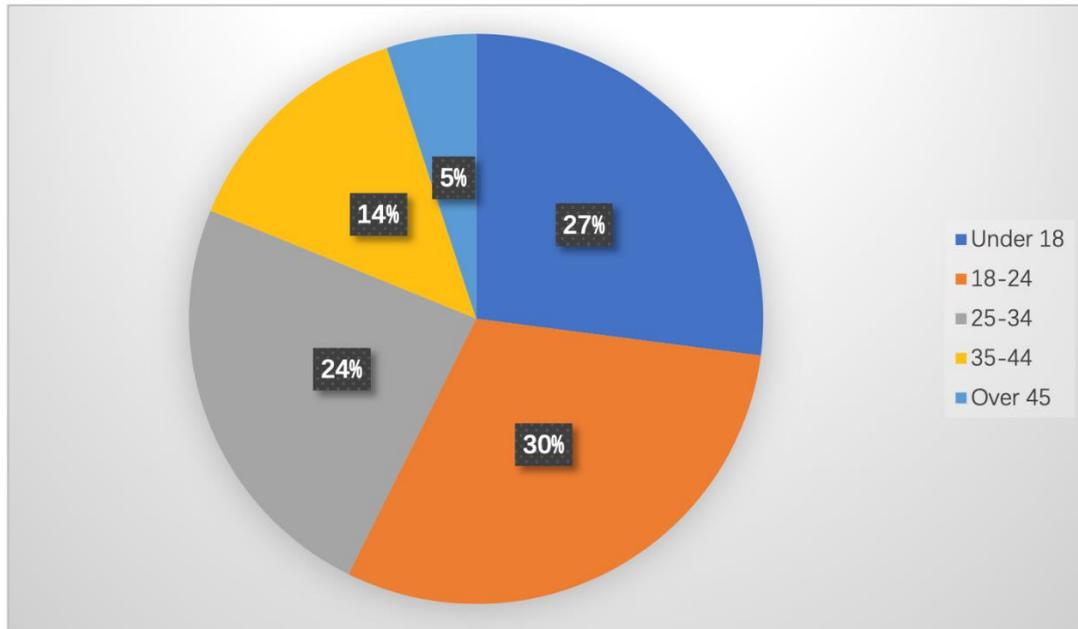


Figure 1 Age Distribution of M Milk Tea Product Consumers (Deng, 2023)

According to the analysis of a survey involving 320 consumers who purchase milk tea, it was found that among consumers of new types of tea beverages, males accounted for 35%, with females being the primary consumers. However, a detailed analysis of 218 consumers who had purchased M Milk Tea revealed that the proportion of male consumers increased to 39%, while females still dominated, accounting for 61%. This indicates that although the primary consumer group for M Milk Tea remains female-dominated, compared to other new tea beverage brands, M Milk Tea demonstrates a less pronounced gender bias. The trend in gender distribution reflects a relative balance in the gender appeal of M Milk Tea, unlike some tea beverage brands that show a clear preference toward a particular gender. This relatively balanced gender consumption distribution may stem from M Milk Tea's ongoing efforts in product innovation, brand image, and marketing, enabling it to better cater to the tastes and preferences of consumers of different genders. For M Milk Tea, this gender distribution characteristic is an important factor worth noting in market research. In future marketing strategies, M Milk Tea can more precisely target and promote to consumers of different genders, introducing products and activities that are more appealing. For example, for male consumers, strengthening collaborations related to sports and health and introducing product lines that meet their needs could be considered. For female consumers, emphasizing aesthetic elements and fashion, further enhancing the brand's image in the female market, could be a strategic focus. Additionally, analyzing gender characteristics aids M Milk Tea in better understanding consumer spending psychology and shopping habits, providing clearer direction for future product development, promotion, and market expansion. By delving into gender differences, M Milk Tea can more precisely meet consumer expectations, enhancing the brand's competitiveness in the fiercely competitive tea beverage market. This comprehensive market analysis and targeted positioning will help M Milk Tea showcase its unique brand charm more prominently in the competitive tea beverage market.

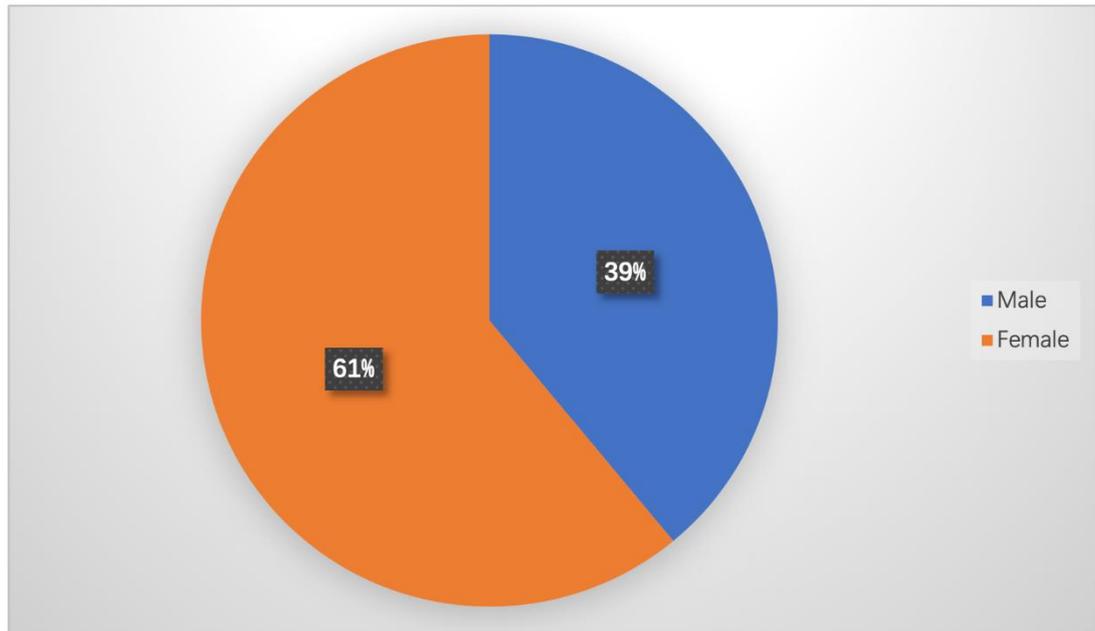


Figure 2 Gender Distribution of M Milk Tea Brand Consumers

The extensive analysis of 320 consumers who purchase milk tea, covering various professional fields such as students, white-collar workers, doctors, public sector employees, service industry professionals, freelancers, and others, revealed distinct consumer characteristics across different occupations. Among the surveyed consumers, white-collar workers and students emerged as the predominant consumer groups, constituting 34.06% and 30.31%, respectively. Notably, white-collar professionals exhibited a significant presence among consumers in the milk tea industry. However, a closer examination of M Milk Tea's consumer base unveiled unique occupational consumption patterns. In the case of M Milk Tea consumers, the combined proportion of students and white-collar workers reached an impressive 72.01%, presenting a stark contrast to findings from studies on other milk tea brands. Noteworthy is the fact that, within the M Milk Tea consumer base, students surpassed white-collar workers, becoming the dominant group purchasing M Milk Tea products. This shift in the unique demographic structure highlights M Milk Tea's distinctive appeal among students, emphasizing its high recognition and popularity among the younger demographic. This also presents an opportunity for M Milk Tea to further expand market share and consolidate its brand position within this specific consumer segment. Further in-depth research indicates a strong brand loyalty among student consumers of M Milk Tea. This signifies that M Milk Tea has successfully established notable brand awareness and trust among the younger generation. Students, being a crucial consumer group, hold significant potential for the future development of the milk tea industry. The success of M Milk Tea lies in its ability to accurately perceive and fulfill the consumption needs of the student demographic. Firstly, M Milk Tea's product positioning and innovative marketing strategies have fostered a strong sense of brand identity among students. Secondly, continuous innovation in product flavors, packaging design, and store ambiance, aligned with the latest trends among students, has further enhanced the brand's appeal within this demographic. As the purchasing power of the younger generation continues to grow, M Milk Tea's strategic decisions demonstrate foresight. Through a deep understanding and precise targeting of the student demographic, M Milk Tea has successfully distinguished itself in the competitive milk tea market, establishing a prominent brand position. While students and white-collar workers constitute the primary consumer base for M Milk Tea, the proportion of other occupational groups should not be overlooked. Therefore, M Milk Tea has the opportunity to expand its market share more broadly in the future by

implementing differentiation strategies. For instance, introducing products and services tailored to the characteristics of different professions, such as doctors, public sector employees, and service industry professionals, to meet diverse consumer needs, could facilitate comprehensive market penetration. In summary, M Milk Tea brand exhibits unique market appeal across different occupational groups. Its success provides valuable insights for the milk tea industry. By continuously innovating, closely monitoring market dynamics, and adapting to evolving consumer tastes and demands, M Milk Tea is poised to maintain its leading position in the fiercely competitive market.

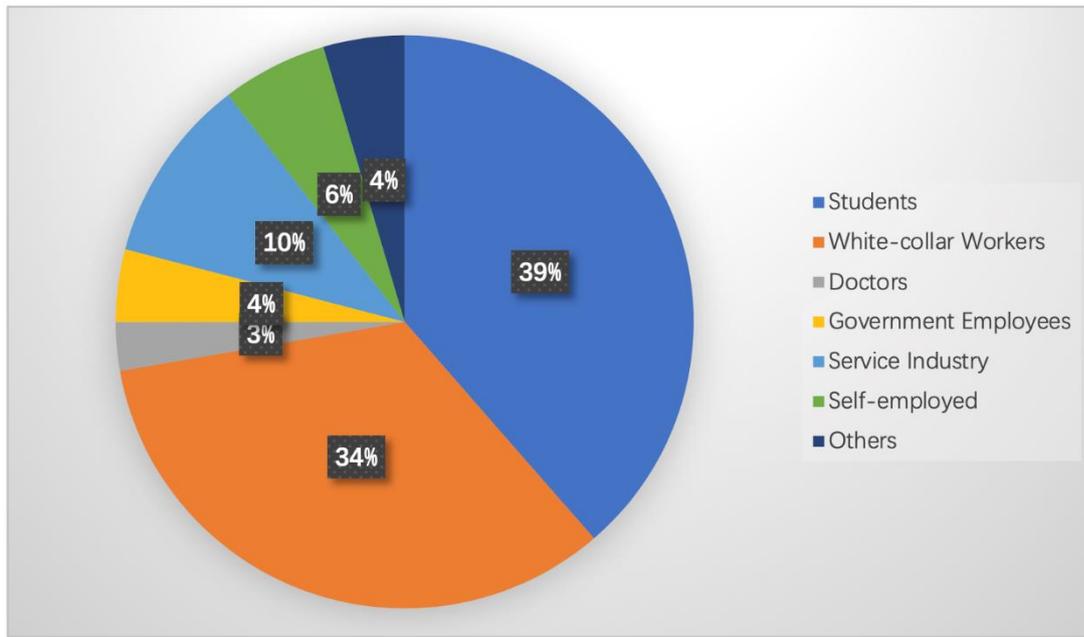


Figure 3 Occupations of Consumers of M Milk Tea Brand Products

In addition to the aforementioned findings, Song (2023) conducted a more in-depth analysis of the channel preferences of M Milk Tea brand consumers. The main channels considered were offline stores, WeChat Mini Program, M Milk Tea brand app, and third-party platform apps. Specific data is presented in Figure 4. Firstly, the results indicate a clear preference among M Milk Tea brand consumers for offline stores, with a substantial 172 consumers, accounting for an impressive 83.50%. This suggests that the brand maintains a significant advantage in traditional brick-and-mortar store sales, as consumers prefer purchasing products by physically visiting stores. Secondly, users who chose to purchase through WeChat Mini Program or delivery services were relatively fewer, numbering only 15, constituting 7.28%. Although this figure is comparatively lower than offline stores, it indicates that WeChat Mini Program and delivery channels still offer a convenient shopping experience for consumers who prefer online shopping. Thirdly, users making purchases through the M Milk Tea brand app represented a lower percentage, only 1.46%. This may suggest potential issues in user experience or promotion for the M Milk Tea brand app, necessitating further improvement and enhancement by the brand. Finally, users making purchases through third-party platform apps numbered 16, accounting for 7.77%. Although relatively fewer than offline stores, the existence of third-party platform apps provides an alternative choice for consumers. Brands can attract more consumers to choose this channel through increased collaboration and promotional policies. In summary, while M Milk Tea brand primarily relies on offline stores for sales, the potential of online channels should not be overlooked. In the future, the brand can enhance the attractiveness of online channels, promote a deeper integration of online and offline experiences, and achieve a more comprehensive market coverage.



Figure 4 M Milk Tea Brand Consumer Purchase Channels

From a promotional perspective, data shows that out of 157 users, 76.21% learned about the M Milk Tea brand through their own consumption experience, while 9.22% obtained information about the M Milk Tea brand through short video marketing. Additionally, users who learned about the M Milk Tea brand through friend recommendations, promotional advertising, and online reviews accounted for 6.31%, 4.85%, and 3.4%, respectively. These data indicate that the promotional strategy of the M Milk Tea brand is primarily focused on traditional offline methods, with personal consumption experience being the main avenue of awareness. However, emerging media, especially short video marketing, has not deeply penetrated users, providing potential for the M Milk Tea brand to expand its market. By strengthening the promotion efforts through new media channels, the M Milk Tea brand can reach potential users more widely, enhancing brand awareness and reputation. While traditional methods such as friend recommendations, promotional advertising, and online reviews have relatively lower percentages, they should not be overlooked. These methods are still effective means of building brand reputation and increasing user loyalty. The effectiveness of these traditional promotional methods can be further enhanced through innovative promotional activities, active participation in social networks, and encouragement for users to leave reviews. In addition, despite the currently lower percentage in the data, short video marketing as an emerging channel has significant influence and dissemination effects, especially among young users. The M Milk Tea brand may consider increasing investment in short video platforms to attract young users and enhance the brand's exposure in the field of new media. Overall, through multi-channel promotional strategies, the M Milk Tea brand can reach potential users more comprehensively and from different perspectives, increasing the brand's market penetration and user awareness. This approach not only promotes the integration of online and offline channels but also better meets the needs of different user groups, giving the brand a greater advantage in the competitive market.

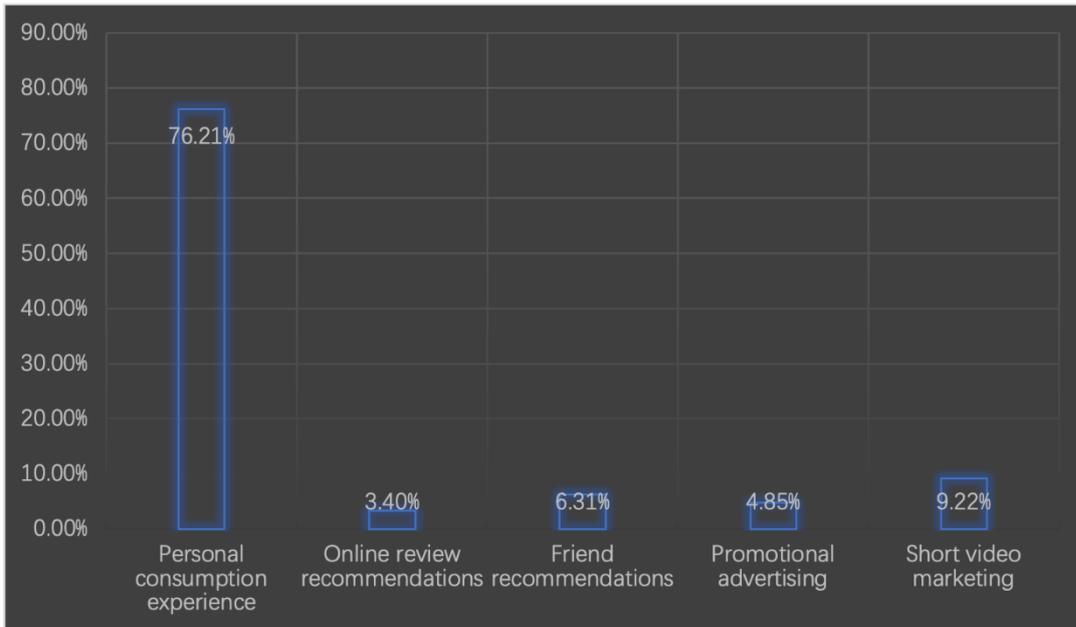


Figure 5 M Milk Tea Brand Consumer Recommendation Channels

According to the data in Figure 6, it is clear that the preferred promotional methods among M Milk Tea brand consumers are the second cup at half price, buy one get one free, coupons, and new user discounts, accounting for 52.91%, 48.06%, 38.83%, and 27.67%, respectively. This indicates that the M Milk Tea brand relies primarily on traditional means of promotion, and the promotional strategy lacks innovation, with insufficient emphasis on membership and points-based promotions. The second cup at half price and buy one get one free are the top two preferred promotional methods among M Milk Tea brand consumers. These two methods often stimulate consumers to increase their purchase quantity and boost sales to a certain extent. However, it is worth noting that this also implies that the M Milk Tea brand's promotional strategy is relatively monotonous, and there is a need to consider introducing more diversified promotional methods to meet the needs of different consumers. In addition, coupons and new user discounts are also favored promotional methods among consumers, especially the new user discount, with a proportion of 27.67%, demonstrating its effectiveness in attracting new customers. However, considering the current digital era, the M Milk Tea brand can further strengthen promotional activities on mobile applications and online platforms to enhance the activity of digital channels and stimulate more user participation. In summary, although the M Milk Tea brand has certain limitations in its promotional approach, through more innovative and differentiated promotional strategies, especially in the development of digital channels, it is expected to expand a broader consumer base and enhance the brand's competitiveness in the market.

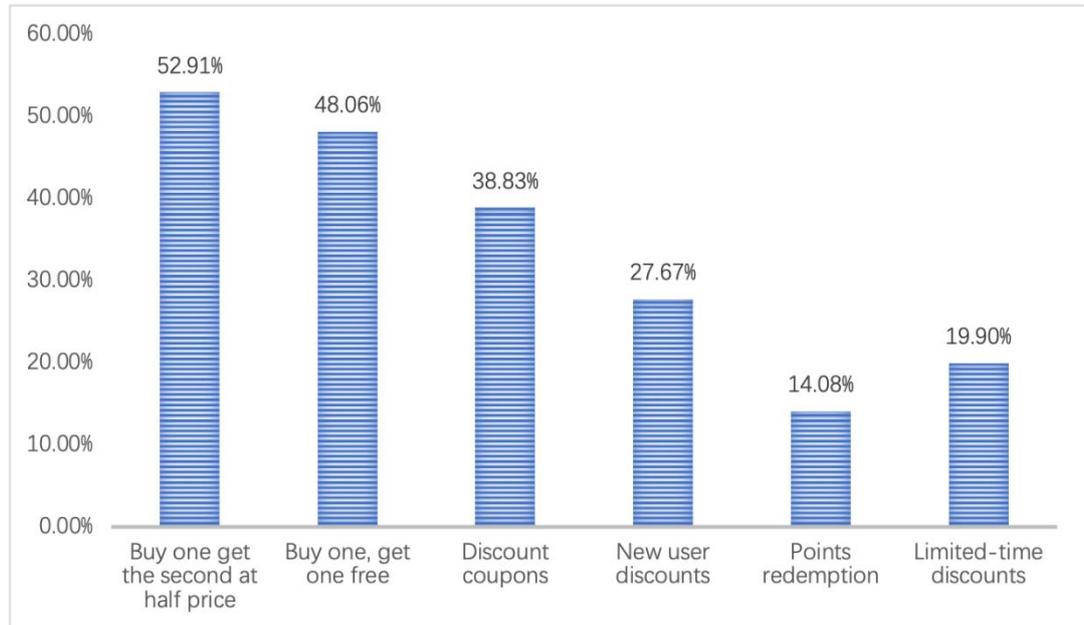


Figure 6 M Milk Tea Brand Consumer Preferred Promotion Methods

## 5. Discussions and Conclusions

### 5.1 Discussion

In this study, the researchers summarized the current status of marketing strategy research on Chinese milk tea brands, the current development status of the M Milk Tea brand, the current management issues faced by the M Milk Tea brand, and the strategies for cost management. Additionally, the researchers conducted a thorough analysis of data related to the M Milk Tea brand. Firstly, regarding the age structure, the study found that the M Milk Tea brand has a strong market appeal among young consumers. The age groups of under 18 and 18-24 dominate, especially among those under 18, where the M Milk Tea brand exhibits relatively higher attractiveness. This could be attributed to the brand's consistent emphasis on a youthful, fashionable image and innovative product flavors. Secondly, the M Milk Tea brand demonstrates a higher proportion of female consumers, accounting for 61% of the total. However, compared to the overall milk tea market, the gender characteristics of the M Milk Tea brand are not particularly pronounced, indicating a more inclusive product and brand image. Furthermore, the analysis of occupational characteristics reveals that white-collar workers and students are the main consumers of the M Milk Tea brand. Compared to other milk tea brands, students constitute a larger proportion, showcasing the brand's strong appeal among a younger audience. In terms of channel selection, the M Milk Tea brand currently relies predominantly on offline stores, with the development of online sales channels lagging behind. This could represent a potential opportunity for future development, especially as consumer demand for online shopping continues to increase. The M Milk Tea brand is poised to enhance sales further by expanding its online channels.

### 5.2 Conclusion

In conclusion, the M Milk Tea brand demonstrates a series of unique advantages and potential development opportunities in the market competition. Firstly, its youthful brand image and innovative flavors have established significant brand awareness among young audiences. By cleverly targeting different age groups and professional demographics, the M Milk Tea brand has achieved relative success in market segmentation. Secondly, although the brand primarily employs traditional methods in its promotional efforts,

popular promotions like "buy one, get one free" and "second cup at half price" indicate potential market competitiveness. However, there is still room for improvement in the innovation of promotional strategies and the expansion of online channels to better meet the diverse needs of consumers. Lastly, to comprehensively cover potential consumers, the M Milk Tea brand may consider increasing investments in online sales channels and incorporating digital marketing methods in its future development. By gaining deeper insights from customer feedback, the brand has the opportunity to continuously enhance product flavors and service quality, thereby increasing brand loyalty and ensuring competitiveness in the intense market competition. Through these efforts, the M Milk Tea brand is poised to adapt more effectively to market changes and further solidify its leadership position in the Chinese milk tea industry.

#### Acknowledgements

This academic article is the part of graduate student in Doctor of Philosophy program in management, Chakrabongse Bhuvanarth International Institute for Interdisciplinary Studies (CBIS), Rajamangala University of Technology Tawan-OK, Thailand. The researcher would like to thank all the cited experts who contributed to the present study.

#### References

- Chen, D. C., Chen, D. F., Huang, S. M., et al. (2021). Critical Success Factors to Improve The Business Performance of Tea Drink Chains. *Sustainability*, 13(16), 8953.
- Ding, J. H. (2019). Can Chinese New-Style Tea Drinks Follow the Starbucks Path? —Analysis of Marketing Strategies for New-Style Tea Drinks. *Modern Marketing (Late Edition)*, 2019(04).
- Hou, Y. C. (2022). Problems and Strategies in the Cost Management of Enterprises. *Modern Marketing (Early Edition)*, 2023(4), 52-54.
- Ji, R. X., Yan, G. D., Liu, Y. N. (2021). Analysis of Xicha's Marketing Strategy Based on AHP-SWOT Model. *Management and Management*, 2021(11), 56-60.
- Liao, Y. T. (2023). Problems and Countermeasures in the Cost Management of Mi Xue Bing Cheng. *National Circulation Economy* (22), 108-111.
- Liu, J. (2022). The Secret of Starbucks' Success in The Chinese Coffee Market: Pricing And Marketing Strategies Analysis. In *2022 2nd International Conference on Financial Management and Economic Transition (FMET 2022)* (pp. 571-577). Atlantis Press.
- Liu, Y. Y. (2023). Research on Marketing Strategy Optimization of Mi Xue Bing Cheng in the Sinking Market (Master's thesis, Nanjing University of Posts and Telecommunications). Retrieved from
- Lu, P. A. (2021). Precision Marketing Strategy of Cha Yan Yue Se Brand. *Cooperative Economy and Technology*, 2021(03), 78-80.
- Lu, Y. Q. (2020). Discussion on Precision Marketing Strategy of Mi Xue Bing Cheng in the New Media Environment. *Modern Marketing (Late Edition)*, 2020(51), 13-14.
- Ma, M. J., et al. (2023). Analysis of Spatial Pattern and Influencing Factors of Milk Tea Shops—Taking Mi Xue Bing Cheng and HeyTea as Examples. *Journal of Hainan Normal University (Natural Science Edition)*, 36(01), 101-109.
- Miao, Y. F. (2022). Discussion on Optimization Strategies for Strengthening Enterprise Cost Management. *China's Collective Economy*, 2022(36), 109-111.
- Nugroho, A. (2018). The Role of Price in Deciding To Purchase Ready-To-Drink Tea. *Jurnal Manajemen*, 22(3), 381-394.
- Shi, W., Yang, C., Yu, P. (2021). Brand New Milk Tea Market: Chinese Milk Tea Development and Brand Analysis. 2021.
- Su, J. X. (2023). Research on the Construction Strategy of Enterprise Cost Management System. *China's Small and Medium Enterprises*, 2023(4), 111-113.

- Tang, Y. (2023). Problems and Countermeasures in the Cost Management of Enterprises. *Administrative Affairs, Assets and Finance*, 2023(2), 56-58.
- Tao, Y. (2021). Precision Marketing Strategy Research of Naixue's Tea Brand. *Marketing World*, 2021(08), 13-14.
- Tian, X. Y., Deng, L. H., Tan, Y. D., Xie, J. Y., Li, W. (2020). Customer Loyalty and Its Influencing Factors in China's Branded Milk Tea—A Case Study of "Mi Xue Bing Cheng" Based on a Survey Around Chongqing Universities. *Market Modernization*, 2020(09), 1-5.
- Tong, Y. (2021). Problems and Countermeasures of Cost Management in Small and Medium-sized Enterprises. *Business News*, 2021(5), 105-106.
- Wang, E. S. T., Yu, J. R. (2016). Means-end Chain Approach for Exploring the Motivation of Ready-To-Drink Tea Consumers. *Asia Pacific Journal of Marketing and Logistics*, 28(3), 384-395.
- Wang, S. Y. (2022). Tracking Report on the Catering Industry: Mi Xue Bing Cheng Prospectus, Snow King Appears. *Huachuang Securities Research Institute*, 2022, 5-11.
- Xie, Z. Y., Su, Y. Q. (2019). Research on Brand Marketing Strategy of Internet Celebrity Tea Drinks Based on Socialized Creativity. *Audio and Video*, 2019(01), 213-214.
- Xue, Q. R., Peng, X. B., Chen, M. H. (2021). Research On Transnational Marketing Strategies of New-Style Tea in China--Based on The Case of Overseas Marketing Of Starbucks. In *2021 6th International Conference on Social Sciences and Economic Development (ICSSSED 2021)* (pp. 698-701). Atlantis Press.
- Yang, J. N., Ma, M. J. (2021). Research on the Spread Mechanism of Internet Memes—Taking the Theme Song of Mi Xue Bing Cheng as an Example. *Audio and Video*, 2021(11), 149-150.
- Zhang, C. (2022). Analysis of Development Strategy of Tea Drink Industry Based on SWOT Model—Taking Mi Xue Bing Cheng as an Example. *Modern Marketing (Late Edition)*, 2022(09), 68-70.
- Zhang, Y. (2021). Research on the Marketing Strategy of Mi Xue Bing Cheng's Co-branded Marketing. *Business and Economy*, 2021(06), 73-75+77.
- Zhao, H. Y. (2019). Research on Marketing Strategies of "Internet Celebrities" in the Tea Drink Industry—Taking Mi Xue Bing Cheng as an Example. *Modern Marketing (Management Edition)*, 2019(08), 123-124.
- Zhou, Z. C., Zhang, Y. H. (2022). Sorting Out the Mi Xue Bing Cheng Prospectus. *Shandong: China-Thai Securities Research Institute*, 7-10.