

Behavioral Economics Analysis and Development Suggestions for Mystery Box Marketing

Qianyi Luo

Chongqing Yucai Secondary School, Chongqing, 400000, China

ABSTRACT

As a new type of marketing, mystery box marketing, emerged in recent years, is uniquely valuable for research, both from the perspectives of consumers and operators. From the point of view of operators, the mystery box provides the opportunity to construct consumption symbols and value systems. In horizontal value construction, operators can generate the contents of package; in vertical value construction, they generate the contents of rarities. They establish rules for obtaining the benefits of values, attracting consumers to purchase. On the other hand, from the point of view of consumers, within the framework given by the operators, the benefits and the rules of the benefits undertake the consumer's experience of "exploring the unknown". Through the economic principles of scarcity, uncertainty, psychological effects, social interaction effects, and brand effects, mystery box marketing motivates the desire of consumers to purchase, promotes market demand and brand development and creates a unique consumption experience.

KEYWORDS

Mystery box marketing; Behavioral economics

1. INTRODUCTION

Originated in Japan, mystery boxes initially laid a business model of the foundation in the form of Fukubukuro (lucky packs), and "Fukubukuro culture" [1] still continues today; the great growth of the Japanese model market has given rise to new product categories—gachapon, the embedded goods concentrating in the quadratic element and ACG field. The popularity of the Sonny Angel series of products has led to an influx of trendy toys of all kinds, promoting the prosperity of the mystery box industry. Mystery box marketing is a marketing method that uses blind boxes as a medium to sell products. A blind box is a closed package containing a random item. Consumers have no way of knowing what specific items are inside at the time of purchase, which can only be speculated based on the external packaging and the product description. The item in the blind box is usually one of the products from the same series or a certain theme, which can be toys, stationery, decorations, etc.

2. ANALYSIS ON THE CHARACTERISTICS OF MYSTERY BOX MARKETING

Mystery box marketing has gradually become one of the main ways of daily marketing for operators, whose marketing approach is characterized by the following:

2.1. Suspended Interest

The core feature of the mystery box is suspense. Consumers have no idea of what items they will get, therefore, such unknown triggers a sense of excitement and expectation, to increase desire to purchase. In addition, since the type and number of items in each blind box are random, it also increases the possibility of collecting multiple mystery boxes. Mystery boxes are designed to stimulate the curiosity and the desire of consumers to collect and exchange. When purchasing, people are often filled with anticipation and mystery about what is inside, hoping to acquire their favorite items. This psychological factor drives consumers to buy blind boxes frequently, wishing to get better results through constantly attempts.

2.2. Sociability

The process of purchasing and disassembling a blind box can be a social topic of conversation. People share the items they have purchased and communicate with others about their preferences and evaluations for different items. This socialization promotes interaction and attention among users, and also contributes to brand communication and word-of-mouth marketing. Especially for young people, the power of social media allows youngsters to share their consumption experiences online. Its chain reaction makes more young people love mystery box consumption. Many consumers share unboxing videos or images via social media after purchasing a blind box, displaying the items they have acquired. These shares not only spark curiosity in others, but also create a social conversation and interaction. Brand merchants also propaganda through social media, attracting more consumers [2].

2.3. Limitations

In order to increase the scarcity and uniqueness, mystery boxes are often designed to set up with limited edition or rare items. This limited edition inspires collectors to buy and also gives the blind box as merchants with a high value-added potential. Mystery boxes are usually released in limited quantities, and the items in each one is randomly assigned, which may contain rare or limited edition. The scarcity and limited quantity stimulate the desire to purchase, hoping to obtain rare items.

2.4. Brand Cooperation

Mystery box marketing, as a way to cooperate with other brands, launches blind box products through co-branding, effectively expanding brand influence and exposure, and attracting more attention of consumers. More than just a product, mystery boxes have already become a trendy culture that combines artistic quality and sense of design. Many blind box brands pay attention to details and creativity in product design, appealing to a large number of consumers who are seeking individuality and fashion. The artistry and design make the blind box more than just a commodity, while it has become a collector's item and a way to show off one's taste.

2.5. Competitiveness

Some mystery box marketing campaigns set up bonus points or lottery mechanisms. Purchasers can participate in the lucky draw by collecting specified items or accumulating certain points, improving interactivity and competition, and also enhancing the fun of the buyer's participation.

3. THE BEHAVIORAL ECONOMICS BEHIND MYSTERY BOX MARKETING

3.1. Scarcity Effect

Blind boxes are usually released in limited quantities, which may contain rare or limited edition. According to the scarcity effect in behavioral economics, there will be a stronger demand for scarce items. Consumers of blind boxes want rare items, as the scarcity effect encourages consumers to buy more actively. Blind box products are sold through restricted way, in limited edition or at random. The scarcity arouses the appetites of people to buy, because they want to obtain unique and precious items. In addition, there is a mental account effect in the process of blind box marketing. The blind boxes tend to be purchased at lower prices, so, consumers will regard it as an entertainment expenditure. In behavioral economics, there is a mental account distinction between different types of expenditures. With blind box purchases being included into mental accounts for recreational spending, consumers are more likely to accept and participate in this type of purchase. And this type of purchase is different from the feeling of usual consumption, through which consumers will get a unique consumption experience, so it will be more popular [3].

3.2. Rewarding Mechanisms

Blind boxes are designed with the longing for rewards and a pursuit of sense of achievement. Consumers are satisfied and delighted when they buy a blind box with their expected items. This positive psychological effect will enhance consumers' goodwill and desire to purchase blind boxes. Blind box products are characterized by the fact that consumers do not know exactly what they will get at the time of purchase, which takes some uncertainty and risk to consumers. However, it is this uncertainty that stirs consumer's interest and curiosity, making blind box products more attractive. Especially for the appearance of the product, consumers have great curiosity every time a blind box is opened, resulting in consumers' preference to blind boxes consumption. As shown in Figure 1, in terms of factors affecting the consumption of blind boxes, more than 60% of consumers pay more attention to the factors of brand and appearance, followed by the price, indicating that users are willing to pay for high value-added products that they identify with and prefer. Blind boxes are designed with the rewarding mechanism with uncertainty, so that the buyers do not know what specific items they're getting during the purchase process. This uncertainty adds to the excitement and fun of the purchase, motivating curiosity and a spirit of adventure. In behavioral economics, this is called reward expectation, which can increase people's willingness to engage in activities [4].

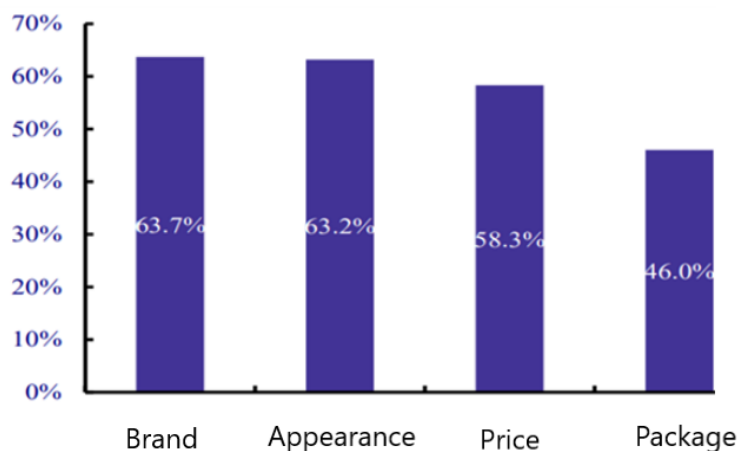


Figure 1. Product Purchase Considerations for Blind Box Users in China

3.3. Social Recognition and Group Effects

The popularity of blind boxes is inseparable from the influence of social recognition and group effect. Especially for young consumers, consumption evaluation and consumption business sharing are the main reasons for their consuming behavior. People share unboxing videos or images via social media after purchasing a blind box, displaying the items they have acquired. The social recognition and group effect increase the curiosity and desire of others to participate, forming social conversations and interactions. The data shows that in the most "expensive" hobbies of the post-95s, garage kit of blind boxes ranks No. 1, and post-95s become important consumer users of blind boxes, taking up nearly 40% of the total. Of which, 8.6% of users can accept the unit price over \$1,000, and almost 20% tend to buy a full set of blind boxes at once, highlighting the vigorous spending power of the young group. Analyzing from an economic perspective, in behavioral economics, people are often influenced by the behavior of others and tend to imitate and follow their decisions. By utilizing this psychology of consumers, blind boxes increase the appeal of products through social effects, making it a consumption activity with social value and social interaction.

4. DIFFICULTIES AND PROBLEMS FACED BY MYSTERY BOX MARKETING

4.1. Uncertainty of Consumers

Blind box products are characterized by the fact that consumers do not know exactly what kind of item they will be getting at the time of purchase. As a result, this uncertainty may cause consumers to hesitate and worry about purchasing. Some consumers may be skeptical whether the item they get can meet their expectations.

4.2. Factors of Price and Value

Blind boxes are usually sold at relatively high prices and consumers do not know exactly what items they will get. For some consumers, this uncertainty may make them reluctant to risk buying blind box products, especially for those under financial pressure or with a more rational consumption attitude. Furthermore, there are also problems about environmental protection and waste of resources in the process of mystery box marketing. Blind box products are usually packaged in a random manner, maybe a lot of packaging materials and waste being yielded. It may have a negative impact on the environment, which is in conflict with the concept of sustainable development.

4.3. Problems with Product Quality

There may be a gap between the quality and actual value of some blind box products and expectations, causing consumers to call in question to their trust in blind boxes. If consumers purchase blind boxes many times only to receive lower value items, this may reduce their interest and willingness to purchase again. In addition, in the process of mystery box marketing, there will be some goods with problems and fakes. Problem goods and fake and shoddy products will have a negative impact on the protection of consumers' rights and their consumption experience.

5. SUGGESTIONS FOR SUSTAINABLE DEVELOPMENT OF MYSTERY BOX MARKETING

5.1. Focusing on Product Quality and Safety

The development of blind box marketing has its unique economic significance. In order to achieve sustainable development for this marketing model, the primary focus should be on product quality and safety. On the one hand, the items in the blind box should conform to relevant regulations and standards to ensure product quality and safety. On the other hand, manufacturers should conduct strict quality control and safety tests and ensure that the materials used comply with environmental standards

5.2. Enhancing Transparency of Information

During the process of mystery box marketing, consumers should be clearly informed with the range and probability of items that may be available in the blind box and fully understood of purchase risks. Manufacturers are assumed to provide distinct product descriptions and instructions to avoid false advertising and misleading. In addition, attention should be paid to the compliance management and supervision in the marketing process, and supervision of the market should be strengthened by regulatory agencies to ensure that manufacturers and distributors comply with relevant regulations and rules [5].

5.3. Reducing Waste and Environmental Impact

Manufacturers should reduce resource consumption and waste generated by optimizing production and packaging design. Using renewable materials and recyclable packaging can be taken into consideration. Encourage consumers to dispose of waste properly. In addition, manufacturers should be socially responsible to focus on employees' welfare, environmental protection and development of the community, to actively participate in public welfare undertakings, and to promote beliefs and actions for sustainable development.

5.4. Expanding Product Diversity

It is a key consideration for companies to continuously meet consumer needs when developing marketing strategies. In a mystery box marketing campaign, manufacturers can continually introduce new series of blind boxes to increase product diversity and provide more choices to meet the demand of consumers. Meanwhile, they should emphasize innovation and design to increase the added value and attraction of the product, thus improving the user experience. According to Blind Box Economic Insight Report 2020 [6], women, accounting for more than 60% of blind box consumption, specifically, 62.6%, are major consumers in blind box market in our country (as shown in Figure 2). Therefore, operators can start from the characteristics of female consumption in their production, to enrich the variety of blind boxes to meet diversified needs. Furthermore, manufacturers can provide a more convenient and pleasant shopping experience by combining online and offline. With the help of technological means, such as virtual reality or augmented reality, consumers can feel the fun of the blind box more intuitively.

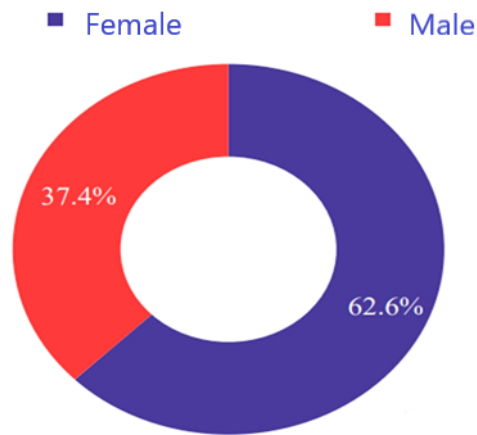


Figure 2. Percentage of Male and Female Consumers in Blind Box Consumption

6. CONCLUSION

In general, mystery box marketing is faced with the problems of consumer uncertainty, price factors, product quality and value, environmental protection, counterfeit goods, and so on. In order to solve these problems and promote the sustainable development of mystery box marketing, based on an in-depth understanding of the behavior of the economics in mystery box marketing, it is necessary to continuously keep the balance between consumers' needs, environmental protection, and social responsibilities of enterprises. At the same time, continuous supervision should be carried out and industry self-discipline should be emphasized, to ensure the healthy development of the blind box market. In mystery box marketing, operators are required to stress on product quality and value, reinforce the protection of consumer rights and interests, provide more transparent and reliable consumption information, actively promote the beliefs of sustainable development and improve the social responsibility of mystery box products.

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