

Research on Marketing Strategy Optimization of Yiming True Fresh Milk Bar from a Customer Centric Perspective

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ABSTRACT

With the increasingly fierce competition in the dairy market and the diversification of consumer demands, it is required that business operators must place customer needs and satisfaction at the core, construct customer-oriented marketing strategies, improve business operations, and promote sustainable development of enterprises. This paper takes Yiming True Fresh Milk Bar as an example to explore the problems in its marketing strategy and propose corresponding marketing strategy optimization measures. I hope that through this case study, it can help with the enterprise to continuously adapt to new market environments, determine new customer-oriented marketing strategies, and provide reference for optimizing marketing strategies for similar small and medium-sized dairy product enterprises.

KEYWORDS

Customer-Centric; Yiming True Fresh Milk Bar; Marketing Strategy; Optimization

1. INTRODUCTION

People's consumption concepts and needs are constantly changing with the progress of the times. In the era of Internet economy, consumers pay more attention to the emotional value given by brands. Consumption is no longer simply a consumption behavior used to fulfill one's own needs, but rather a way of pursuing life, a symbol that can satisfy psychological needs, express personality, and demonstrate social status. The change in consumer attitudes has promoted the vigorous development of the local fresh milk and dairy industry with distinct regional characteristics. As a well-known enterprise brand in the Zhejiang region, Yiming True Fresh Milk Bar has an integrated super supply chain system from ranch resources, self owned factories, cold chain distribution to store management, and a relatively fixed customer base. Against the backdrop of increasingly fierce competition in the food and beverage industry, it has demonstrated strong market competitiveness with its unique milk bar business model and innovative food combination of "Dairy+Baking". As consumers' demand for healthy and high-quality food continues to grow, the company is expected to benefit from this trend and further increase its market share. However, in the current industry where competition is severe and there is an increasing emphasis on quality price ratio and cost-effectiveness, consumers' choices are becoming more diverse. How to improve the marketing strategy of a company from a customer-centric perspective while expanding its scale, and achieve economies of scale with true endogenous power, is the main issue that companies should pay attention to.

2. MARKETING STATUS OF YIMING FRESH MILK BAR

Zhejiang Yiming Food Co., Ltd. ("Yiming Food") was established in 2005 and is located in Kunyang Town, Wenzhou City, Zhejiang Province. It is a national key leading enterprise in agricultural

industrialization, integrating dairy farming, dairy products, baked goods production and processing, and sales. In December 2020, it was listed on the Shanghai Stock Exchange (605179. SH). The main source of revenue for the company is the operating income of the "Yiming True Fresh Milk Bar" chain store.

Yiming Food Company innovatively combines business models such as "Central Factory", "Cold Chain Logistics", and "Chain Stores" to form a professional food chain store model of "Dairy+Baking" - the "Yiming True Fresh Milk Bar" business model. Yiming True Fresh Milk Bar takes "Creating a fresh and healthy life" as its corporate purpose and "Customer-oriented" marketing network as its core. It has sparked a consumer revolution in areas such as "Children's milk", "Delivering milk to homes", and "True Fresh Milk Bar".

The marketing model of Yiming True Fresh Milk Bar adopts three modes: company direct operation, entrusted franchise, and independent franchise. Among them, independent franchise refers to the direct participation of franchisees in store management. This model opens up autonomous franchise in Zhejiang, Jiangsu, Shanghai, Fujian, Anhui and other provinces and cities with "Zero franchise fee", but requires payment of training fees, cooperation deposits, equipment fees, etc. The minimum investment threshold is 220000 yuan; The custody business model entrusts Yiming Food to operate and provide professional services. The franchise fee for this model is 50000 yuan, with a minimum investment threshold of 256000 yuan. The standardized supply chain system provides comprehensive support to franchisees. This efficient franchise model leverages social capital construction channels, accelerates the opening of stores to seize the market, and ensures steady growth of enterprise revenue.

Table 3-1. Summary of the operating conditions of Yiming Food Company in the past five years

Project	2020	2021	2022	2023	2024(first three quarters)
Operating revenue (RMB 100 million)	19.47	23.16	24.33	26.43	20.58
Total profit (RMB 100 million)	1.49	0.1	-1.7	0.26	0.44
Net profit (RMB 100 million)	1.32	0.2	-1.29	0.22	0.37
Gross profit margin (%)	40.47	31.07	29.51	30.54	29.58
Net profit margin(%)	1.93	0.87	-1.06	0.84	1.79

From Table 3-1, it can be seen that the operating revenue of Yiming True Fresh Milk Bar has steadily increased, but the growth rate is not significant; The gross profit margin and net profit did not increase with the growth of operating income, indicating that the enterprise has certain operational problems.

Table 3-2. Number of Yiming True Fresh Milk Bar Stores in the Past Five Years

Project	2020	2021	2022	2023	2024(first three quarters)
Number of directly operated stores	519	914	655	618	495
Number of franchise stores	1244	1225	1274	1440	1507
Total number of stores	1763	2139	1929	2058	2002

According to public information, Yiming True Fresh Milk Bar's store layout is mainly based in Zhejiang Province, gradually expanding to provinces and cities such as Jiangsu, Shanghai, Fujian, and Anhui according to the optimal store density surveyed in advance.

From 1763 stores in 2020 to 2002 stores in the first three quarters of 2024, Yiming True Fresh Milk Bar's store expansion fell short of expectations, with fluctuations in the number of stores and little growth. This indicates that the company has encountered bottlenecks in business expansion, which poses hidden dangers to the sustained growth of the company's revenue.

Table 3-3. Online Sales of Yiming True Fresh Milk Bar in the Past Five Years

Project	2020	2021	2022	2023	2024 (first three quarters)
Offline sales revenue (RMB 100 million)	13.45	14.94	15.55	undisclosed	undisclosed
Online sales revenue (RMB 100 million)	0.15	0.21	0.31	0.68	0.70
Year on year growth rate (%)	-	40.11	44.63	122.56	-
Proportion of total revenue (%)	0.77	0.91	1.26	2.58	3.4

According to data, Yiming True Fresh Milk Bar launched online marketing in March 2020, with online sales of only 15 million yuan that year, accounting for 0.77% of total revenue; By 2024, it is expected to reach 95 million yuan, accounting for about 3.4% of total revenue, with slow growth. The company's e-commerce marketing channels are still immature, and the revenue generated is not high.

In short, in recent years, Yiming Food has vigorously promoted the milk bar expansion model of "franchising as the main approach, with direct sales as a supplement", and adopted the "light asset operation" model, achieving certain results. However, there are still practical problems with offline store expansion not meeting expectations and online e-commerce marketing channels not being mature enough, which need to be carefully studied and resolved.

3. PROBLEMS IN THE MARKETING STRATEGY OF YIMING TRUE FRESH MILK BAR

3.1. Serious Product Homogenization and Low Consumer Repurchase Rate

In the current market environment, consumers are increasingly inclined towards low brand loyalty and diverse consumption decisions in the catering industry. Many consumers tend to focus more on the match between value and price rather than brand loyalty. Since 2024, a group of bakeries specializing in "freshly baked milk+freshly baked bread" have emerged in the market and established regional influence, such as "Hot Cake Shop" in Fujian, "Jiuduoyun" in Guangdong, and "Haokuai Hot" in Xiamen, all of which have opened multiple stores locally. Compared with Yiming True Fresh Milk Bar, these bakeries are not only located in communities with high foot traffic, but also highlight their unique style of freshly baked goods, which increases the difficulty for Yiming True Fresh Milk Bar to expand its market share. With the increase of competitors, consumers can more easily find alternative brands with similar products and services, rather than firmly repurchasing the same brand products, which affects their willingness to visit our company again.

3.2. The Pricing Strategy is Not Flexible Enough, and the Consumer Experience is Not Satisfactory

Yiming True Fresh Milk Bar is positioned in the mid to high end market, but its price setting is relatively high, which may not be very friendly to some price sensitive consumers. Consumers who choose good prices naturally expect a good consumer experience. If they did not receive the expected experience in their previous consumption process, they will have doubts about secondary consumption, leading to a decrease in repurchase rate, which in turn affects the company's market share and brand loyalty. In addition, the lack of effective promotional activities and membership systems also makes it difficult for customers to feel additional value, thereby affecting repeat purchase rates. Insufficient consumer stickiness is a potential risk for the long-term development of a company's business and brand.

3.3. Consumer Rights have not Been Met During the Consumption Process

Although Yiming True Fresh Milk Bar has a certain guarantee of product quality, it often receives negative feedback from consumers in terms of service. According to the complaint data of Black Cat, there were a total of 359 complaints related to Yiming True Fresh Milk Bar in 2024. The quantity is not too large, and the complaints include sensitive aspects such as expired food, foreign objects in food, and expired vouchers. Inappropriate or untimely handling of consumer opinions and complaints can make customers feel that the company does not value their opinions, resulting in a negative impression of the company's products and services. These issues have reduced overall customer satisfaction and word-of-mouth communication, posing potential risks to the company's reputation and brand image.

3.4. The Marketing Channel is Single, and New Media Marketing Needs Further Development

Yiming True Fresh Milk Bar mainly relies on offline stores for sales, and in the context of the digital age, the importance of online channels is increasingly prominent. The lack of effective online promotion and sales channels limits the brand's exposure and coverage, especially its influence among young consumers. Firstly, the company's marketing methods lack innovation and diversity. Overreliance on traditional advertising promotion methods, such as print advertising, while neglecting the use of modern technological means such as new media, results in a relatively single marketing approach that is difficult to attract a wider consumer base. Secondly, due to unclear market positioning or product positioning, the company's marketing strategy lacks specificity and is difficult to effectively attract target customer groups. Due to insufficient market research, the company's marketing decisions lack scientific and data support, which affects the implementation effectiveness of marketing strategies. Therefore, the company's market promotion is difficult to achieve the expected results, and the company's products and services are difficult to be recognized and accepted by a wider range of consumers, ultimately leading to difficulties in increasing the company's market share and brand awareness.

3.5. The Internal Environment of the Enterprise Cannot Support Innovative Marketing Models

Currently, the founder family of Yiming Food Company holds 79% of the shares, and the company's internal organizational structure, management style, and marketing team are characterized by traditional family control. There is a problem of the company's internal environment being unable to support innovative marketing models. Firstly, the internal organizational structure of the company is relatively rigid, and the decision-making mechanism is not flexible. Decision makers are too conservative and lack inclusiveness towards new ideas and innovative opinions, resulting in resistance to the proposal and practice of innovative marketing concepts. Secondly, there is a phenomenon of information silos in internal management, with insufficient information sharing and poor communication between different departments. This leads to the inability to timely convey market change information to decision-makers, affecting the accuracy and timeliness of marketing decisions. In addition, there is a problem of insufficient professional competence of the marketing team, lacking market innovation awareness and execution ability. The marketing team lacks initiative and is unable to proactively propose innovative marketing strategies. Finally, enterprises lack external environmental awareness and open thinking, overly rely on their own experience and traditional models, and lack innovative thinking and external resource integration. This results in companies not responding quickly and flexibly to market changes and competitor dynamics, limiting their market innovation capabilities.

4. MARKETING STRATEGY OPTIMIZATION STRATEGIES FOR YIMING TRUE FRESH MILK BAR

4.1. Strengthen Product Research and Development, Tap Into Consumer Demand, and Increase User Stickiness

Strengthen market research and gain a deeper understanding of consumer needs. By conducting regular market research and customer feedback, analyzing customers' consumption habits, taste preferences, dining habits, and other personalized needs, obtaining sufficient data support can better meet customers' needs. Companies can meet consumers' new needs through innovative products and services. For example, launching new products that conform to the trend of healthy eating and the concept of green food, providing special themed activities, customized services, etc., to attract more customers and ensure the satisfaction of returning customers. Companies can interact with customers through platforms such as social media and customer relationship management systems, collect their feedback and suggestions, provide personalized services and customized products, establish closer customer relationships, and enhance user experience. By improving the internal environment of the store, optimizing service processes, enhancing employee training, and improving service attitudes, we aim to increase user stickiness. Introduce membership system and point redemption methods to incentivize repeat customers, and retain existing customers and attract new ones through promotional offers, birthday benefits, and member exclusive products. Introduce digital marketing methods. By utilizing data analysis, personalized recommendations, mobile internet, and other methods, we aim to enhance customer experience and achieve closer interaction with users, thereby increasing user stickiness. Through the implementation of the above strategies, Yiming True Fresh Milk Bar can gain a deeper understanding and meet the needs of consumers, increase user stickiness, enhance customer loyalty, and achieve better user retention and sustained consumption. These measures will also provide the company with greater market opportunities and advantages, laying a solid foundation for its long-term development.

4.2. Adopt Differentiated Strategies To Meet Consumer Needs

Differentiated pricing strategy refers to pricing different products or services based on factors such as product characteristics, market demand, and consumer psychology during product pricing.

Product differentiation: Set different prices for different products based on their characteristics such as product type, freshness, and nutritional content. For example, for products with high freshness, those with high R&D investment can be priced higher and considered as cheap products to meet consumers' demand for high-quality products. At the same time, for different purchase quantities, pricing can be based on demand-oriented methods. In terms of direct sales business, Yiming True Fresh Milk Bar can provide differentiated pricing based on the actual order volume of each customer for different sizes of direct sales customers.

Market differentiation: Segmenting the market based on consumer purchasing needs, purchasing power, geographical location, and other factors, providing targeted products and sales services, and adapting to local conditions and individuals. For example, targeting the young consumer group, more innovative and interesting products can be provided.

Price adjustment: When implementing differentiated pricing strategies, market reactions and consumer groups should be regularly evaluated, and prices should be adjusted in a timely manner based on feedback to maintain consistency with market demand.

According to the financial report, the sales locations of Yiming True Fresh Milk Bar are currently mainly in Zhejiang, Jiangsu, Shanghai, Fujian, and online channels. According to the 2021 financial report, the main business revenue in Zhejiang region reached 1.8 billion yuan, accounting for 77.98% of the five marketing channels. It can be seen that although Yiming True Fresh Milk Bar has a wide

sales area, its main source of income is still in Zhejiang Province. The focus of brand development has not effectively spread to other provinces, or the income brought by operating in other provinces is not as high as that in the province. Consumers from other provinces do not prioritize Yiming True Fresh Milk Bar products in their dairy product choices. In this regard, while the enterprise is committed to building a dairy product brand belonging to Zhejiang, it also needs to expand the consumer market in other provinces.

4.3. Establish an Effective And Diversified Communication Mechanism

Effective consumer communication can help companies better understand customer needs, establish a good brand image, and improve customer satisfaction. Companies can establish diversified communication channels, such as telephone hotlines, social media, etc., to engage in two-way communication with consumers and respond promptly to their inquiries, suggestions, and complaints. When customers feel valued and cared for, the company can shape a close and friendly image, enhancing consumers' sense of brand identity. At the same time, the company can incentivize consumer participation and interaction by organizing promotional activities, gift giving, membership systems, and other means to increase consumer engagement. Regularly conducting satisfaction surveys, collecting opinions, and other activities to obtain timely feedback from consumers, in order to continuously improve products and services and meet consumer needs. In addition, establishing a comprehensive customer relationship management system and recording the history of communication and interaction with consumers can better understand their consumption habits and demand characteristics. By using the customer relationship management system, personalized communication with consumers can be achieved, customer relationships can be better maintained and managed, consumer needs can be met and guided, and competitiveness and market share can be improved.

4.4. Utilize New Media To Expand Marketing Strategies

The company can establish and regularly update its own website, improve the search ranking of the website in combination with the search engine optimization (SEO) strategy, and establish brand image on social media platforms, such as brand marketing activities on Weibo, WeChat, Xiaohongshu, Tiktok and other platforms. The company needs to attract more target groups through carefully planned content and interactions, producing videos, articles, pictures, and other content related to catering, increasing customer interaction and participation, conveying information related to consumers, and promoting on different online platforms and communities to increase brand influence. In addition to social media, companies can also consider deploying subscription accounts or mini programs to provide comprehensive interactive services, such as online booking, membership points, and other functions, to enhance customer experience. Combining mobile applications (such as Dianping, Meituan, etc.) to promote and locate services, such as using map software to automatically adapt store locations, feature recommendations, etc., to further improve offline service experience. The company analyzes feedback data, understands customer preferences and needs, adjusts marketing strategies, promotes product innovation, improves customer satisfaction, thereby increasing brand exposure, enhancing brand awareness, attracting more potential customers, and enhancing the competitiveness of the enterprise in the market.

4.5. Reform the Internal Environment To Ensure Effective Output of Marketing Strategies

The company should re evaluate its organizational structure and management processes, and improve decision-making efficiency and market response speed by simplifying decision-making levels, optimizing departmental functional settings, and other methods. The company should establish a multi-directional and efficient information flow mechanism, ensuring smooth information

transmission between decision-makers and implementers through regular meetings, reporting systems, and other means, and accurately conveying marketing strategies and goals to relevant departments and personnel. The company can also introduce new marketing management tools. For example, customer relationship management (CRM) systems, marketing automation tools, etc. can improve the efficiency of market data management, enhance team collaboration and decision support. Optimize personnel allocation structure, enhance employees' professional competence and marketing skills, encourage employees to learn and grow, and establish incentive mechanisms to enhance employees' execution and innovation awareness, create a corporate culture that encourages employees to propose innovative ideas and trial and error mechanisms, stimulate employees' innovation potential, and provide internal motivation for innovative output of marketing strategies. The company can actively seek partners, expand external resources, and obtain more resource support and market information through cooperation methods such as industry sharing platforms, in order to promote the update and output of marketing strategies. Through these reform measures, it will promote the transformation of the internal environment of Yiming True Fresh Milk Bar and drive the innovative output and implementation of marketing strategies. This will help enhance the company's market competitiveness and effectively promote the long-term sustainable development of the enterprise.

5. CONCLUSION

At present, the main problems in marketing strategy of Yiming True Fresh Milk Bar are product homogenization, inflexible pricing strategy, single marketing channels, and poor customer service experience. The fundamental reason is that the company's internal family management system cannot support marketing model innovation. To improve these issues, it is suggested that the company can start from the following aspects: firstly, strengthen product research and development, and launch more innovative and differentiated products; Secondly, adjust the pricing strategy, increase promotional activities, and improve cost-effectiveness; Thirdly, expand online marketing channels and enhance interaction with consumers through platforms such as social media; The fourth is to attach importance to service quality, enhance employees' service awareness and skill training, in order to provide a better customer experience. Through the implementation of these measures, we believe that Yiming True Fresh Milk Bar can achieve better development in the fierce market competition.

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