

Toy industry market status analysis and marketing strategy research

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Abstract: With the rapid development of social economy, the increase of people's disposable income and the implementation of the three-child policy, people have also put forward higher requirements for toys. Behind this high demand, but also promote the intensification of competition, industry transformation, the toy industry market will continue to expand in the future; However, behind its rapid development, there are also a series of problems; The development of the Internet era, the backwardness of the traditional marketing model, and the emergence of various factors all stimulate the merchants to find a new way out in the transformation development and marketing strategy; How to stand out in the competition of the toy industry with many brands is a problem worth studying. Based on the research and analysis of the current situation of the toy industry, this paper finds out the existing problems and puts forward solutions. It is committed to helping businesses and enterprises find market opportunities, and puts forward business decisions conducive to the development of the toy industry so as to promote the sustainable and vigorous development of the toy industry.

Keywords: Market situation; Consumer analysis; Marketing

With the rapid development of science and technology and the advent of the intelligent era, the toy market is undergoing earth-shaking changes. Toys as one of the characteristics of China's light industry exports, its toy industry chain is complete, with cluster technology advantages, about 70% of the world's toys are produced in China.[1] However, behind the prosperity of the toy industry, there are also many problems that need to be solved. In the case that the advantages of traditional advertising and channel sales no longer exist, businesses urgently need to find new marketing means to establish their own flag, so as to obtain a corner in such a competitive market. This paper tries to provide a new idea for toy marketing by analyzing the market situation and market opportunity of toy industry.

1 Toy industry market status

1.1 The toy industry has developed steadily and the market scale has continued to expand

China's toy market consumer demand has steadily increased year by year, and the overall development of the toy industry has steadily improved. According to statistics, the annual compound annual growth rate of China's toy demand from 2011 to 2021 is 3.88%, specifically: from 2,418,700 tons in 2011 to 3,537,500 tons in 2021; The total retail sales of the toy market increased from 55.6 billion yuan in 2016 to 85.46 billion yuan, with a compound annual growth rate of 8.98%." And the domestic toy industry market size reached 85.3 billion yuan, an increase of 8.52%, compared with 2016, China's national toy industry market expanded by 16 billion yuan. In the future, the market size of China's toy industry will continue to expand, and it is expected that the national toy product market size will reach 119.5 billion yuan in 2026.

1.2 The trend of toy intelligence is deepening

With the continuous development of science and technology, scientific and technological innovation has been continuously integrated into the traditional traditional toy industry, further promoting the technological upgrading of the toy industry and promoting the development of the intelligent toy industry. According to the survey, four out of every ten toys are smart toys, and the smart toy industry accounts for a large proportion of the toy market. With the impact of consumption upgrading, people's requirements for toys are becoming more diverse. Compared with traditional toys, smart toys have significant advantages in terms of interaction and technology.

2 Multi-demand analysis of consumers

2.1 Intellectual development, happy growth, to meet children's needs

With the implementation of the three-child policy, children's economy has presented a new round of development upsurge in our country. The famous American educationalist John Dewey (1859.10.20-1952.6.1) once said: "For children, life is a game, and the game is life." Toys are an important medium for children to understand the world, which can allow children to increase their knowledge, exercise intelligence, strengthen children's physical coordination ability, so that children's physical and mental development.[2]

2.2 Happy teaching, knowledge accumulation, to meet school needs

Toys play an important role in kindergarten teaching, which plays an important role in promoting children's learning motivation, hand-brain cooperation and thinking development. Because of the variety of toys, it has the characteristics of novelty, effectiveness, science and education, so that teachers can use toys flexibly in the teaching process; Promote the coordinated development of children's movements and the improvement of perception ability, and further cultivate children's active hands and brain ability.

2.3 Recreation, physical and mental relaxation, to meet the needs of adults

Toys are not the patent of children, and the attraction of adult toys still exists. Adults use toys to relieve stress, soothe body and mind, and prevent dementia. Research has found that people who often play with educational toys have higher IQ and open thinking of the brain than those who do not play with educational toys, and elderly people who often play with adult educational toys can delay thinking degradation and prevent Alzheimer's disease.

3 Analyze the existing problems in the toy industry from various aspects

3.1 Industry defects: the advantage of rising costs is weakened, and the quality and safety of toys are difficult to guarantee

Since 2021, the toy industry has faced multiple challenges. International crude oil, steel and other raw materials prices continue to rise, plastic raw materials prices continue to rise, market competition continues to intensify in some areas of the labor shortage and other problems have restricted the development of the toy industry. Nowadays, the toy industry has a large number of products, a wide variety of products, and the quality of products is uneven. In the past three years, the quality inspection department has found that the unqualified rate of more than 15% in all kinds of toys.

3.2 Strategic defects: insufficient investment in scientific research, low brand awareness, and unclear product strategy

The development of high-end technology, pay attention to the training of professional personnel, is the core of enterprise development; It is also an important support for national rejuvenation. In the process of accelerating the implementation of the innovation-driven development strategy, the optimization of scientific research investment and the adjustment of the funding investment structure are the keys to the core success.

3.3 Marketing defects: inaccurate resource delivery

In many marketing and promotion attempts of toy companies, some are keen on public domain resources, and there are intensive cultivation focusing on private domains to dig deep into the potential needs of familiar customer groups. However, with the change and alternations of the main consumer groups in the toy market, the effective reach that can be brought by a single public or private domain "flood irrigation" marketing method is shrinking, and the promotion effect is not good.

4 Solution

4.1 Enterprises adhere to principles and the government strengthens supervision

Enterprises should strictly control the quality should always respond to the concept of sustainable development advocated by the society, strictly organize production in accordance with the relevant standards and product identification requirements stipulated by the state, establish a standard early warning mechanism, adhere to the scientific production process, and strictly control the production process. The relevant departments should strengthen the supervision of commodity quality, improve the relevant standards and increase the intensity of punishment.

4.2 Increase investment in scientific research, build independent brands, and clarify brand strategies

Enterprises should pay attention to brand positioning, brand image construction, so as to clarify the core value of the brand and formulate brand strategy. Increase investment in scientific research, try to transform and upgrade, take market demand as the guidance, integrate scientific and technological innovation elements into toy products, optimize and upgrade independent brands, improve the added value of toy products.

4.3 Deepen the marketing strategy: “Consumer center”

The efficiency of single public domain or private domain “flood irrigation” marketing method decreases; In contrast, following the “Consumer center” concept, the “global business” model built on the technical premise of enterprise digitize is more in line with the current toy consumer market where the audience composition is more complex and the user decision link is repeatedly extended.

5 Marketing Suggestions

5.1 High-end toy products to create exclusive IP

Toy excellence is always on the road, China is the world’s largest toy exporter, but our toy level only in the low-end has strong competitiveness; The high-end of domestic brands is the inevitable trend of the development of the industry; In 2022, IP licensed toys are still the mainstream trend in the industry, and Bubble Mart’s IP marketing strategy is to license some of its own IP and exclusive IP to third-party partners, and the two parties jointly develop cross-border products to seek new growth space for the brand [3]. Enterprises can also build IP through brand authorization, strengthen cooperation with animation and online game enterprises, and take the development model of “toys + animation” and “toys +IP” to strengthen the construction of their own brands, build their own brands, and improve market competitiveness.

5.2 Live online delivery

With the continuous development of China’s e-commerce, now the integrated e-commerce platform has become the main channel for toy purchase, the online channel of toy categories are rich, 2016-2021, China through the online channel to buy toys increased from 65.3% to 81.6%. Toy merchants can use this mode to carry out live broadcast of goods or ask Internet celebrities to promote the use of fan economy to develop live sales.

5.3 Build brand story and brand co-branding

In the increasingly fierce competition in the toy market, the construction of brand story has become an important means to shape brand image and attract consumers. Toy companies should convey brand values and uniqueness by telling brand stories [4]. In the case of successful cross-border joint marketing, the case of catering enterprises cooperating with IP to frequently create explosive co-branded toys proves the effectiveness of joint branding.

6 Closing remarks

With the development of the Internet, the role of traditional advertising has gradually weakened, and the exposure and popularity of toys have been reduced under the influence of various factors. Therefore, businesses must find new marketing strategies to find new growth points. This paper is committed to helping businesses find new market opportunities to seize the development trend of intelligent toys, pay attention to IP cultivation and the increase of added value of products, and open the situation in the fierce market competition by formulating effective marketing strategies.

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