

# Exploring the Brand Strategy of CHAGEE

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## Abstract:

With the progress of society and the development of the times, the food industry presents a trend of diversification and personalisation, in which milk tea is a popular drink, and brand competition is particularly fierce. The success of Lemony Snacks not only reflects the growing consumer demand for healthy beverages but also the value and potential of traditional culture in modern business operations. In this paper, through the questionnaire survey method, the literature review method on the CHAGEE brand strategy was studied. The study found that young people choose the king of tea Ji reason is that it is considered to be real materials, as well as the brand itself, the characteristics of the national tide and co-branding with the major IP have an attractive, and can quickly capture the preferences of young people, and this is very beneficial to the milk tea marketing market law. In terms of marketing strategy, Lemony Snacks enhances the IP value as well as the memory point, shaping a new way of healthy life with milk tea. Through the above strategies, CHAGEE has successfully combined traditional Chinese culture with modern tea beverage brands to create unique brand characteristics and market competitiveness.

**Keywords:** CHAGEE; brand strategy; Chinese culture.

## 1. Introduction

The milk tea industry has seen tremendous growth in recent years. Rising consumer demand for personalised, healthy and innovative drinks has provided an opportunity for the rise of milk tea brands. This rapid expansion is a key driver for many brands entering the space or expanding their product lines. In these years when the market was so competitive under the competitive environment, the first shop of Lemony Tea Ji was opened in Kunming in 2017, and now it has become an influential brand in the region. In

2018, Lemony Snacks established an Overseas Affairs Department and set up a joint venture in Malaysia to start promoting the new Chinese tea beverage in Southeast Asia.

The brand entered the Thai-Singaporean market in the same year has opened more than 60 shops, and has now become the largest Chinese-style tea drink brand in Southeast Asia in terms of shop size[1].

In addition to the king of tea Ji's other milk tea brands these years is the situation frequently, for example, in previous years occupied a large part of the

milk tea market coco milk tea in 2021 because of brand infringement and health environmental issues some shops were punished rectification and contrast to the king of tea Ji in 2021 after financing more than 300 million yuan in 2024, and more than 3,000 shops across the country.

This paper examines the branding strategy of Bawang Cha Ji to identify brand strengths and guide the development of Chinese tea beverage brands.

## 2. CHAGEE Brand Study

First of all, this paper adopts the questionnaire survey method empirical research method, through the distribution of questionnaires to explore the CHAGEE can become the Z era of young people in the mid-range milk tea choice reasons.

The study found that many factors influence the demand for milk tea and the perceptions of today's youth when it comes to choosing milk tea. Now most people choose milk tea not in pursuit of price, because most of the choice of milk tea is 20 yuan or so a cup, so the choice of brands is naturally to go after the taste, packaging design, and is shop coverage, queuing time-consuming short. Supermarkets, like quality community shops, have a role to play in gathering footfall and pulling up brand momentum [2].

This all affects the consumer's decision about choosing a milk tea, and there is also the fact that it is a common thing nowadays that young people may go for a milk tea because of a particular co-branding.

## 3. CHAGEE Brand Advantage

### 3.1 High Quality

Lemony Snacks focuses on beverages that combine high-quality tea with fresh ingredients, placing special emphasis on the use of premium ingredients, such as selected tea leaves, natural milk sources and fresh fruits, and is committed to providing consumers with healthy and flavourful tea drink options.

CHAGEE chooses to use real materials and uphold the concept of letting customers drink at ease with the material so that customers can see to consumer groups that CHAGEE is trustworthy.

Compared to the Honey Snow Ice City Lucky Café this kind of low-priced drinks and Starbucks' prices and ingredients are not equal, the king of tea is just in the middle of the price of these brands and can be seen by customers with the ingredients and 'open kitchen' so that customers feel assured of drinking and value for money.

The brand's upstream cultivation, midstream processing, and downstream validation approach makes milk tea

healthier and ensures that the product is both simple and easy to replicate.[3]

### 3.2 Innovative Taste

CHAGEE has a unique production process, through fine preparation and unique production methods, so that each cup of the milk tea has a unique taste and flavor.

This unique production process makes CHAGEE stand out among many milk tea brands. CHAGEE is constantly introducing new products and developing a variety of innovative flavors to meet the individual needs of young people.

Whether it is the classic milk tea flavor, or the novel fruit tea, the seasonal limit, young people can find their own unique flavor in CHAGEE. Iterative product updates help maintain brand market heat and topic [4].

### 3.3 A Stylish Brand Image

CHAGEE pays attention to the shaping of brand image and attracts the attention of young people with a fashionable and trendy brand image.

Whether it is the decoration style of the store or the promotion activities on social media, they are full of fashion elements and a young atmosphere, so that young people can enjoy the food at the same time, but also feel the fashion charm of the brand[5].

At the same time, the brand uses blue and white porcelain patterns to make the pattern of milk tea cups, so that it can better reveal the tea character of milk tea.

This unique cultural element not only helps the brand stand out in the market but also wins the recognition of consumers who love Chinese culture. This can not only enhance the brand's recognition but also give the brand a deeper cultural value.

### 3.4 High Quality Service

CHAGEE pays attention to the quality of service and provides warm and thoughtful service, especially in the context of young consumers highly dependent on the Internet, the optimization of the online ordering system improves the overall consumption experience.

Whether it is in-store service or online ordering, young people can enjoy food at the same time, and feel intimate service. This quality service makes young people's consumption experience in CHAGEE more pleasant.

The staff are systematically trained to ensure that they are able to respond quickly to the needs of customers, while demonstrating a friendly attitude and professional knowledge of tea drinking, committed to providing customers with a comfortable and pleasant consumption environment. Quality service not only increases consumer

satisfaction but also encourages them to form emotional dependence and loyalty with the brand.

### 3.5 Reasonable Price Positioning

The price of CHAGEE is reasonable, which will not make young people feel too expensive and discouraged, nor will it reduce the sense of quality because the price is too low. This reasonable price positioning allows young people to enjoy good food at the same time, but also feel the satisfaction of good value for money.

People can also receive a lot of coupons on major takeout platforms, which can further reduce the price, and consumers will certainly be more happy

### 3.6 Use of Social Media

CHAGEE makes full use of social media platforms to interact and communicate with young people. Attract young people's attention and participation through the release of new product information, activity publicity, interactive topics and other ways.

This kind of interaction and communication with young people, so that CHAGEE better understands the needs and preferences of young people to better meet their needs, and enhance the brand exposure and influence.

On some short video platforms, people can also see the video of CHAGEE's employees dancing in the store, which can also bring emotional value to everyone, but also bring happiness to everyone, and increase brand awareness

## 4. Brand Strategy and Future Development

This study also investigates the corporate strategy and the consequences and influences of this strategy on CHAGEE. "In terms of brand positioning, CHAGEE is committed to being the Starbucks of Oriental tea culture. It is understood that, unlike other manufacturers who choose to go public in Hong Kong, CHAGEE chooses to go public in the United States and has a corporate layout in 35 countries and regions around the world [6].

Starting from Yunnan, the hometown of tea in the world and the birthplace of the ancient Tea Horse Road, under the influence of the double era background of national strength rejuvenation and cultural rejuvenation in 2017, CHAGEE determined the brand positioning of "original milk tea East New Tea Shop", and formed a distinctly differentiated competition with other brands on the tea track. In terms of name, CHAGEE paid tribute to the classic Chinese opera "Farewell My Concubine" and insisted on spreading Chinese opera culture. In terms of strategy,

the early stage of entrepreneurship took a "flanking war": originated in Yunnan, based in the southwest, covering the whole country, and cultural sea.

To point and face, first regional and then national, across the overseas.

In 2017, the founder "Zhang Junjie" thought about how to spread out this "paper", and the facts proved that he was very successful and very big. With a unique vision, he found that there was no vacancy in foreign tea brands, and chose the way of multi-line development to open CHAGEE throughout Malaysia.

In recent years, China's international status has been continuously improved, and more neighboring countries have seen China's cooperation sincerity under the background of the Belt and Road Cooperation Initiative. Chinese tea has a good attitude toward overseas expansion, so Chinese tea has been promoted overseas [7].

At the same time, CHAGEE also attaches great importance to joint cooperation with well-known local brands in Malaysia, such as CHAGEE and Royal Selangor, Malaysia's national treasure tinware brand, which previously reached joint cooperation and launched limited cups.

The overseas person in charge of CHAGEE said that this cooperation is of great significance for CHAGEE to open the Malay market early, not only increasing the brand exposure, but also harvesting the trust of a wave of local consumers, and finally limiting the cup online.

In the future development, Bawang Tea should continue to pay attention to market changes and consumer demand, should ensure good brand popularity, understand consumer psychology, and improve consumer trust.

At the same time, the brand should continue to innovate and optimize the brand strategy and marketing means to maintain a competitive advantage. It is hoped that Chinese tea brands can be promoted through cultural export.

## 4. Conclusion

To sum up, the reason why CHAGEE has become the first choice of most young people is because of its advantages in many aspects, such as quality first, innovation and fashion, service and experience, price and value, socialization and interaction, as well as environmental protection and health concepts.

These advantages enable young people to feel the satisfaction of value for money when consuming, which enhances their loyalty and stickiness to the brand. Looking ahead, CHAGEE will continue to innovate and develop, bringing more novel flavors and experiences to young people.

It will also continue to focus on quality and service enhancement to satisfy young people's pursuit of food and life.

It is believed that in the future development, CHAGEE will continue to win the love and support of young people and become an indispensable part of their lives. The Lemony Snacks brand strategy not only allows it to stand out in the highly competitive tea drink market but also provides a strong reference for the development of other Chinese tea drink brands. Chinese tea beverage brands can learn from these strategies, combined with their own brand characteristics and market environment, to find a suitable development path.

#### Authors Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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