

From Niche to Mainstream: JELLYCAT Brand Positioning and Future Marketing Strategies

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Abstract. Jellycat, as one of the leading toy brands, has gained unprecedented attention in the global market in recent years. With the popularity of the Internet and the rise of new media, Jellycat's marketing strategy has evolved. In this study, the research team selected the vast Chinese market as a representative sample, and first conducted qualitative analysis - interviewed consumers of different ages, genders and cultural backgrounds, designed questionnaires based on the in-depth interview results, and then used quantitative analysis - conjoint analysis to conduct binary logistic regression according to the collected data, and explore the consumer preference of Jellycat, so as to carry out market segmentation and positioning. The study found that price, size and material had varying degrees of influence on the purchasing decisions of different Jellycat consumer groups (individual buyers, parent buyers, gift buyers). Based on these findings, the research team has made recommendations for Jellycat's future marketing strategy across multiple market segments that can be referenced by other toy companies.

Keywords: segmentation, positioning, conjoint analysis, marketing strategy, Jellycat

1. Introduction

1.1. Background

Jellycat, founded in 1999 and headquartered in London, has grown into one of the world's most recognized plush toy brands, with operations in 77 countries. It has grown rapidly over the past few years, achieving a revenue of \$9,590.1 million in 2022 and projected to reach \$14,820 million by 2029 at a CAGR of 6.4% [1].

Renowned for its high quality and creative design, Jellycat holds over 15% of the market share in the UK high-end toy industry and is also a top seller in many other countries [2]. Initially starting as a niche brand, Jellycat gradually expanded its product line over time, offering a wide range of plush toys that appeal to consumers of all ages. The brand also emphasizes the emotional value that comfort toys provide to consumers. Additionally, Jellycat has broadened its influence by embracing e-commerce and forming online and offline partnerships with high-end department stores and specialty toy boutiques.

After COVID-19, with the gradual recovery of the global economy, the toy industry experienced a rapid rebound in user demand, and some new development trends have emerged. According to the NPD Group, adult consumers accounted for 60% of the growth in the global toy market in 2022, marking the first time they have surpassed the traditionally dominant group of preschoolers [3]. These adult consumers have a strong interest in retro toys, collector's edition toys, and social toys such as puzzle, board games as well.

This shift may be attributed to the growing emotional needs and societal pressures faced by modern consumers, indicating that comfort toy industry, represented by Jellycat, has a promising market outlook. Along with the booming development of e-commerce, the way brands promote products and interact with consumers has also transformed. Even for a successful brand like Jellycat, adapting to increasingly complex consumer demands is essential. Therefore, understanding how other factors, beyond emotional appeal, influence consumer purchasing decisions through quantitative methods, and determining how brands should adjust these factors for digital marketing, are issues that the entire toy industry must address.

1.2. Research objectives

In the previous research focus on toy industry, the research direction is mainly divided into two categories: brand and consumer, the research topics include product gender orientation, family purchase orientation, emotional marketing and so on. However, there is a lack of quantitative market research for the brand Jellycat, and it is unclear why Jellycat has grown in popularity in recent years, except for the reasons related to emotional marketing.

The primary aim of this research is to investigate the key factors that influence consumer purchasing decisions for Jellycat products. By analyzing these factors, we are able to provide marketing strategy recommendations for Jellycat and other toy manufacturers. Jellycat has been chosen as the focal brand due to its rapid growth in recent years, making it a representative and influential player in the toy industry. Through examining Jellycat's consumer behavior, we seek to discover insights that can be applied to the broader toy market.

2. Literature review

2.1. Toy marketing research status

The status quo of toy marketing research reveals a dynamic and rapidly evolving landscape. With the continuous influence of digital technologies and changes in consumer behavior, the toy industry has had to adapt its marketing strategies to meet new challenges and opportunities. Research indicates a shift from traditional advertising to more interactive, consumer-centric approaches, mainly driven by social media, influencer marketing, and e-commerce. Brands focus on leveraging online platforms to build strong relationships with consumers, creating personalized experiences and engaging content. We have referred to and organized existing research in the field of toy industry.

Existing research on the toy industry can be divided into two major categories: research on brands and products themselves, and research on consumers.

From the perspective of products and brands, Carol J. Auster and Claire S. Mansbach [4] focused on the issue of toy gendering. Using tabular analysis and chi-square tests, they found that there is gendered marketing in online toys, with the number of toys suitable for girls far exceeding those for boys. Additionally, they suggest that toy companies can market toys in a more gender-neutral way.

While insightful, this research is limited by its focus on a single retailer's website, which might not reflect the practices of the broader toy market.

Huang-g Chen and Ming-Hung Lin [5], through a questionnaire survey, found that product design and purchase intention, as well as the correlation between statistics education and product design, show significant positive relationships. While their findings are valuable, the use of self-reported data through surveys introduces potential biases that could affect the reliability of the conclusions.

Poolton and Barclay [6] pointed out that "if companies can improve their effectiveness at launching new products, they can double their bottom line. It's one of the areas left with the greatest potential for improvement." However, this perspective focuses on the benefits for companies rather than on the consumer experience and lacks consideration of the complexities involved in product launches in today's diverse and competitive markets.

Additionally, sustainability and educational value have become key factors in consumer decision-making, prompting toy brands to incorporate these aspects into their marketing narratives. Research on consumer segments (such as young parents, gift buyers, and collectors) helps adjust marketing strategies, accordingly, enhancing brand loyalty and expanding market reach. For example, among Jellycat's audience, young adults have become the main consumer group, which distinguishes it from other toy brands. Despite these insights, there remains limited research on how effectively these sustainability messages resonate across different consumer demographics.

From the perspective of consumer research, existing studies on market segmentation involve categorizing consumers into groups based on various criteria, such as age (e.g., infants, toddlers, teenagers), interests (e.g., educational toys, collectible items, plush toys), and purchasing motivation (e.g., gifts, personal use, educational value). This provides a reference for the grouping method in our experimental study. However, much of the segmentation research has focused on broad consumer characteristics, which may overlook more nuanced factors like cultural influences and individual psychological drivers, thereby limiting its applicability across different regions and demographics. Table 1 is about existing literature on different studies of consumers.

Table 1. Existing literature on different studies of consumers

Source	Research Method	Consumer Classification Dimensions	Key Findings	Conclusions and Recommendations
[7] Fisher, Thomas, & Smith, Mary (2015)	Survey	Parental Influence, Child Preference	Parental preferences significantly shape children's toy choices	Develop marketing strategies that appeal to both children and their parents
[8] Lee, James, & Park, Henry (2017)	Experimental Study	Gender Differences in Toy Selection	Boys and girls show distinct preferences for types of toys	Create gender-neutral marketing campaigns to challenge stereotypes and expand market appeal
[9] Johnson, Amy, & Martinez, Robert (2018)	Qualitative Research	Educational Value, Learning Outcomes	Toys with educational value are preferred by parents	Emphasize educational aspects in toy product design and marketing to attract young parents
[10] Kim, Susan, & Choi, Young (2020)	Case Study	Cultural Differences, Regional Preferences	Cultural background heavily influences toy preferences	Provide culturally adaptive products that cater to the specific needs and preferences of different regions

2.2. Segmentation & positioning

Segmentation and positioning research in toy industry plays a crucial role in understanding market dynamics and effectively targeting different consumer segments. Market segmentation presupposes heterogeneity in buyers' preferences for products/services, which can be related to either person variables or situational variables and their interactions. Companies can react by modifications of their current product/service attributes, distribution, and advertising/promotion [11]. Positioning strategy refers to the choice of target market segment which describes the customers a business will seek to serve and the choice of differential advantage which defines how it will compete with rivals in the segment [12].

For instance, premium brands like Jellycat emphasize softness, unique designs, and luxury appeal to differentiate themselves. Effective segmentation and positioning help companies create targeted messages, allocate resources efficiently, and build strong brand identities that resonate with both children and adult buyers, ultimately enhancing market competitiveness and consumer loyalty.

According to existing research, Jellycat's consumer base is characterized by diversity, primarily including young parents, gift buyers, collectors, and young adults who value personalized and high-quality plush toys. Young parents often purchase Jellycat products as safe toys for their infants, focusing on the softness and safety features. Gift buyers tend to choose Jellycat plush toys as ideal gifts for special occasions like birthdays and holidays, emphasizing the unique designs and adorable appearance. Additionally, many young adults, especially those between 20 and 30 years old, are attracted to Jellycat plush toys, using them as decorations or emotional companions. These consumers typically appreciate the exquisite designs and collectability, which maintains their brand loyalty. The consumer profile of Jellycat indicates that the brand's target market spans a wide range of age groups and diverse purchasing motivations, allowing Jellycat to stand out in the competitive toy market.

Based on the above content, we have preliminarily outlined Jellycat's consumer segmentation and its perceptual map within the toy market, which are shown in Figure 1 and Figure 2.

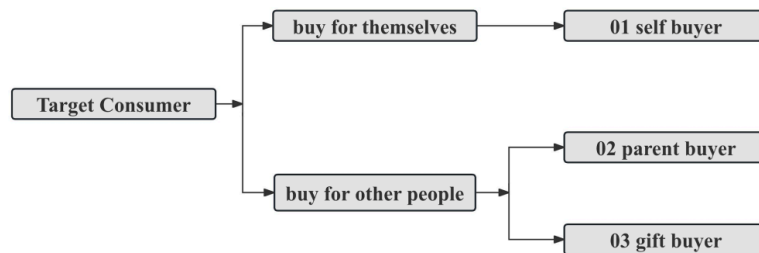


Figure 1. The segmentation of Jellycat consumers



Figure 2. Perceptual map of different toy brands

2.3. Conjoint analysis in marketing

Conjoint analysis is an advanced statistical technique used extensively in marketing research to estimate the structure of a customer's preferences [13]. It plays a crucial role in understanding consumer preferences and the trade-offs they are willing to make when selecting among multiple attributes, such as price, quality, design, and brand name. By simulating real-world purchasing scenarios, conjoint analysis allows marketers to break down complex decision-making processes and reveal the relative importance of each attribute in shaping consumer choices.

A major benefit of the proposed method is that the segments are derived empirically using commonly collected conjoint-choice data without recourse to any a priori specification of the nature of the heterogeneity (typically based on ancillary background data) [14].

This method is particularly valuable in product development, market segmentation, and pricing strategy formulation. For instance, it can help identify the optimal combination of product features that maximize consumer satisfaction or willingness to pay, thus aiding in the design of products that closely match market demand. Additionally, conjoint analysis can provide critical insights into pricing sensitivity, helping companies establish pricing strategies that align with consumer expectations and maximize profitability.

From an academic perspective, conjoint analysis also provides a data-driven basis for market segmentation. By analyzing consumer preference data, companies can effectively classify customers into segments that share similar value perceptions and prioritize different aspects of a product. This, in turn, allows for the creation of highly targeted marketing campaigns that speak directly to the preferences of each segment, thereby increasing the likelihood of success.

2.4. Research significance/innovation point

2.4.1. Theoretical significance

First, this study deepens the consumer behavior theory and enriches the consumption decision model. Through conjoint analysis, we studied the significant impact of Jellycat product attributes such as price, design, materials and brand on consumer preferences and decision-making processes. These conclusions provide empirical data on consumer choice behavior and reveal the relative importance consumers attach to specific product features.

Second, this study expands the application of Customer Perceived Value theory and emphasizes its impact on the consumption of non-practical products. This provides a new theoretical perspective for understanding consumers' emotional motivations and helps brands better position their products to meet consumers' more complex and deeper needs, such as emotional needs, interpersonal needs, symbolic value needs, and so on.

2.4.2. Practical significance

Initially, this study provides Jellycat with specific market insights. By determining which product features and combinations (such as design, materials or price) appeal more to a wide range of consumers, Jellycat can optimize its product development and market positioning to better tailor its products to the needs of different target audiences.

In addition, this research is helpful for Jellycat to develop online and offline brand consumer interaction strategies. A stronger emotional connection between sellers and buyers helps to increase consumers' perceived value of the brand. These strategies can be applied not only to a single brand—Jellycat—but also to the entire toy market, thereby driving the overall progress of the industry and enabling more brands to better respond to market changes.

Finally, as an extension of marketing strategy, this study reveals the feasibility and necessity of integrating environmental protection practices into brand image promotion. This not only helps to create a responsible brand image and attract more environmentally conscious consumers, but also promotes the advancement of "environmentally friendly" standards in the toy industry.

3. Methodology

3.1. Research design

To better complete the research and fully consider the realistic conditions, we designed the experimental process as shown in the following Figure 3.

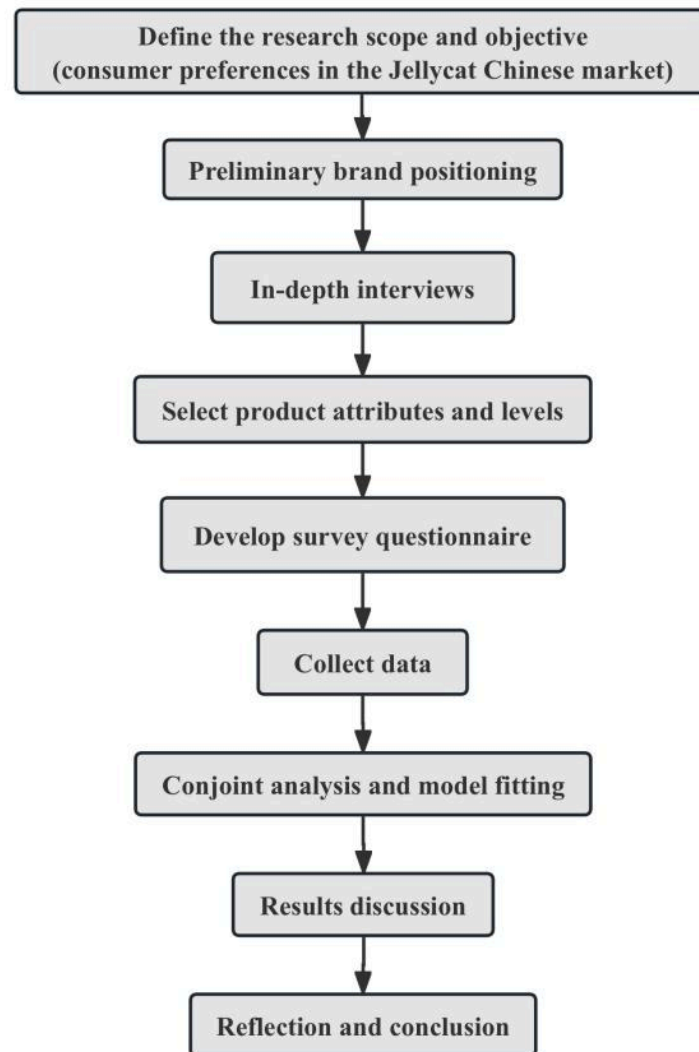


Figure 3. Experimental research process

Based on the research objective, we propose the following hypothesis, shown in Figure 4.

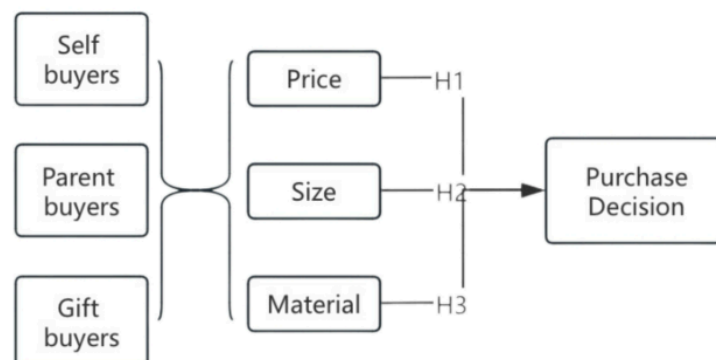


Figure 4. Research hypothesis

- H1: Price negatively impacts purchase decisions.
H1-1: For self buyers, price negatively impacts purchase decisions.
H1-2: For parent buyers, price negatively impacts purchase decisions.
H1-3: For gift buyers, price negatively impacts purchase decisions.
H2: Size positively impacts purchase decisions.
H2-1: For self buyers, size positively impacts purchase decisions.
H2-2: For parent buyers, size positively impacts purchase decisions.
H2-3: For gift buyers, size positively impacts purchase decisions.
H3: Material positively impacts purchase decisions.
H3-1: For self buyers, material positively impacts purchase decisions.
H3-2: For parent buyers, material positively impacts purchase decisions.
H3-3: For gift buyers, material positively impacts purchase decisions.

3.2. Conjoint analysis

3.2.1. Attribute level

Based on a review of existing literature on the factors influencing consumer preferences for toy products, we identified few key factors. In order to make more accurate attribute selections, we invited six participants from different backgrounds for interviews. The majority of them are women, ranging in age from 17 to 50, hailing from four economically developed provinces in China, with diverse professions and reasons for purchasing. Through in-depth interview, we selected four factors as the attributes influencing toy consumer preference: appearance size, materials, price, and brand. And ultimately designed the final survey questionnaire.

Table 2 below summarizes the information about the respondents.

Table 2. Respondent information

Gender	Age	Job	Region	Reason
female	21	student	JIANGSU	Self buyer
female	21	student	JIANGSU	Self buyer
male	17	student	SHANGHAI	Self buyer
female	50	engineer	BEIJING	Gift buyer
female	20	student	GUANGDONG	Gift buyer
male	36	doctor	JIANGSU	Parent buyer

After determining the attributes (price, size, and material), careful consideration was given to selecting appropriate attribute levels. Based on a literature review and an analysis of existing products on official websites, we finalized 10 price levels ranging from 180 to 900 CNY, with each level increasing by 80 CNY incrementally. For size, we established 4 levels: 16 cm, 28 cm, 36 cm, and 47 cm in height. For material, we identified 4 levels: 100% polyester fiber, 70% polyester fiber with 30% cotton, 30% polyester fiber with 70% cotton, and 100% polyester fiber. These choices resulted in 160 possible product combinations.

However, for reasons of practicality, some combinations were excluded, such as those with a high-quality, large-sized product at an extremely low price, or a low-quality, small-sized product at an excessively high price. As the material quality improves, fewer high-priced combinations are excluded, even for the same size. Similarly, as the size increases, fewer unrealistic combinations are

removed. After eliminating these impractical combinations, ultimately, 100 valid combinations were retained.

3.2.2. Data collection

Based on the previous assumptions, we identified three market segments: self buyers, parent buyers, and gift buyers. Due to time and resource limitations, we used non-probability sampling methods, specifically convenience sampling and snowball sampling. The research team visited Jellycat stores in Beijing and Shanghai or utilized personal networks, such as family and social circles, to find Jellycat consumers or potential consumers and distribute questionnaires to them. To ensure the validity and accuracy of the data, the team strictly required an equal number of respondents from each market segment. In the end, a total of 700 questionnaires were distributed, with 600 valid responses, reaching the desired sample size.

3.2.3. Data analysis

This study aims to explore whether price, size, and material influence consumers' purchasing decisions. We collected consumers' perceptions of these three attributes, with price, size, and material as the independent variables, among these factors, price is a continuous predictor, while material and size are categorical predictors, as it is unlikely in brand production to have continuous variations in size or material categories. While purchasing decision is the dependent variable, coded as a binary variable where 0 represents "not purchasing" and 1 represents "purchasing." As competitors, we selected well-known plush toy brands Disney and Sanrio, which have a high overlap in market positioning with Jellycat. Both brands have their own unique IPs and audiences. When respondents choose Disney or Sanrio, the purchasing decision is coded as 0, and when they choose Jellycat, the purchasing decision is coded as 1.

Since the dependent variable involves a binary choice (whether to purchase or not), a binary logistic regression model is appropriate. This model estimates the impact of each independent variable on the purchasing decision. By calculating the regression coefficients, we can analyze both the direction and magnitude of the independent variables' influence on the dependent variable and obtain more reasonable and robust conclusions.

The basic formula of binary logistic regression used in this study is:

$$\log \left(\frac{P(\text{purchase} = 1)}{1 - P(\text{purchase} = 1)} \right) = \beta_0 + \beta_1 \cdot \text{price} + \beta_2 \cdot \text{size} + \beta_3 \cdot \text{material}$$

β_1 , β_2 , and β_3 correspond to the coefficients of the independent variables such as price, size, and material, respectively, indicating how different independent variables affect consumers' purchasing decisions, i.e. the dependent variables.

As an aid and validation, the research group initially used the multiple linear regression model. It provides an intuitive understanding of the linear relationship between the independent variables and the purchase decision and is able to evaluate the correlation between them in the first place.

The basic formula of multiple linear regression used in this study is as follows:

$$Y = \beta_0 + \beta_1 \cdot \text{price} + \beta_2 \cdot \text{size} + \beta_3 \cdot \text{material} + \epsilon$$

Similar to the above formula, β_1 , β_2 , and β_3 correspond to the coefficients of the independent variables price, size, and material, respectively, indicating how different independent variables affect consumers' purchasing decisions, i.e., the dependent variables.

The data analysis tool used in this study is Minitab software, which provides a wide range of statistical analysis functions, including descriptive statistics, regression analysis, ANOVA, time series analysis, etc., which can help the research group obtain more accurate and intuitive results.

4. Results

4.1. Regression analysis

In the regression analysis, it was recognized that the direction and extent to which the independent variables influenced consumers' purchasing decisions varied across different market segments. Since different marketing strategies will be applied to each group in the future, after conducting an overall regression analysis on all 600 questionnaires, the research team also performed a segmented analysis, focusing on each of the three market segments separately. This involved a more detailed analysis of the 200 questionnaires from each group.

Table 3. The reliability of binary logistic regression model

	Deviance R-Sq	Deviance R-Sq(adj)	AIC	AICc	BIC	Area Under ROC Curve
Total	53.09%	52.25%	405.82	406.06	440.99	0.9355
Self buyer	51.36%	48.83%	150.70	151.46	177.09	0.9299
Parent buyer	52.85%	50.30%	145.12	145.88	171.51	0.9348
Gift buyer	71.66%	69.13%	94.36	95.11	120.74	0.9767

The regression analysis was categorized into four aspects: total, self, gift, and parent buyers. The pseudo-R-squared values were 52.25%, 69.13%, 50.30%, and 48.83%, respectively, as shown in Table 3, averaging around 0.5, indicating a relatively good level of reliability and suitability for further analysis.

4.1.1. Total

Table 4. Linear regression analysis of price versus purchasing decisions (Choice=1.4483-0.001769 Price)

Term	Coef	SE Coef	T-Value	P-Value	VIF
Constant	1.4483	0.0558	25.97	0.000	
Price (rmb)	-0.001769	0.000098	-18.14	0.000	1.00

As shown in Table 4, the regression equation is significant, with a P-value less than 0.01, supporting H1: Price negatively impacts purchasing decisions, which means, as the price increases, the likelihood of purchase decreases.

Table 5. Linear regression analysis of size versus purchasing decisions (Choice= 0.3590 + 0.00374 Size)

Term	Coef	SE Coef	T-Value	P-Value	VIF
Constant	0.3590	0.0637	5.64	0.000	
Size (cm)	0.00374	0.00184	2.03	0.043	1.00

As shown in Table 5, the regression equation is significant, with a P-value (0.043) less than 0.05, supporting H2: Size positively impacts purchasing decisions, which means, as the size increases, the likelihood of purchase increases as well.

Table 6. Linear regression analysis of material versus purchasing decisions (Choice= 0.4184 + 0.0252 Material)

Term	Coef	SE Coef	T-Value	P-Value	VIF
Constant	0.4184	0.0505	8.29	0.000	
Material	0.0252	0.0184	1.37	0.171	1.00

As shown in Table 6, the regression equation is not significant, with a P-value (0.171) over 0.05, indicating that H3 “Material positively impacts purchasing decisions” is not verified. This suggests that the quality of the material does not directly nor significantly influence the likelihood of purchase.

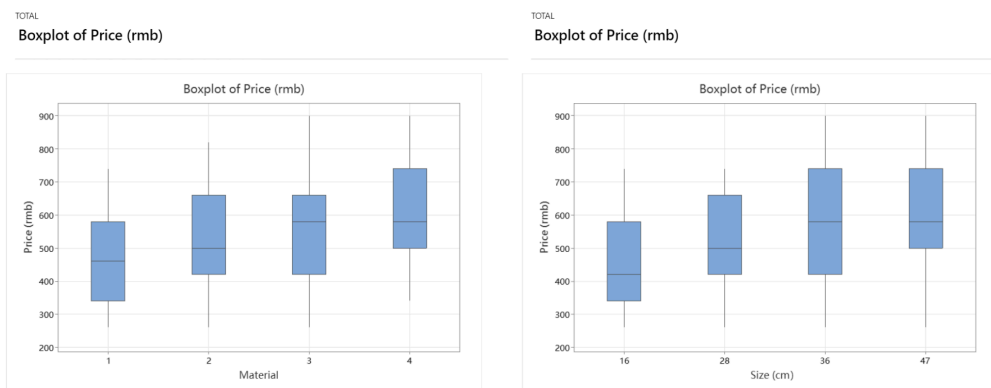


Figure 5. Boxplot of price

To make the research findings more specific, the research team generated boxplots for further analysis. From Figure 5, it is evident that for prices of 740 CNY and above, consumers are unwilling to make a purchase, regardless of the material or size. Consumers who choose products priced between 580-740 CNY account for only 10% of the total, a very small proportion. This indicates that as a comfort toy, Jellycat’s pricing should ideally not exceed 600 CNY, as sales would drop significantly if the price is higher.

In terms of size, it is clear that larger sizes are more acceptable in terms of price compared to smaller ones. The number of purchases for 16 cm toys is noticeably low, suggesting that smaller sizes only have slight appeal when priced lower. On the other hand, the number of purchases and the price acceptance level for 36 cm and 47 cm toys do not show significant differences.

Since the multiple linear regression model may not be the most suitable model for this study, the research team subsequently employed a binary logistic regression model. The results showed slight variations:

Table 7. Binary logistic regression analysis of price, size, material versus purchasing decisions

Term	Coef	SE Coef	T-Value	P-Value	VIF
Constant	5.558	0.581	9.56	0.000	
Price (rmb)	-0.01918	0.00150	-12.77	0.000	2.47
Size (cm)					
28	2.970	0.423	7.02	0.000	2.04
36	3.655	0.455	8.04	0.000	2.38
47	4.426	0.491	9.01	0.000	2.78
Material					
2	1.252	0.377	3.32	0.001	1.62
3	2.481	0.409	6.07	0.000	1.92
4	3.642	0.456	7.99	0.000	2.37

As shown in Table 7, price, material, and size all influence purchasing decisions. Therefore, a further analysis can be conducted to examine how these independent variables affect purchasing decisions across different consumer groups.

4.1.2. Self buyers

Table 8. Linear regression analysis of price, size, material versus purchasing decisions of self buyers

Term	Coef	SE Coef	T-Value	P-Value	VIF
Price (rmb)	-0.001917	0.000161	-11.90	0.000	1.00
Size (cm)	-0.00061	0.00321	-0.19	0.849	1.00
Material	0.0002	0.0320	0.01	0.996	1.00

From the linear regression results in Table 8, we can see that for self-buyers, neither size (P-Value=0.849>0.05) nor material (P-Value=0.996>0.05) has a significant impact on purchasing decisions, while only price negatively affects purchasing decisions. Thus, H1-1 is verified, whereas H2-1 “for self buyers, size positively impacts purchase decisions” and H3-1 “for self buyers, material positively impacts purchase decisions” are not verified.

Table 9. Binary logistic regression analysis of size, material versus purchasing decisions of self buyers (odds ratios for categorical predictors: odds ratio for level a relative to level B)

Level A	Level B	Odds Ration	95% CI
Size (cm)			
28	16	14.0836	(3.5494, 55.8816)
36	16	11.2685	(2.8733, 44.1924)
47	16	23.7665	(5.5054, 102.5990)
36	28	0.8001	(0.2390, 2.6784)
47	28	1.6875	(0.4984, 5.7144)
47	36	2.1091	(0.6243, 7.1249)
Material			
2	1	2.0990	(0.6151, 7.1626)
3	1	5.3153	(1.4642, 19.2950)
4	1	16.3670	(3.9804, 67.2995)
3	2	2.5322	(0.7395, 8.6705)
4	2	7.7973	(2.0855, 29.1528)
4	3	3.0792	(0.8886, 10.6698)

From binary logistic regression results shown in Table 9, as the levels of size and material increase, the changes in the odds ratio are not significant, indicating that they do not noticeably improve the likelihood of purchase.

4.1.3. Parent buyers

Table 10. Linear regression analysis of price, size, material versus purchasing decisions of parent buyers

Term	Coef	SE Coef	T-Value	P-Value	VIF
Constant	1.3572	0.0981	13.83	0.000	
Price (rmb)	-0.001688	0.000172	-9.83	0.000	1.00
Size (cm)	-0.00135	0.00319	0.42	0.672	1.00

From the linear regression results in Table 10, we can see that price negatively impacts purchasing decisions ($P\text{-Value} < 0.05$), supporting H1-2. Size does not have a significant effect on purchasing decisions ($P\text{-Value} = 0.672 > 0.05$), so H2-2 is not verified. Material positively impacts purchasing decisions ($P\text{-Value} = 0.033 < 0.05$), supporting H3-2. By comparing the correlation coefficients, it is clear that for parent buyers, price is the most important factor, followed by material, and then size.

Multiple linear regression helps us understand the relative importance of different independent variables, while binary logistic regression reveals how different levels within each variable influence purchasing decisions.

Table 11. Binary logistic regression analysis of size, material versus purchasing decisions of parent buyers (odds ratios for categorical predictors: odds ratio for level a relative to level B)

Level A	Level B	Odds Ratio	95% CI
Size (cm)			
28	16	7.4743	(1.9510, 28.6337)
36	16	19.2996	(4.5116, 82.5589)
47	16	34.4203	(7.4250, 159.5633)
36	28	2.5821	(0.7359, 9.0600)
47	28	4.6052	(1.2628, 16.7946)
47	36	1.7835	(0.5211, 6.1035)
Material			
2	1	6.0718	(1.6120, 22.8700)
3	1	28.4694	(6.3395, 127.8506)
4	1	133.4980	(23.1128, 771.0769)
3	2	4.6888	(1.2927, 17.0065)
4	2	21.9867	(5.0995, 94.7972)
4	3	4.6892	(1.2948, 16.9819)

From the binary logistic regression results shown in Table 11, we can see that for size, when it increases from 16 cm to 28 cm, the likelihood of purchase rises by approximately 7.5 times. However, further increases beyond 28 cm do not significantly impact purchase inclination as much, suggesting that for parent buyers, a larger size does not necessarily equate to a stronger preference—28 cm may be an optimal size.

For material, there is a notable increase in purchase inclination, about 133 times. when the material shifts from pure synthetic fiber (100% polyester) to pure natural fiber (100% cotton). However, improvements in mid-level materials are less significant. This suggests that the proportion of natural versus synthetic fibers may not be a major focus for consumers. Only when the material reaches the highest level of quality (100% cotton) does it significantly influence health-conscious parent buyers to make a purchase.

4.1.4. Gift buyers

Table 12. Linear regression analysis of price, size, material versus purchasing decisions of parent buyers

Term	Coef	SE Coef	T-Value	P-Value	VIF
Price (rmb)	-0.001702	0.000173	-9.86	0.001	1.00
Size (cm)	0.01049	0.00312	3.36	0.001	1.00
Material	0.0079	0.0320	0.25	0.805	1.00

From the linear regression results in Table 12, we can see that price negatively impacts purchasing decisions (P-Value = 0.001 < 0.05), supporting H1-3. Size positively impacts purchasing decisions (P-value = 0.001 < 0.05), supporting H2-3. Material does not have a significant effect on

purchasing decisions ($P\text{-value} = 0.805 > 0.05$), so H3-3 is not verified. By comparing the correlation coefficients, it is evident that for gift buyers, price is the most important factor, followed by size, and then material. This contrasts with parent buyers to some extent.

Table 13. Binary logistic regression analysis of size, material versus purchasing decisions of parent buyers (odds ratios for categorical predictors: odds ratio for level a relative to level B)

Level A	Level B	Odds Ratio	95% CI
Size (cm)			
28	16	1055.6231	(70.4372, 15820.3273)
36	16	10509.2986	(376.2808, 293518.4480)
47	16	54447.6227	(1219.7130, 2.43053E+06)
36	28	9.9555	(1.7162, 57.7505)
47	28	51.5787	(6.7480, 394.2465)
47	36	5.1809	(0.9699, 27.6745)
Material			
2	1	7.4686	(1.3329, 41.8490)
3	1	54.0166	(7.0826, 411.9691)
4	1	201.1298	(19.8244, 2040.5801)
3	2	7.2325	(1.3054, 40.0714)
4	2	26.9300	(3.9867, 181.9119)
4	3	3.7235	(0.7164, 19.3515)

From the binary logistic regression results shown in Table 13, it is evident that for size, increasing from 16 cm to 28 cm raises the likelihood of purchase by up to 1,055 times, making this the largest observed difference between two levels. When increasing from 16 cm to 36 cm, the likelihood rises by 10,509 times, showing exponential growth. This suggests that the optimal size preference range for gift buyers may lie between 28 cm and 36 cm.

In terms of material, similar to parent buyers, switching from pure synthetic fiber (100% polyester) to pure natural fiber (100% cotton) significantly increases purchase inclination, by approximately 201 times. Although material significantly influences purchasing decisions, when considering the multiple linear regression results mentioned earlier, it is clear that size has a more substantial positive impact on purchasing decisions than material improvements. This finding offers a new perspective for the researchers, potentially linked to the psychology behind gift-giving.

5. Discussion

Overall, the impact of price on consumer decision-making is undoubtedly the greatest, aligning with the characteristics of the demand curve, where demand decreases as prices rise. However, by comparing the correlation coefficients among different consumer groups, we can observe that parent buyers tend to have a higher tolerance for price, which is also related to their higher expectations for material quality.

The second most influential factor is size, which may be linked to perceived value, referring to consumers' subjective assessment of the value of a product or service, as opposed to its objective value. In the case of Jellycat, comfort plush toys, compared to everyday items, have relatively lower practicality, which is one reason why some non-potential consumers might not make a purchase.

However, during the decision-making process, since there are no significant performance differences (i.e., less influence from objective value), subjective perception plays a more important role. When the product is larger, it stands out visually and is often perceived by consumers as having better "value for money" or being "more worth the price," even though the actual utility of a larger plush toy is not proportionally higher than that of a smaller one. This is particularly significant for gift buyers. According to the theory of social exchange, in many cases, the amount spent on a gift reflects the giver's expectation of the return. Thus, larger-sized gifts, at least superficially, represent a greater effort, making them a more favorable choice for gift-giving—simply put, they "look better."

Of course, when combining size with price, products priced above 600 CNY, regardless of size, see a significant drop in purchase rates. Therefore, it is not advisable to exclusively promote high-priced, large-sized toys.

The next factor is the impact of material on purchasing decisions. We found that, aside from parent buyers, material is the least considered factor among other consumer groups. This is also related to the theory of perceived value. The quality of material is often closely tied to practical functionality—better materials imply greater safety, comfort, and durability. However, the majority of comfort plush toy consumers do not prioritize practicality. Those who truly value practicality tend to purchase products like dishwashers or washing machines that offer tangible convenience to their lives, rather than comfort toys.

As a result, Jellycat consumers' perceived value of high-quality materials is relatively low. After all, the quality of the material does not affect whether a toy is fashionable or cute, and toys sold through legitimate channels have at least met the minimum safety standards for materials. Consumers do not expect Jellycat products to last more than ten years or to be free from any bacteria or chemicals. However, this perception changes within the parent buyer segment. When consumers are purchasing their child's first comfort toy, material safety, softness, and texture become much more important in the decision-making process. This is because parents' perceived value of "infant-friendly" materials increases, as they are more concerned about their children's health.

If the brand wishes to continue marketing from the material angle, there are two potential approaches. The first is to promote the use of eco-friendly materials, highlighting the brand's commitment to environmental responsibility. This can attract and resonate with a segment of young consumers who prioritize sustainable consumption and are willing to pay for "environmentally friendly" products. The second approach is to emphasize how high-end materials can enhance social status. Some consumers purchase products to elevate their self-worth, similar to how buying expensive watches or cars reflects social standing and purchasing power. These consumers may also be willing to pay for "luxurious," "premium," or "high-quality" materials.

The initial consumer market segmentation we developed, based on literature and market research reports, displayed distinct group characteristics:

5.1. Self buyer segment

In the personal consumer market, price is the most important factor influencing their purchasing decisions, while changes in size and material quality have little impact. In this market, Jellycat differentiates itself from competitors with the brand positioning of "a fashionable, design-driven, affordable luxury, and environmentally friendly adult comfort toy brand."

This market should focus on promoting products with a price advantage over competitors or offering discounts and special promotions. For instance, during holidays or anniversaries, limited-time discounts could be advertised, or consumers could earn points from purchasing products that can be redeemed for new items, thereby enhancing purchase desire and brand loyalty. However, it is

crucial to maintain the brand's high-end image while offering discounts to avoid diminishing the brand's perceived value, which ties into the concept of "affordable luxury" mentioned in the brand positioning.

For price-conscious personal consumers, in order to maintain profitability, products can be offered in slightly smaller sizes, but not smaller than 16 cm, and synthetic materials can be used. For high-volume and higher-purchasing-power personal consumers, luxury marketing and sustainable marketing strategies can be applied.

Luxury marketing can enhance the perceived value of materials by telling the brand's craftsmanship story, launching collaborations with renowned designers, or organizing exclusive high-end member events, encouraging consumers to pay for the "luxury" and "scarcity" that elevate their status.

On the other hand, sustainable marketing can meet the needs of consumers who care about brand social responsibility. This can be achieved by showcasing transparent supply chains for product materials and emphasizing the brand's environmental commitments across all marketing channels, such as the website, packaging, and social media. Additionally, promoting a culture of sustainable consumption—such as organizing charity events for the donation or repurposing of old toys, or donating a portion of proceeds to environmental organizations with each purchase—can help consumers feel that their purchases have a positive environmental impact, thereby increasing purchase rates.

5.2. Parent buyer segment

In the parent consumer market, aside from price, parents are particularly concerned about the impact of materials on their children's health. Jellycat's brand positioning can revolve around being "a safe, comfortable plush toy brand better suited for babies," and the slogan "Buy your baby's first companion toy at Jellycat" can be used to highlight the emotional value and long-term companionship function of the brand.

The recommended products of this market should be "0-year-old playable" "mouth safe" category of infant toys, these toys use 100% cotton or other natural high-quality materials, which are soft, skin friendly, nonperishable, and even edible. To improve product competitiveness while ensuring profits, prices can be appropriately increased, because parents are willing to pay a premium for safer and high-quality products, but safety must always be emphasized in marketing, such as promoting that Jellycat toys comply with strict standards like EN71 for toy safety and CPSIA for children's products. As soon as the brand has established a good reputation for material safety, it will form a virtuous circle and further boost the purchase rate.

Jellycat can also run educational campaigns for new parents, providing guidance on material safety about "how to choose a safe toy for your baby" and telling them the manufacturing process, as well as identification and maintenance methods of high-quality products. Inviting pediatricians and parenting experts to speak or endorse in certain events can strengthen the brand's professionalism and authority, so that it will be easier to gain trust from parents. As a complement, handmade-toy workshops where parents and children work together are often popular, too. During these activities, Jellycat allows participants to make unique toys, develop children's hands-on skills, and more importantly, to facilitate parent-child interaction. In the process, Jellycat is not only a provider of products and service, but also a partner of the family witnessing the growth of children. Through these interactive marketing campaigns, Jellycat is able to effectively target the parents' market and become the first choice for consumers when selecting children's toys.

5.3. Gift buyer segment

In the gift consumer market, the presentability of a gift becomes crucial. As a gift, a toy not only represents the giver's sentiment but also reflects their status. Therefore, gift givers tend to prioritize visually impactful sizes over relatively subtle qualities like material. In this context, Jellycat's brand positioning is: "a unique, niche, affordable luxury, and ceremonial plush toy brand," with the slogan: "The most impressive gift."

In addition to increasing the size of the products, other ways to enhance perceived value include offering a wide variety of designs, such as launching different series, colors, and characters to cater to various gifting occasions (birthdays, holidays, anniversaries), thereby expanding the range of choices. To further emphasize the brand's fashionable image, Jellycat can introduce limited-edition or collaboration products. These items, marked with a "limited edition" label, create a sense of uniqueness for the recipient, making the gift more special and memorable. The added value of exclusivity also increases the price tolerance of the gift giver.

Ceremony and emotional value are aspects that modern young people are particularly cared about. Therefore, Jellycat can leverage the psychology of consumers who are willing to pay for emotional value by offering additional services that cater to emotional needs, such as "custom packaging" or a "pickup ceremony." In the "custom packaging" service, the brand can offer exquisite, luxurious gift boxes, and customers can choose to add personal touches such as embroidered names or anniversary dates, hand-drawn cards, or personalized accessories. These options elevate the product beyond its intrinsic value, transforming it into a deep emotional bond between the giver and recipient. The "pickup ceremony" could be implemented in larger flagship stores. This concept has already been tested in Shanghai, where consumers can experience the process of packing the product themselves. During the process, store staff engage with the customer, and the Jellycat products, known for their still-life and anthropomorphic animal designs, are brought to life through the interaction. Customers take the toy home as if they are adopting a pet, fully satisfying the comforting and soothing qualities that define a comfort toy.

The brand can further increase its market share in the gift segment through multi-channel integrated marketing efforts. For example, Jellycat could launch a "Most Memorable Gift" story contest on social media, encouraging Jellycat recipients to share their stories. The most heartwarming stories could win prizes, which would not only increase the brand's online visibility but also strengthen emotional identification with the brand and enhance customer loyalty.

5.4. Deficiency and prospect

Despite the valuable insights gained from this study, there are certain limitations.

Initially, focusing on the Chinese market may limit the generalizability of the findings to other regions with different cultural and economic backgrounds. Future research could explore more diverse markets to validate and extend the results. Additionally, the use of self-reported data from interviews and surveys may lead to biases, such as social desirability bias, which could affect the accuracy of the findings.

Moreover, this study mainly examines consumer preferences based on attributes like price, size, and material, but does not deeply explore the emotional and psychological factors influencing consumer behavior. Future research could consider the influencing factors more comprehensively.

Finally, the pseudo-R-squared values in this study are generally around 50-60, while ideally, they should be above 60, indicating some data limitations. This could be improved by increasing the sample size in future studies.

To sum up, this research only provides some preliminary exploration for the field of toy marketing, serving as a starting point for further research. In the future, first, researchers can expand the research scope and collect more samples to achieve more general market positioning and segmentation. Secondly, they can enrich research methods and combine qualitative research methods such as focus groups to supplement the results of conjoint analysis. Finally, more variables can be introduced to further refine the analytical model of consumer preferences.

6. Conclusions

In conclusion, this study gives a comprehensive understanding of Jellycat's brand positioning and consumer segmentation, focusing on self-buyers, parent buyers and gift buyers. By analyzing key factors such as price, material, size and brand perception, this study developed targeted strategies to improve the marketing effectiveness of Jellycat.

For individual consumers, affordable and economic promotions are essential, while luxury marketing and sustainable marketing strategies can be used for high-spending customers. For parents, the focus should be on safe, high-quality materials that meet children's health needs, parents-child campaigns help a lot as well. For gift buyers, the focus should be on unique and diverse designs which offers special meaning and value to the product, customized interactive activities online and offline are also crucial.

We have proposed a number of marketing strategies and product innovations that will help Jellycat strengthen its market position and better meet the needs of its customers. At the same time, it can expand its market and consolidate its leading position in the toy industry in the new media era.

Acknowledgement

Yuedi Cao, Zhi Xiong contributed equally to this work and should be considered co-first authors.

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