

Analysis of the Pop Mart Marketing Case Study

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Abstract. The global trendy toy market has experienced rapid growth in recent years, driven by the rise of emotional consumption among Gen Z consumers. This study examines Pop Mart, the leading Chinese trendy toy brand, to analyze the innovative marketing strategies that have transformed it from a small stationery store into a global IP empire valued at over HK\$350 billion. Using a case study approach, the research investigates Pop Mart's IP incubation ecosystem, blind box marketing model, omni-channel retail strategy, and community marketing practices. The findings reveal that Pop Mart's success stems from its ability to create emotional connections with consumers through carefully designed IP characters, leverage scarcity and surprise elements in blind boxes, and build loyal fan communities. However, the company also faces challenges, including market competition, regulatory scrutiny, and IP sustainability issues. This study concludes that Pop Mart's marketing strategies offer valuable insights for brands seeking to succeed in the era of the emotional economy, and suggests future directions for sustainable growth in the global market.

Keywords: Pop Mart, Marketing Strategy, IP Economy, Blind Box

1. Introduction

In today's consumer landscape, emotional value has overtaken product functionality as the primary driver of purchasing decisions, especially for Gen Z consumers born between 1995 and 2009. This demographic, which makes up roughly 40% of the global trendy toy market, buys products to express their identity, find emotional comfort, and connect with like-minded peers. The global trendy toy industry has grown at a 20% compound annual rate since 2020, expanding from 20.3 billion to 41.8 billion in 2024. China has emerged as the epicenter of this growth, with its domestic market reaching 879.7 billion yuan in 2025 and surpassing the traditional toy market for the first time [1].

Pop Mart, founded in 2010 and listed on the Hong Kong Stock Exchange in 2020, has become the undisputed leader of this industry, holding a 30% market share in China as of 2025. What began as a small stationery store in Beijing has evolved into a global entertainment company valued at over HK\$350 billion, with revenue skyrocketing from 4.62 billion yuan in 2022 to 37.12 billion yuan in 2025. While existing research has touched on aspects of Pop Mart's business model, few studies have systematically analyzed how its integrated marketing strategies work together to create sustainable competitive advantage in the global market.

This paper uses a qualitative case study approach to examine Pop Mart's marketing practices across four core dimensions: IP incubation, blind box retail, omni-channel distribution, and community building. We address two central questions: What specific marketing choices have enabled Pop Mart's extraordinary growth? And what challenges must the company overcome to maintain its leadership position? The findings offer actionable insights for brands looking to succeed in the emotional economy era [2].

2. Company overview and industry context

2.1. Pop Mart's evolution

Pop Mart's early years were unremarkable: it operated as a multi-brand retailer selling imported trendy goods, struggling to differentiate itself in a crowded market. The turning point came in 2015, when founder Wang Ning discovered designer toys at a Hong Kong trade show and signed Kenny Wong, the creator of the Molly character, as Pop Mart's first exclusive artist. This decision marked a complete strategic pivot from retailing to IP creation and operation [3].

In the following ten years, Pop Mart has created an end-to-end ecosystem that encompasses the discovery of artists, intellectual property developers, production and distribution worldwide. Today, it has sales in over 80 nations and territories, including 571 offline shops, more than 2,300 automatic robotic shops, and a leading online presence on all major e-commerce platforms. Today, it is the third-largest IP firm in the world, behind only Disney and Nintendo.

2.2. The global trendy toy market

Different from conventional toys aimed at educational and recreational purposes, fashionable toys are aimed at young people between 15 and 35, 70% of which are female. They are appreciated not for their usefulness but for their artistry, their ability to gather together, and their emotional resonance with each other. To most consumers, fashionable toys are not only ornamental but also socially useful—they are also a means of communicating with others through social media.

There are three main factors driving the sector's booming growth: increasing disposable income for youth, the proliferation of social media platforms that allow viral sharing, and a wider move towards emotional consumption. While China is still the biggest market, with around 40% of world consumption by 2025, North America and Europe are the most likely to see a surge in Asia's popularity [4].

Competition continues to be divided, with Pop Mart taking a significant margin ahead. Their nearest competitor, TOP TOY, Mini's TOP TOY, has gained 14.2% of China's IP by 2024, whereas 52 TOYS and X11 concentrate on niche sectors such as robot toys and artwork.

3. Pop Mart's core marketing strategies

3.1. IP incubation: the foundation of success

The biggest competitive edge of Pop Mart lies in the way it systematically finds and trains art talent. Unlike conventional entertainment firms, which depend on a few celebrity producers, Pop Mart runs a distributed breeding program that seeks out new artists around the world via an annual design contest and residency program. Following this deal, artists are given full support in design, production and sales so they can concentrate on creative work, whereas Pop Mart deals with business aspects of intellectual property development [5].

This pattern has resulted in a diverse portfolio of 17 core IPs, with six generating annual revenue exceeding 1 billion yuan and two surpassing 2 billion yuan. The detailed revenue distribution of Pop Mart's major IPs in 2025 is systematically presented in Table 1.

As shown in Table 1, Labubu from The Monsters dominates the company's IP revenue structure, contributing 14.16 billion yuan in 2025 and accounting for 38.1% of total turnover, while SKULLPANDA, CRYBABY and MOLLY follow with revenue shares of 9.5%, 7.9% and 7.8% respectively.

Table 1. Pop Mart's major IP revenue distribution (2025)

IP Name	Revenue (Billion Yuan)	Percentage of Total Revenue
Labubu (The Monsters)	14.16	38.1%
SKULLPANDA	3.54	9.5%
CRYBABY	2.93	7.9%
MOLLY	2.90	7.8%
DIMOO	2.78	7.5%
Star People	2.06	5.5%
Other IPs	8.75	23.6%
Total	37.12	100%

To prolong the life cycle of their IP, Pop Mart is constantly innovating their offerings. Instead of using conventional vinyl models, they are now growing into stuffed toys, fashion items, household furnishings, and theme parks.

3.2. Blind box marketing: surprise and scarcity

The blind box model is Pop Mart's most distinctive and controversial innovation. By selling sealed boxes containing random figures from a themed series, Pop Mart creates a sense of anticipation and excitement that keeps customers coming back. The uncertainty of not knowing which figure you will get triggers a rush of dopamine, turning a routine purchase into a thrilling experience [6].

Pop Mart magnifies this attraction by carefully calibrated scarce mechanics. Each set contains standard, uncommon, and extremely rare "secret" figures, which are manufactured in only one in 144 boxes. This shortage has pushed up the resale price in the secondary market, generating speculation that has increased demand. The firm has also developed FOMO (Worry about Losing Time), which encourages shoppers to make quick purchases before they run out.

Although critics have compared it to betting on games, it has proven to be an incredible success in stimulating re-purchases. To many customers, collection is a hobby, and the excitement of finishing a collection keeps them committed to it for several years.

3.3. Omni-channel retail: convenience and immersion

Pop Mart's all-channel strategy is seamless integration of online comfort and offline immersion to satisfy customers anywhere they are. Everyone's flagship stores, which are set up in top-end shopping areas around the world, have become a brand destination with sophisticated IP-themed facilities that make the shopping experience a reality. Among them are more than 2,300 robotic shops—automatic vending machines in metro areas, office towers, and shopping centers—which offer 24-hour access and spur impulse purchases—which are timed to coincide with the release of a

new series, create a sensation of popularity and draw casual shoppers. Pop Mart's first foreign theme park, which opened in 2024, expands the brand into immersive entertainment.

On the Internet, Pop Mart runs its website and application, as well as partnering with large platforms, such as Tmall, JD.com, Shopee, and Amazon. Live streaming on Douyin and Xiao Hong Shu is now a critical selling point, where the presenters show off their boxes and interact with the audience in real-time. The combination of the two networks has led to a 49.4% membership retention ratio in 2025, with members making 92.7% of all sales [7].

3.4. Community building: turning customers into fans

The biggest advantage of Pop Mart is that it is able to create a worldwide audience of enthusiastic fans that serve as ambassadors for an organic brand. Like TikTok, Instagram, and Xiao Hong Shu, @ PopMartUnboxing @ has accumulated more than 10 million views, with users sharing their delight at opening blind boxes and showing off their collections.

Celebrity endorsements are especially transformative. While Lisa, Rihanna and David Beckham of Blackpink put pictures of their Labubu collections on their social media sites, Pop Mart was brought to the main West overnight. Their loyalty scheme gives regular customers an exclusive gift, an early start, and a personalized bonus, which builds a bond with customers. Regular offline activities such as Toy Shows and Art Signings add a touch of togetherness to a lifetime of loyal customers.

4. Performance and challenges

4.1. Financial performance

Combined with these comprehensive marketing strategies, Pop Mart has achieved explosive financial performance over the past four years. Table 2 provides a detailed overview of Pop Mart's annual revenue and net profit growth from 2022 to 2025.

As illustrated in Table 2, the company's total revenue climbed from 4.62 billion yuan in 2022 to 37.12 billion yuan in 2025, with an average annual growth rate of 100.3%; its net profit grew at an even faster pace, surging from 0.48 billion yuan in 2022 to 13.01 billion yuan in 2025, corresponding to a compound annual growth rate (CAGR) of 201.7%.

Table 2. Pop Mart's revenue and net profit growth (2022-2025)

Year	Revenue (Billion Yuan)	YoY Growth	Net Profit (Billion Yuan)	YoY Growth
2022	4.62	-	0.48	-
2023	6.30	36.4%	1.09	127.1%
2024	13.04	107.0%	3.31	203.7%
2025	37.12	184.7%	13.01	293.0%

Pop Mart's worldwide growth has been especially impressive. In 2025, foreign sales rose to RMB 18.84 billion, representing 50.8% of GDP, up from 38.9% in the previous year [8].

4.2. Key challenges

However, Pop Mart still faces four major challenges that put it at risk in the long run. Firstly, fierce competition has eroded its dominant position, with TOP TOY taking 14.2% of China's market by

2024 by means of a cost-effective intellectual property strategy. Secondly, there is growing global monitoring of blind boxes, as governments worry about compulsive consumption by minority groups. Examples of such rules, such as age limitations, buying limitations, and compulsory publication of bets, may weaken Pop Mart's central attraction. Thirdly, the firm continues to rely too heavily on its top-rated IP: Labubu alone generated 38.1% of global sales in 2025, making Pop Mart more vulnerable if consumer tastes shift. Finally, cultural barriers in the West are still a major obstacle, as the firm tries to tailor Asian-centric IPs to suit local audiences [9].

5. Discussion

Pop Mart's emergence provides a master lesson in emotional economics, in which customers put experience and identification before functional production. The firm redefines what a toy can be, transforming vinyl into an emotional partner and a social currency for Gen Z. The no-box model, though contentious, captures the basic need of surprise and discovery, and provides a unique purchase experience that conventional retailers can't replicate. But a brand that follows such a pattern will have to strike a balance between enthusiasm and accountability, dealing with ethical concerns about compulsive spending to avert a backlash from regulators.

Pop Mart's all-directional and community-oriented approach also emphasizes the need to establish strong, long-lasting relations with clients, not just in business sales. Pop Mart has transformed its clients into a corporate brand by virtue of word of mouth and social sharing [10].

In the future, Pop Mart will need to concentrate on diversification of intellectual property, less dependence on top-performing companies, expansion into other types of products other than toys, and more localized operations in the West.

6. Conclusion

The analysis of Pop Mart's sales path shows how a tiny Beijing stationery shop has become a global intellectual property power through its use of emotional spending and creative business patterns. The firm's success has been achieved through four interrelated strategies: a systemic IP culture that fosters artists' creativity, a blind-box model that generates thrills and repurchases, a fully integrated retail network that combines comfort with immersion, and community-building practices that convert clients to faithful followers.

Pop Mart is, however, confronted with major challenges to continue growing, such as increased competition, regulation, intellectual property concentration, and cultural obstacles in the world market. In order to meet those challenges, it will need to diversify its intellectual property portfolio, develop new product lines, enhance localization, and actively interact with regulators.

There are limitations in this study. It is mainly based on open data and secondary sources might not be able to give a full overview of Pop Mart's operations. Future research could address these limitations and extend the analysis in multiple targeted directions. First, mixed-methods research combining quantitative analysis with in-depth interviews of internal executives, designers and frontline staff, as well as large-scale consumer ethnography, would uncover unpublicized operational details and the psychological mechanisms driving blind-box consumption. Second, cross-cultural comparative studies across Southeast Asia, Europe and North America could empirically verify how cultural differences moderate the acceptance of Chinese original IPs, providing actionable guidance for global localization. Additionally, longitudinal research could assess the long-term sustainability of the blind-box business model and explore the transformative potential of emerging trends such as virtual IPs, metaverse experiences and AI-generated content for the global creative toy industry.

Generally speaking, Pop Mart's success shows that in an emotionally charged age, those who are able to make meaningful relationships with their customers will thrive. With a focus on creativity, experience, and community, Pop Mart has established a worldwide presence that goes well beyond toys, providing a blueprint for others who want to be successful in the 21st century.

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