

The Process of Ritual Evolution for Drinking XIAO GUAN TEA

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Abstract: *China's tea culture has a long history of development, and it is also an important part of the beverage market for China's tea market. This paper describes the current development of small pot tea in combination with the basic situation of the market. Through the description of the whole process of small pot tea market development, this paper analyzes the marketing mode in the early stage of development, the operation status after expansion, and the problems existing in the market in the later stage of development. Summarize the sense of ceremony formed in the development of Xiao Guan Tea, and analyze in detail the evolution process of creating the sense of tea drinking ceremony.*

Keywords: *XIAO GUAN TEA, Ritual evolution, Marketing*

1. Background

Chinese tea culture has been one of the labels of China since ancient times (Du, 2013). As one of the top three beverages in the world, Chinese tea unfortunately does not have a world-renowned brand, only the type of tea that can be used to call it. This has been a common problem in China. The market lacks a tea brand that covers all types of tea and has a strict quality standard. In contrast to the traditional Chinese "cigarettes, wine and tea", the biggest difference is the brand. MAOTAI occupies 10% of the wine industry, ZHONGHUA occupies 10% of the cigarette industry. But for China's tea, the industry scale up to 360 billion. The biggest brand Tianfu tea, in the whole industry share of less than 0.5%. The TOP 100 tea industry together do not reach 5% of the market share (China Industry Development Report, 2014).

XIAO GUAN TEA, a full-category high-end Chinese tea brand born from the trend of Chinese cultural revival and consumer upgrade. The founder of XIAO GUAN TEA, Du Guoying, is a marketing master and the products created previously have been very popular. After examining the market situation of tea in 2012, the development route and market positioning of XIAO GUAN TEA was established: To establish a well-known brand with Chinese characteristics in the tea market (XIAO GUAN TEA, 2021).

2. Ritualistic Connotations

Rook (1985) situates ritual as "expressive of symbolic activity" in everyday life. At the start of its market entry in 2017, XIAO GUAN TEA has rapidly established corporate image using two main avenues the ritual of drinking tea: telling a story and setting a standard. The ritual of tea established by XIAO GUAN TEA is that it combines the traditional practice of drinking tea with a contemporary style, suggesting that tea should be drunk in a tasteful and quality pot.

To understand the ritual of tea, it is necessary to first understand the culture of tea. The Chinese have two main connotations of tea culture:

(1) Drinking tea represents the cultivation of the mind. Since ancient times, Chinese have focused on the idea of "tea can be elegant", the idea that drinking tea can be self-reflective. It incorporates a Confucian attitude to life: Embodying life, through tea to understand life, which is the embodiment of a profound and sophisticated thought system (Lai, 1999).

(2) The gift of tea shows mutual respect. Tea as a gift has the value of conveying emotion, sending tea

carries the human feelings of the world and contains the good wishes of the person giving the gift. At the same time, in business talks, sending tea to toast tea is a sign of importance and respect (Shen, 2002).

3. Developments in Marketing

Combined with the connotations of tea, XIAO GUAN TEA uses three core strategies to plan the market: Drinking Cultural Tea, Drinking Material Tea and Drinking Commercial Tea.

Krishna affirms that "products are sensual in nature... The more a firm can create, accentuate, or highlight the sensuality of the more a firm can create, accentuate, or highlight the sensuality of their products, the more appealing these products can be for consumers" (Hult n, Broweus and van Dijk 2009; Krishna 2010). The use of high quality advertising to tell stories with traditional Chinese culture is a way for all consumers to quickly understand the product and develop a habit. The story told in XIAO GUAN TEA advertisement sets XIAO GUAN TEA apart from ordinary tea products. In July 2017, CCTV aired a three-minute documentary-style advertisement with the slogan "XIAO GUAN TEA, made by masters" and the masters of tea culture competing for the spot. Famous Chinese teas are delicately processed and packed in small cans, each leaf resembling a work of art. This documentary-style advert attracts a lot of attention.

In the initial advertisement, XIAO GUAN TEA communicated three core strategies to consumers quickly and accurately:

(1) Drinking Cultural Tea: the advertisement is a documentary with a sense of gravity about the pursuit of Chinese tea culture, XIAO GUAN TEA is in pursuit of the purest tea in China. Eight intangible cultural inheritors and eight tea masters appear one after another. This elevates tea to the level of national culture, and this sense of historical weight and cultural mission adds potential value to XIAO GUAN TEA.

(2) Drinking Material Tea: The advertisement introduces the production process and selection criteria of small cans of tea. The standardized process and strict quality supervision is a redefinition of the tea market and helps more people to understand how to screen good tea. Consumers who do not understand tea culture can also intuitively experience the high-end quality of tea through the products.

(3) Drinking Commercial Tea: Making tea brand is also a precise control of the market by XIAO GUAN TEA, due to their beautiful packaging, high visibility and clear pricing. It has also become the preferred choice for gift giving and business meetings. The Chinese market is in desperate need of a tea brand with visibility, quality and value. XIAO GUAN TEA fulfils all business requirements and elevates the ritual of a business meeting.

The ritual of drinking tea cannot be formed without a brand communication. Brand communication needs to be developed from multiple perspectives (Ming-Yang, 2002) In order for tea drinkers to drink XIAO GUAN TEA'S tea, XIAO GUAN TEA are expanding rapidly both online and offline.

The main thing online is the constant documentary-style advertising, which has made the phrase "XIAO GUAN TEA, made by masters" a popular advertising slogan. The communication effect is created by the ability to make users stop and think, and the emotion is an important attribute in creating communication (Yan, 2010). At the same time, the product is decorated with various traditional cultures, and the cultural core of the product is constantly emphasized and deepened. Tea culture was quickly popularized through short video platforms and social media. The market coverage has increased significantly, and the choice of XIAO GUAN TEA is increasingly recognized.

For offline promotion, it focused on product experience and cultural style. By the end of 2018, XIAO GUAN TEA had opened 480 offline shops in two years (Yu, 2018). Offline shop decoration invited Apple Store royal designer Tim Kobe involved in the design. The style is simple and atmospheric, without a trace of impurities, adhering to the big brand consistent style. The shops are located in busy shopping areas, giving people a high-end experience. The footfall and attention helped to quickly define the positioning of XIAO GUAN TEA in the minds of consumers: a high-end Chinese tea with class.

After initial development, XIAO GUAN CHA quickly grew to become a leading Chinese tea brand. By 2020, the central government issued the "Thirteenth Five-Year Plan" for the development of the small cans of tea industry, which clearly requires that the small pot tea industry will increase by 30% by 2020, and local policies have been introduced to increase the penetration rate of the industry (Small Pot Tea Market

Research Report, 2020). 2020 has seen the small pot tea industry become a market with policy dividends, and the State Council government report states that the small pot tea industry will be conducive to improving the quality of life of the population (Government Work Report, 2020). The national policy also allows small pot tea to expand rapidly. Drinking tea from a pot can continue to grow as a trend. At the same time, the advertising and marketing of XIAO GUAN TEA did not stop there. A 60-minute lift advertisement for XIAO GUAN TEA was placed in 2020, which did not tell the story of tea as previous TV commercials had done, but focused on the consumer. This advertisement is about gratitude. The aim is to resonate with customers and showcase the quality of the brand. The point of evocation is not necessarily brand related. The resonance of gratitude for XIAO GUAN TEA must have mobilized some kind of emotion in the customer, and thus be called up in memory. With the Mid-Autumn Festival approaching, the theme of gratitude must have been launched with the aim of using 'thank you' to resonate with customers at this special time of year, to evoke brand memories and add value to the brand. Advertising messages reflect accepted norms as well as evolving norms and practices (Holbrook 1987; Pollay 1986). The ritual of drinking tea has gradually expanded from tea culture to Chinese culture and praises the personal character within Chinese culture. The industry standards and price ranges set by XIAO GUAN TEA are more readily accepted when they appear frequently on various channels and social media.

4. Development of Ritual

For the whole process of building a sense of ritual, although the history of XIAO GUAN TEA has been developing for a short period of time since 2017, the development is clear step by step: initially in the early stages of advertising, mainly for branding purposes. Through the eight masters of tea making, toasting a cup of good Chinese tea to show the cultural connotation of small cans of tea. The appearance rate of tea culture was increased. After accumulating a certain level of social prestige, a large number of offline shops were opened to help more people experience the quality of small pot tea. Advertising to create the brand and a narrative designed to build consumer perceptions of the category, the product and the importance of the brand. As rituals develop and persist, these consumer perceptions in turn may help to create, legitimize, shape and change ritual norms and practices (Cross, S, 2017). Finally, industry standards were set so that XIAO GUAN TEA became synonymous with tea quality and more people formed the habit of drinking tea from XIAO GUAN TEA. At the same time, the promotion of tea culture was expanded to the promotion of Chinese culture.

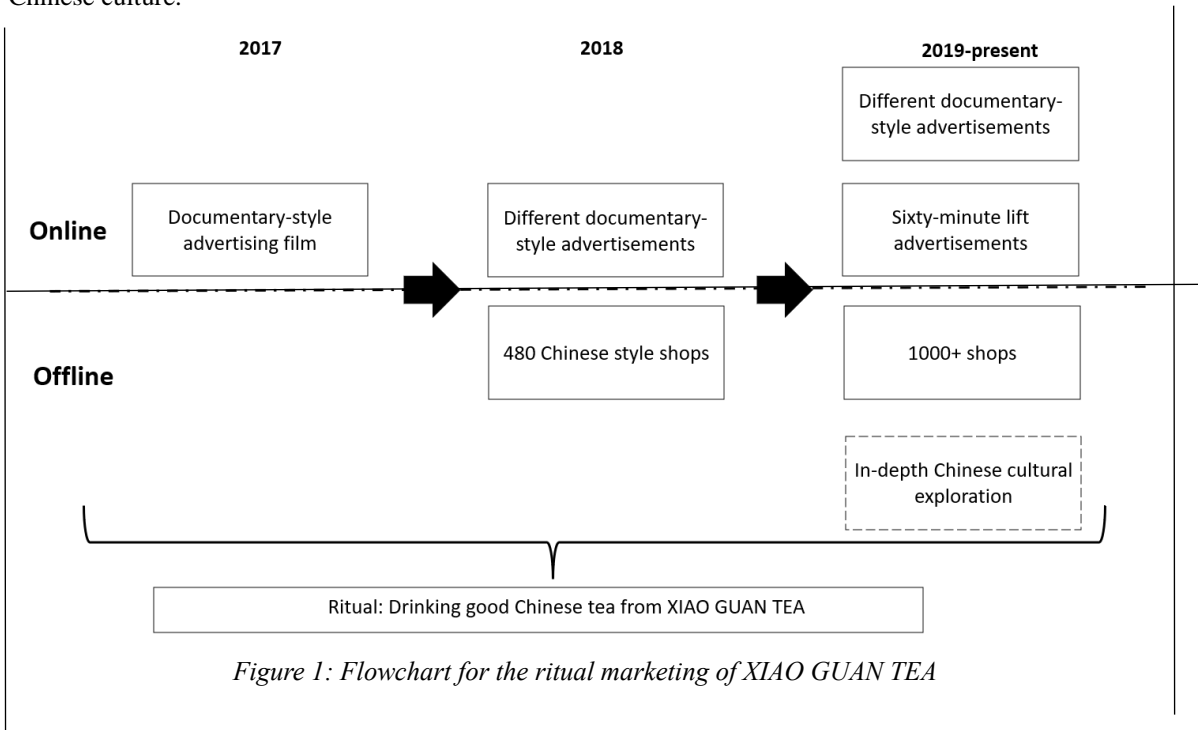


Figure 1: Flowchart for the ritual marketing of XIAO GUAN TEA

According to estimates, XIAO GUAN TEA has increased the exposure of Chinese tea by 13% and sales of small cans of tea have reached 10 billion yuan. (Wang, 2020) At the same time, however, criticism of the ritual of drinking tea of XIAO GUAN TEA has been accompanied by the development of two main problems: over-marketing and quality issues. Over-marketing is mainly reflected in the fact that the advertisements frequently mention that the tea is made by the hands of eight master tea makers, but this is not possible according to the turnover. And the false advertising reduces the level of public trust. Quality is also an important issue: due to the different quality standards of all eight types of tea, there are some types of tea that are not rated accurately enough by XIAO GUAN TEA, and there is a lack of convincing evidence that XIAO GUAN TEA's teas are the best.

5. Summary

XIAO GUAN TEA has revolutionized the Chinese tea market. By telling the story and setting the standard for Chinese people to reacquaint themselves with Chinese tea. In the process of ritual, more people are gradually being made to drink tea. Although XIAO GUAN TEA is doing well, there are still some problems. Strategic solutions to market issues can help it develop better.

6. Strategic recommendation

There is still a large space for system integrators to capture in the overall market, and the flatness of the market is expected to increase. Channel, customer resources, reputation, management, service, technology and integration capabilities are the core elements of a systems integrator (Lane, 2008). For XIAO GUAN TEA with strong channel dependency and high product homogeneity, it can combine their own advantageous resources and develop into a system integrator.

The demand for customer loyalty is to have a more social effect for XIAO GUAN TEA, giving more cultural significance to tea and deepening the promotion of the ritual of drinking tea. There are national legal regulations in place regarding the tea industry. On the one hand, the industry standards set by XIAO GUAN TEA may change, which may result in a reduction in sales. On the other hand, the regulation of the industry will help related industries to achieve rapid development, from which XIAO GUAN TEA can benefit.

Expanding the business around tea culture: including tea tables, tea sets, tea rooms and incense burners. Through a complete product system, it can help XIAO GUAN TEA to form a complete industrial chain. The company can use its existing popularity to expand its market reach and increase its turnover.

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