

Exploring Marketing Strategies and Consumer Behavior in the Blind Box Economy

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Abstract. In recent years, the blind box economy has experienced swift global expansion, drawing increasing attention from academic circles to its unique consumer behavior characteristics. This study examines the psychological motivations behind blind-box purchasing activities and matching promotional approaches utilized by commercial brands. By employing case study methodology anchored in established theoretical frameworks, this research critically assesses market leaders exemplified by POP Mart, with particular attention to their behavioral economics strategies. The results indicate that strategies including designs that create scarcity, developing products with personalization elements, and collaborations using popular intellectual property can effectively drive consumers' desire for self-expression and repeated purchases. Consumers' needs for identity expression and entertainment but also promote the growth of secondary markets and speculative behavior. To summarize, this investigation helps deepen our understanding of consumption patterns within entertainment-driven retail environments while providing practical references for brand operators seeking multiple marketing methods.

Keywords: Blind box economy, marketing strategies, consumer behavior, behavioral economics.

1. Introduction

In economic downturns, people attempt to derive psychological gratification through emotional consumption, especially consumer items with an element of surprise and thrill, which have proved to be the new market favorites. Traditional marketing methods struggle to meet customer needs. People pay more attention to the emotional fulfillment brought about by consumption such as blind boxes, travel, and concerts. Customers are willing to pay for personalized goods because they seek uniqueness. Younger people are more inclined to spend money on upscale beauty, fitness, and psychological health products since rental and subscription services lower ownership costs and replace traditional purchases. Given these circumstances, the blind box economy—a business model that blends "uncertainty" and "instant gratification"—has quickly become a consumer phenomenon that has garnered a lot of attention lately. This taps into the concept of "loss aversion," where people experience stronger emotions from potential losses than from gains [1]. This view is consistent with the psychological concept. Overall, consumption trends are moving towards personalization, socialization, sustainability, and sharing, and consumers are paying more attention to value and emotional experiences than just the goods themselves.

The Blind Box Economy is a captivating yet straightforward concept, customers purchase items encased in closed packaging and remain unaware of the exact contents until they open it [2]. It is the thrill and wonder of the "hidden" or "limited" that motivates buying. This type of consumption is specifically linked to the mechanism of dopamine in behavioral economics: the brain releases dopamine at the same time as the consumer expects the outcome, and the dopamine release linked to the anticipation scenario in turn stimulates the next purchase. China's blind box market has very high potential and is growing very rapidly. Among them, with the emergence of brands that include POP MART, a limited series was introduced by co-branding with popular IPs such as Disney and Sanrio, leading to more spectators purchasing blind box sellers, thus pushing the blind box from a subculture phenomenon into the mass market. This further solidified the business position of the blind box economy. While most of the existing research studies have analyzed either the blind box marketing

strategy or consumer psychology from one perspective, few have combined the two and investigated them thoroughly from both marketing strategy and consumer behavior perspectives.

Therefore, the current dissertation employs the 4I theory (Interesting, Interaction, Interests, and Individual) as the research framework to systematically investigate how the blind box brand influences consumers' purchasing behaviors through precise marketing measures and explores the underlying psychological processes. This research offers a new research perspective for the field of behavioral economics; that is, by cross-examining consumer psychology and marketing strategy, it enriches academic discussion on stimulating consumer behavior and explores why individuals consume blind boxes and are willing to do so. Meanwhile, this research not only provides more insight into the psychology of the process but also the psychology of individuals' consumption of blind boxes in a more profound way to provide more targeted marketing strategies for blind box brands. This study not only explores ways to standardize market access criteria for blind box products to protect consumer rights but can also lead consumers to think reasonably about consuming blind boxes to reduce the potential risks caused by overconsumption.

2. The development of Blind Box economy

2.1. Origins of Blind Box Economy and Global Expansion

The blind box economy originated from the randomized packaging model in the United States, where surprise-based sales were first used in trading cards and collectibles. However, North American markets have shown limited interest, as consumers prefer to choose specific designs. By contrast, East Asia embraced the model more fully. Japan normalized random purchases through capsule toys, while China adapted the concept after 2015 by combining the original characters and media IPs. Rapid growth has been driven by social media and diverse retail channels. As a result of its growing cross-industry application and capital market recognition, the blind box model is currently growing internationally, indicating its changing commercial influence.

The blind box economy originated from Asia and has gradually expanded into European and American markets. Popular models like Funko Pop and LOL Surprise toys draw inspiration from iconic pop culture IPs such as Marvel, Disney, and Star Wars, leveraging their widespread appeal to attract consumers. Companies like Adidas, Gucci, Starbucks, and KFC enter the blind box market is actually a kind of "cross-industry co-branding" and brand collaboration. This forms a new synergy between different industries and brings more cultural dimensions to the blind box economy. From a "consumer behavior" perspective, the appeal of blind boxes is rooted in psychological mechanisms like "dopamine release" and "loss aversion". The neurotransmitter dopamine plays a crucial role in motor, motivational, and reward-related functions of the CNS in transmitting and/or modulating nervous signals [3]. Loss aversion is an important psychological concept that receives increasing attention in economic analysis. It has first been proposed by Kahneman and Tversky (1979) in the framework of prospect theory, and later it has also been defined for choice under certainty by Tversky and Kahneman (1991) [4]. The uncertainty of what's inside triggers anticipation, and the reward of unboxing a rare or exclusive item stimulates positive emotions, fostering addictive behavior. Furthermore, the advent of "digital blind boxes", featuring exclusive items backed by "blockchain technology" and NFTs, has introduced rarity and anti-tampering features, expanding the model into the virtual world and the metaverse. Blockchains are tamper-evident and tamper-resistant digital ledgers implemented in a distributed fashion and usually without a central authority [5]. The integration of blind box mechanisms into "fashion, cosmetics, and food" further illustrates its adaptability and global appeal, while increasing its financial viability as seen with the stock listings of companies like POP MART. Thus, the blind box model has evolved from a niche collectible trend into a powerful marketing tool, demonstrating its enduring consumer appeal and potential for cross-industry integration.

2.2. International Expansion: the rise of Japanese Twister culture

The rise of Japanese Twister culture in the 1970s was closely related to the economic and social environment of the time. On the one hand, after the end of the period of high economic growth and the impact of the oil crisis, Japanese consumers were more inclined to low-priced, entertaining consumer goods, and egg-twisters were inexpensive and full of surprises, which satisfied this demand. On the other hand, urbanization, the popularity of vending machines, and the development of anime IPs all contributed to the expansion of egg-twister culture, which evolved from a children's toy to a popular consumer product. This period laid the foundation for Japan's egg-twister industry and provided a business model for a later blind box economy. The business model involves selling random toys through automatic gashapon machines, each toy is packaged in an opaque capsule, making it impossible for consumers to know what they are purchasing in advance.

Twisted Eggs continues to collaborate with high-profile IPs to keep the product lines fresh and desirable, targeting both children and adult collectors. Limited time series and region-specific items further fuel consumer interest by creating a sense of urgency and exclusivity. Japanese consumers are particularly drawn to randomized products because of cultural values tied to collectivism and identity formation, and they offer a way to express their fandom and individuality through shared cultural icons, strengthening their sense of cultural belonging. Moreover, certain rare items function as social currency, allowing collectors to showcase taste, dedication, or luck within social circles. This tight consumption loop between merchandise, IP, and consumer not only drives repeated purchasing behavior but also strengthens brand loyalty and expands market influence. Japan's twisted egg culture, through its clever pricing, strategic distribution, and IP marketing, presents a replicable, yet culturally unique model that continues to inspire business strategies across global markets.

2.3. Localization of China: the birth and growth of blind box economy

The birth of the blind box economy in China began around 2016 and grew rapidly, spearheaded by Pop Mart, which is a Chinese company that specializes in the production and sale of collectible art toys, particularly through blind box packaging. Although the blind box economy is highly stimulated by Japanese Twister culture, Pop Mart did not simply copy the same pattern but achieved localization of the blind box economy through the build-up of the IP matrix, scarcity mechanism, omnichannel promotion, and secondary market operation.

First, POP MART has strategically built an independent IP matrix by incubating and contracting original artist characters such as Molly, Dimoo, and Labubu. Create brand independence through original and collaborative IP. Unlike Japan's reliance on established anime IPs in its twisted eggs culture, this approach reduces dependency on third-party licenses and enhances brand autonomy and creative control. Furthermore, POP MART uses the lack of availability for certain hidden editions to generate POP MART sells out on consumer purchases which is contrary to the concept of supply and demand for goods or services. This interest in international marketing has intensified the rise of unwarranted demand in the secondary market on sites such as Xianyu where valuable collectibles are bought and sold for exorbitant amounts reinforcing the company's cultural and financial power.

Next, the blind box approach promotes consumer engagement through scarcity and suspense. Each series usually consists of 12 standard figures and one hidden edition, with the hidden version appearing as seldom as 1 in 72 or even 1 in 144 boxes. The design of hidden models makes them scarce taps into the consumers' scarcity mindset, and evokes feelings of urgency which encourages customers to repeatedly buy the product. Consumers especially become motivated by the social media aspect where they unbox hidden models that they intend to showcase online. This phenomenon encourages people to purchase so they can boast about it and 'buy and brag' while simultaneously deepening the emotional connection the consumer has to the brand.

Also, POP Mart combines online and offline platforms for omnichannel marketing to provide seamless accessibility, broadening their reach and deepening brand engagement with consumers. This approach to omnichannel retailing illustrates a single-minded transaction-motivated partner who sees the value of integrating different channels to sell products or services at the same time, 'where the

customer can trigger full Channel interaction and/or the retailer controls full channel integration'. Omnichannel allows consumers to choose whatever channel they prefer at any moment, with perceived interaction centered on the brand rather than a specific channel [6]. Beyond physical retail stores, POP Mart extends its reach through e-commerce platforms, mobile apps, and social media that encourage repeated interaction. This online-to-offline synergy not only improves purchasing convenience but also fosters a deeper sense of participation and emotional connection with the brand, reinforcing loyalty and driving sustained consumer interest.

Finally, the blind box economy has also generated a fiery secondary market in China, especially on second-hand trading platforms such as Xian Yu, where blind boxes with unknown models can be sold for several times their original price. Blind boxes originally priced at 69 RMB can sell for 500 to 3,000 RMB in the secondary market due to speculation. Even some special limited edition co-branded series become "investment products." Customers want to buy and resell blind boxes in order to receive economic gains and hope the price increases after reselling profits. The limited edition is social currency; owning a scarce model means that within the circle culture of identity symbol, it stresses individual taste. At the same time, the emergence of second-hand trading platforms has been reshaping consumer behavior patterns towards environmental sustainability, effectively prolonging how long items are used, that is to say, leading to fewer resources used and lower carbon outputs from manufacturing processes. This shift is helping people adopt consumption habits that prioritize sustainability, to put it simply, making choices that consider environmental impact while cultivating a reuse-focused mindset instead of chasing after new product trends.

3. 4I Theory and Blind Box Economy

The change to a blind box economy fully applies the 4I theory to inform the emerging marketing model. Especially in the new market of the blind box economy, whose influence is far-reaching. This theory is designed to drive the relationship between products and consumers in four dimensions: interest, interaction, interests, and individuality. These four dimensions are not only the cornerstones of brand strategy but also render brands more unique in a competitive marketplace.

First, Interesting is the most crucial element in arousing consumer interest. Consumers have no idea what products they will get from a blind box economy, and mystery and uncertainty are the key elements in stimulating interest. By generating mysterious variables, products make consumers curious and excited when they purchase them, thus enhancing the attractiveness of the product. This interactive process leads consumers to spend more time and money on learning and experimentation. Second, Interaction is also a secret to marketing strategy and products connect IP and customer interactions. Nowadays, people not only wish to purchase what they like but also want to have more contact with the brand. In the blind box economy, individuals experience and report their purchases and products with other individuals through social media, websites, etc. The interactive mode can make sense of the community and belongingness of the brand. At the same time, companies can also gain consumers' demands and preferences by communicating with them and then modifying their products and promotional strategies. Interests are also a decisive dimension, that is, consumers' value and benefits in making the decision to buy. The blind box economy offers customers the chance to receive some surprise or value-added products that they are not expected to obtain when buying blind boxes, and such potential benefits attract numerous customers. Brands encourage consumers to buy by creating beautiful products and packaging, and releasing limited products or special editions so that they can experience the fun of buying with true benefits in return. Finally, Individuality is the ability of a brand to offer products and experiences tailored to suit consumers' needs and wishes. As consumers increasingly demand individuality, brands are forced to address the needs of different consumers through personalization.

Blind-box consumers typically purchase different blind boxes to acquire special things based on their preferences, and the demand for personalization enables brands to target different consumer groups with individualized offerings and customized services. To summarize, the mentioned 4I

Theory works well in evaluating marketing strategies in a blind box economy. From the four aspects of Interesting, Interactivity, Interests, and Individualization, brands can increase consumers' buying desire and deepen the emotional connection between brands and consumers, thus standing in a leading position in the face of fierce competition.

3.1. Interesting

In the blind box economy, the attraction of blind boxes stems from their emotional engagement and the uncertainty they create among buyers. The act of unboxing generates heightened anticipation through concealed product variations, keeping consumers curious about which item they might obtain. Consumers do not know which product they will get before they buy it, and the surprise of the “moment of unboxing” and the subsequent sense of fulfillment drive them to repurchase again and again. This mechanism not only stimulates the dopamine secretion of consumers but also establishes inertia in their psyche to keep chasing novel experiences.

LEGO introduced its Minifigures blind box series by integrating its iconic IP with the blind box mechanism, creating a highly novel and engaging consumer experience. The element of randomness, paired with collectible appeal, significantly enhanced product interest. For instance, the 21st season released in 2021 featured a hidden model, the “Golden Knight,” which rapidly appreciated to 5–7 times its original price on the secondary market. This unexpected premium heightened the sense of excitement and discovery, reinforcing consumer anticipation and driving repeated purchases through the allure of uncovering rare items. Each time the box is opened, the consumer experiences a sudden wave of emotion called the sense of surprise. This positive emotional stimulus encourages consumers to buy again and again to experience a similar feeling of pleasure. The rarity of the hidden models further enhances the sense of surprise, so that consumers not only look forward to the fun of “opening the blind box,” but also look forward to being the “lucky one” to draw the hidden models that others do not have, thus providing greater psychological satisfaction. The acceleration of the pace of life and the fragmented time of consumers have boosted people’s demands for entertainment content. Interesting content is often easier to attract consumer attention than boring content [7].

The thrill of blind box consumption primarily stems from its inherent entertainment value—the unpredictable nature of each purchase creates a game-like experience that captivates consumers. The joy of anticipation, the surprise of discovery, and the excitement of possibly acquiring a rare item contribute to a highly engaging process. This element of randomness transforms ordinary purchases into playful adventures, making the act of unboxing a source of continuous fun and emotional satisfaction. By embedding this “fun factor” into the core of its consumption model, the blind box economy effectively sustains long-term consumer interest and motivates repeated purchases driven by the simple yet powerful appeal of “what’s next.”

3.2. Interaction

The interactivity of the Blind Box Economy is characterized by the way that brands power consumer interaction and allegiance through offline and online interactive processes. It is also about emotional ties and community culture. Pop Mart's blind box business model is not as new as other brands such as Lego's Minifigures, Hot Toys Cosb, Funko's Mystery Minis, and more. With the different brands competing in this market, they differentiate in design, limitability, exclusiveness, and collaboration with different IPs. Thus, they attract and engage with their target consumer and build their fandom [8]. They are not only consumers, but rather participants in the brand process, especially under the influence of social media, and their interactive behavior powers communication and visibility for brands. Take Disney's Lina Belle Blind Box for example. The collection has generated tremendous amounts of consumer engagement in offline flash mobs and online social websites' interactive marketing. In the offline Lina Belle Blind Box flash mob, the consumers not only buy the blind box but also experience limited-time activities like the “Blind Box Unboxing Live Streaming” or “Blind Box Lucky Draw”. Online on social media like Weibo and Xiaohongshu, customers can share their unboxing experience and exchange different types of blind boxes among themselves, and

this social sharing makes customers feel that they are part of the brand. Therefore, consumers want to reflect their own style by purchasing blind boxes, especially when they upload their purchasing experience and "unboxing" videos on social media to display their personal taste and luck. At the same time, companies establish an emotional connection through communication with consumers, thus increasing brand loyalty and repurchase.

Interactivity is an important feature of the modern consumer experience that allows consumers to participate in an immersive way. Especially in the blind box culture, consumers can not only enjoy the fun of the unknown and surprise brought about by opening a blind box but can also interact with other consumers, exchange each other's discoveries, and even exchange and share. This interaction not only increases consumers' engagement but also strengthens the bond between them and the brand, promoting long-term brand stickiness. Additionally, interactivity helps consumers build a community culture, allowing them to form strong bonds through sharing and discussion. The formation of this community culture not only strengthens brand loyalty but also drives continued market growth. As an increasing number of brands have begun to focus on this interactive experience, market demand continues to expand, leading to the widespread adoption of this model across a wide range of industries.

3.3. Interests

In the blind box economy, the profit motive is expressed not only in short-term price discounts and promotional campaigns but in consumers' expectations of the future appreciation value of blind boxes. This value system is not only premised on short-term economic return but involves deeper investment psychology and social currency value. In purchasing a blind box, consumers anticipate getting "extra value" in the form of discounted prices on one hand, and wish to get a rare model so as to reap a premium in the secondary market sometime down the road on the other.

POP Mart launched the Dimoo "Back to Childhood" series in 2021, which is themed around childhood retro components and includes 12 regular models such as Skateboard Boy, and Game Boy, and two hidden models. The series excels particularly in the aspect of profit generation, stimulating consumers' desire to buy at mainly two levels: with limited-time promotional strategies and secondary market premiums. Most buyers no longer buy blind boxes simply to get their favorite characters, but with the expectation that they can make a profit if they draw the hidden models. This expected profit psychology, the blind box from pure consumption of entertainment to a "Quasi-speculative behavior". Especially after the speculative price of the hidden models soared and successful resale instances were publicized, more consumers began to speculate that they too could gain financial profits by buying blind boxes, thus stoking the speculative frenzy of blind boxes.

The blind box economy effectively motivates consumers through profit-driven incentives. By highlighting the potential economic gains—such as secondary market premiums and the appreciation of rare items—brands like POP Mart convert ordinary purchases into quasi-investment opportunities. Limited-time promotions, hidden model scarcity, and resale success stories increase consumers' perceived value, encouraging buying behavior not only for entertainment but also for financial return. This strategic blend of marketing and speculative appeal sustains consumer engagement through the promise of tangible benefits.

3.4. Individuality

In a blind box economy, personalization not only becomes product design innovation but also an essential way in which consumers can express their own personal tastes, identity symbols, and self-expression in their consumption behaviors. Personalization leads customers to feel that they are buying, not just blind box products but a "symbol" which is in accordance with their personal taste and represents their personality. Through limited edition design, co-branding, and customized series, brands give consumers a feeling of exclusive consumption experience, and this personalization strategy has a powerful promotion effect on the brand's cultural influence and consumer loyalty.

Use the case of Molly being rebellious and Dimoo's innocence to offer consumers a more profound spiritual nourishment than what exists in the material environment. This psychological bond triggers customers' sympathy and loyalty. The exclusive IP enables POP Mart to periodically reveal new series successively, Such as Molly's "Space Travel" series and "Twelve Zodiac Signs" series, thereby providing endless consumption push and making purchasers eagerly anticipate the follow-on rounds of products to be launched. SKULLPANDA and POP Mart cooperatively launched the "Dark Series" blind boxes, which became popular shortly with a group of targeted consumers through its strange appearance and dark style. All of the skull-based blind box characters come with cold makeup and dark clothing patterns, flipping over the cute look of typical blind boxes. Consumers like to buy goods that speak to their personality and style, and SKULLPANDA's original "dark trend" style precisely addresses shoppers who don't want to trend and are desperate to showcase their own style. Among them, the psychological mechanism of consumption was particularly significant. Modern consumers, especially young individuals, were obsessed with seeking novelty. Because of the uncertainty of blind boxes, there was a huge consumer group. As John Fiske pointed out in his popular culture view, the young groups are likely to buy the same products to gain a sense of identity. The more consumers buy, the higher visibility Pop-mart could get, and the greater the economic benefits would be received by Pop-mart [9]. The cross-border co-branding gives the people a feeling that they are not just buying a blind box, but partaking in a cross-border cultural experience. The cultural attributes brought about by this co-branding enhance the symbolism of the blind box, and the people tend to pay for this unique cultural identity.

The blind box economy leverages individuality by integrating personalized design elements and limited-edition releases to cater to consumers' identity expression needs. Through mystery packaging that offers products aligned with distinct aesthetics or subcultural styles, blind boxes enable buyers to project their unique personalities and preferences. By creating limited runs and character variants, hidden figure toys create a sense of exclusivity and rareness. This article explores the marketing strategy and its effect on consumers. It explores how hidden figure toys create emotional connections between consumers and brands, and how this can enhance brands and cultural resonance in increasingly segmented markets. The hidden figure model has been operationalized by some authors as the act of consuming an enjoyable stimulus that one has already consumed in full in the past [10]. This kind of stimulus is considered symbolic goods in consumption driven by lifestyle.

4. Conclusion

In this study, the author tried to explore why the blind box consumption model is so popular by using a theoretical framework. The author used the 4I theory to explain people's buying motivations, including interest, interaction, interests, and individuality. In other words, consumers not only buy hidden toys but also express themselves, join social groups, and look forward to surprises. Companies can adopt marketing strategies like teaming up with popular franchises, making limited editions, and selling through different channels to promote their products. Future research could explore how blind box purchases affect emotions in the long run and what patterns younger people follow when they shop. Comparing these trends across different cultures and markets would give us useful insights, helping us understand how people from different regions react. As this industry grows, it's important to think about ethical marketing and promoting responsible consumption. Basically, while using psychology to boost sales works, for the industry to grow sustainably, we need to address overconsumption by giving proper guidance.

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