

# Analysis of Bottle Packaging Marketing Strategy of NONGFU SPRING in Chinese Market

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**Abstract.** NONGFU SPRING as a popular drinking water brand in China owns success to not only mature marketing strategy but also high quality of product, in which packaging plays a very important role. Though many scholars consider packaging as an important factor, there is little research about packaging of NONGFU SPRING. This paper has classified packaging of NONGFU SPRING and found out what packaging brings to the company. NONGFU SPRING use well-designed packaging to distinguish their products from their competitors' and promote their brand image. NONGFU SPRING is good at making their products much more precious than water itself. NONGFU SPRING mainly uses two ways to promote their packaging, which are shape of bottles and pattern on bottles. Some of them are designed for practical purpose while others have artistic value. Those packaging increase much additional value to products, which is matched with the trend of consumption upgrade in Chinese market.

**Keywords:** Bottle packaging, Marketing strategy, Chinese market

## 1. Introduction

NONGFU SPRING is a popular brand in China founded in 1996 by famous entrepreneur Shanshan Zhong. It has various kinds of products including drinking water, juice, and fruit drink. At present, NONGFU SPRING owns many sub brands such as ORIENTAL LEAVES, NFC etc. But its most famous product is drinking water and it is always their top priority. For this reason, this paper will mainly focus on their products of drinking water.

As they say in their advertisement, "We don't produce water, we are just porters of the nature.", as early as 2000, NONGFU SPRING stop producing pure water which uses tap water as source of water. Instead, they began to search for water source in natural environment to produce natural drinking water. At that time, natural drinking water was very rare in the market. In another word, NONGFU SPRING is one of the pioneers of natural water. At that stage, the practice of using natural water to produce drinking water was questioned by other drinking water companies. But NONGFU SPRING built a positive brand image in consumers' mind and cultivated consumers' habit of drinking natural water successfully under big public opinion pressure through appropriate marketing strategy. What's more, because of their innovation on the product, there is a great response in customers. Seeing the success of NONGFU SPRING, the other drinking water companies started the transition to producing natural water. However, NONGFU SPRING had taken a big part of market share. Now, NONGFU SPRING has become the largest drinking water company in China with revenue more than 20 billion per year. In 2020, NONGFU SPRING was floated on the stock market.

Many researchers would ascribe the success of NONGFU SPRING to their investment in advertising. But, in fact, NONGFU SPRING always puts quality of products on the top priority. For any companies, high quality of products is very essential to gain success. It is the basic condition to gain as much as customers. However, "products" here not just mean water itself, it also means how it looks like. In another word, the packaging. Certainly, NONGFU SPRING attaches great importance to the quality of water and insist on producing natural water from high quality water source. But they also pay strong attention to packaging. They have invested a lot of time and money to it. For example, in the design of the bottle for high-end water, NONGFU SPRING invited five top design companies. The whole process took more than three years. Their design of packaging has not only sense of beauty but some deeper meaning, which would be discussed later.

Creative packaging is an important and direct way to attract customers. When displayed with other brands of drinking water, attractive packaging can absolutely be helpful to increase sales. The author of this paper has done a survey about what affecting customers choosing drinking water from different brands. The result shows that about 30% of costumers declared that packaging is one of the reasons to choose a product. Compared to the normal packaging of drinking water, which is traditional and monotonous, NONGFU SPRING designed many different styles of packaging, many of which gain a lot of success.

## 2. Literature review

Packaging as an important part of marketing, there are rich theories about it. In addition, because that NONGFU SPRING is one of the leaders of drinking industry, many scholars have done much research on this company. The author of this paper searches for some papers studying about the marketing strategy of NONGFU SPRING and theories about packaging.

Firstly, there are studies about marketing strategy of NONGFU SPRING. This kind of research can be divided into three groups. The first kind is the analyze about macroscopic marketing strategy of NONGFU SPRING. In Zhou Longlong's study, she found that NONGFU SPRING is using integrated marketing communications (IMC). They use their brand advantage to explore their product lines. In their marketing activities, NONGFU SPRING uses multi-dimensional ways to develop as much channels as possible to increase touch points to customers [1]. According to Feng Qiannan, fans economy is very common in the promotion of NONGFU SPRING. By inviting famous stars, NONGFU SRING successfully attracted fans to be their customers [2]. The second kind is studies on some specific cases. Zhao Chen has studied a classic case of NONGFU SPRING that the company cooperated with The Imperial Palace and designed the "The Imperial Palace bottle" which contains many antique elements. This marketing activity complemented each other's advantage. It not only promotes the brand image of NONGFU SPRING but also improve the Chinese people acceptance to traditional culture [3]. Wu Chaochao focused on charity marketing of NONGFU SPRING in 2006, when they declare that the company will donate 1 cent when selling a bottle of drink. This is a representative case of combining business with charity [4]. The third kind is comparison between NONGFU SPRING and other companies. Qiu Feiyun and Liu Bing compared Heng Yuanxiang (a famous textile brand in China) with NONGFU SPRING. They both carry out some marketing activities in Beijing Olympic in 2008. Heng Yuanxiang invested much more money than NONGFU SPRING did. However, Heng Yuanxiang failed to promote their brand image because that their concept didn't match the Olympic. In contrast, NONGFU SPRING successfully improve their popularity through public welfare activities, which leave a positive impression in customers' mind [5]. In Zhang Yinghui's study, he compared NONGFU SPRING with one of its competitors Hengda Ice Spring through their products, pricing, and selling. Using this comparison, he put forward the marketing strategy of drinking water which is suitable for Chinese market [6]. From these studies, their marketing strategies can be summed up as "using integrated marketing communications in appropriate scenario that match their brand concepts". However, there is still some limitation that most research is only focusing on promotion based on 4Ps theory by analyzing many cases of advertisements, endorsement, and co-branding, which means the other factors are usually ignored, especially their products.

Secondly, there are theories about packaging. Packaging is a simple and direct way to improve additional value of products, which is helpful to increase sales. Furthermore, nowadays, some well-designed packaging has become a symbol and part of the enterprise culture [7]. So, it has become a special field in marketing for many scholars to study. Zheng Zhi calls packaging the fifth P in marketing. His research shows that in customers' decision, the effect of packaging especially color take up 67%. The packaging can even change customers' decision [8]. According to Sheng Qiusheng, Zou Litang, and Miao Yujun, the current packaging in the market has some problem in common that it lacks the combination with 4Ps [9]. They think that packaging should be adjusted based on different

consumption scenarios. In Kuang Shan's research, she declares that it would be beneficial to add some emotional elements in packaging because that we have entered the age of perceptual consumption [10].

Overall, packaging is gradually becoming something that every company should not ignore, including NONGFU SPRING. In fact, the packaging of NONGFU SPRING is outstanding in its industry and it is very worth studying because that it can provide other companies reference about how to promote quality of product through packaging. However, there is little research clarify the important role that packaging played in the marketing strategy of NONGFU SPRING. This paper will classify different packaging of NONGFU SPRING and find out how can NONGFU SPRING blend packaging and their concept naturally.

### 3. Result and discussion

After searching and collecting some cases of the packaging of NONGFU SPRING, the author analyzed the packaging of NONGFU SPRING from two aspects, which are the bottle shape and pattern on the bottle. Both of them benefited sales and the brand image of NONGFU SPRING a lot.

NONGFU SPRING designed different pattern on the bottle for different series of water based on customers they are targeting on. A colorful or attractive pattern would make products easy to be spotted from many similar goods. NONGFU SPRING designed different types of patterns based on many themes. For pattern on the bottle, there also are two cases that are taken as examples. The first case is about the animals in Changbai mountain. Changbai mountain is one of the water sources of NONGFU SPRING. To show customers natural environment in Changbai Mountain, NONGFU SPRING invited illustrators create many cartoon characters based on animals living in Changbai mountain and put it on the packaging of a special product. This is a great combination of art and life. Natural environment is very worth protecting. However, for people living in cities, nature seems to be far away. NONGFU SPRING brings customers close to nature through a special way. Showing those animals may appear as advocating protecting environment. However, it has something deeper that are waiting to be discovered. Mentioning the concept of brand image, many people would think of the evaluation of the brand itself. However, in modern marketing strategy, it means much more. Specifically, every element that relates to the brand would affect people's thoughts about the brand. For example, in this case, Changbai mountain is what related to NONGFU SPRING. In advertisements of NONGFU SPRING, they declare that Changbai mountain is their water source. So, customers' impression about Changbai mountain would directly influence their impression about this product even the brand. The cartoon characters about animals would be helpful to build a nice and kind image of Changbai mountain in customers' mind and this positive image would be carried over to the product and brand. Finally, it will be reflected on sales. The other case is the cooperation between NONGFU SPRING and NetEase Cloud Music. NetEase Cloud Music is a popular music app in China. Unlike other music apps, NetEase Cloud Music is famous for comments from the users about music. In the comment area of some popular music, there are many comments that touch many people get many likes. Some of them are very short but struck a chord because that they are really close to every ordinary person's life even people's real experience. Outwardly, water doesn't seem to have anything to do with music. However, NONGFU SPRING found connection between water and comments of music. Through this relationship, NONGFU SPRING scheme a co-branding with NetEase cloud music, in which NONGFU SPRING make an advertisement that "Every song is a bottle of water, only those who drink water know the taste." Music is like water. Everyone can taste the subtle difference even though everyone is drinking the same, because that everyone has been through unique life. NONGFU SPRING selected some very touching comments and printed them on packaging. Through this way, NONGFU SPRING transfer people's resonance to their products. It not only arouses people's purchase interest but also help NONGFU SPRING create many topics that can spread widely based on people's resonance to the comments. Apart from products, this packaging also benefits brand itself. The reason why those comments touch so many people is that they are

based on ordinary people's daily life such as life and death, and happy or sad love stories. Reading them on the packaging of NONGFU SPRING, people would think that NONGFU SPRING is a brand being with every ordinary person, which would close the distance between brand and customers and build a kind brand image.

Another typical character of packaging is the shape of bottles. For shape of bottles, the author will introduce two typical cases. The first case is water for babies. In 2015, NONGFU SPRING launched new drinking water which is produced for babies. Apart from sterilizing more strictly, the bottles are also designed specially to make it convenient to use that there are two grooves on both sides of the bottle so that parents can grab the bottle easily when taking care of their babies. This case reflects that NONGFU SPRING gets much emphasis on customers' experience. The bottle of this product is very big to increase its volume. However, there is a common problem of the drinking water with big bottles that it is hard to pour out the water because that it is heavy to pick the bottle up by one hand especially when taking care of a baby, which is a customers' pain point that exists for a long time. What's more, for reason that babies need a lot of water to drink or for brewing their milk powder, the bottle would be frequently used. Compared with the smooth bottle of other brands without any place to grab, the grooves on the bottle became the reason of many customers choosing NONGFU SPRING based on the high quality of water. Apart from the convenience for customers, this caring design also tells customers that NONGFU SPRING always considers customers' feeling, from which NONGFU SPRING gains both sales and reputation. The second case comes from high-end water of NONGFU SPRING. In 2015, NONGFU SPRING found the blank in high-end water market in China. The high-end drinking water was born under this background. To distinguish it from normal drinking water, there must be some characters that normal drinking water doesn't have so that it can be sold at a high price. Water is not precious product in usual, but the added value of the product matters a lot. In this case, the value that NONGFU SPRING adds on the high-end water is the bottle. NONGFU SPRING doesn't use plastic to produce bottles as normal. Instead, they use carefully designed glass bottles. Furthermore, to ensure that the design could deserve the name of high-end water, they invited teams from Germany, Italy, UK. After three years and dozens of versions of projects, they finally adopted the proposal that the glass bottle is designed in the shape of water droplets from a famous creative team in UK. It can be seen as a work of art. Though both high-end water and baby water are the reflection of packaging strategy, they have some differences. The grooves on the water for babies is designed for practical purpose. By promoting customers' experience, NONGFU SPRING would gain advantage in the competition. In contrast, there are much more artistic value on the packaging of high-end water to improve additional value of products. Famous packaging designing website It chose this packaging as the first place in global packaging designing award. Its artistic value would not only make the water look more precious but promote brand image of NONGFU SPRING. From NONGFU SPRING investing regardless of cost, it can be speculated that they want to make this kind of artistic packaging become part of brand image.

Above is analyze of NONGFU SPRING practicing their marketing strategy through packaging and what they get from them. Nowadays, there are more and more players join the drinking water market, which increase the competition among companies. Under this background, many brands would choose to squeeze cost in process of producing such as using cheaper packaging material to gain advantage in competition. However, NONGFU SPRING adopts a new solution that increase added value of their products through packaging to maintain the price of products. In China, there is an obvious trend that people's consumption is upgrading. Cheap no longer attracts consumers as it once did. Specifically, customers are willing to pay more for a product with more value. NONGFU SPRING seize the opportunity, using their well-designed packaging to increase estimate of price in customers' mind. It not only brings more profit to company but also help customers distinguish NONGFU SPRING from other drinking water brands.

## 4. Conclusion

NONGFU SPRING mainly focuses on packaging through shape of bottles and pattern on bottles. There are two cases about bottle shape. The case of water of babies shows that NONGFU SPRING solved customers' pain point through special designed bottle and win the competition because customers gain better experience when using the bottle, which also promote company's reputation of caring about customers. The case of high-end water has something different. Unlike bottles of water for babies, which focus on practical value, the bottles of high-end water have more meaning of art to increase additional value of water to sell products at a high price. As for pattern on bottles, cartoon characters of animals in Changbai mountain and comments about music in NetEase Cloud Music are two typical examples. Cartoon characters of animals not only advocate protecting natural environment but also help NONGFU SPRING build a good image of Changbai mountain in customers' mind, which is directly related to brand image of the company. Packaging with touching comments in NetEase Cloud Music printed on is another successful one. NONGFU SPRING find some connection between water and those comments about music in NetEase Cloud Music, which make NONGFU SPRING stay close to common people. Overall, under the background of upgrading of consumption, NONGFU SPRING provide customers much more than a bottle of water through packaging.

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