

The Road to Success of Disney's Marketing Strategy: A Perspective Based on STP Analysis and Consumer Psychology

Quanwen Ding

Central South University of Forestry and Technology, Changsha, 410004, China
marpisouo@163.com

Abstract: As a globally recognized entertainment brand, Disney has won the love of global consumers with its unique marketing strategy and IP consumer products. From the perspective of STP analysis and the principles of consumer psychology, this paper discusses in depth the success of Disney's marketing strategy. By analyzing consumer groups of different ages, genders and income levels, it reveals how Disney accurately positioned its market and maximized its marketing effectiveness through emotional connection, brand loyalty cultivation and exploitation of consumers' psychological weaknesses.

Keywords: Disney; STP analysis; Consumer psychology; Marketing strategy; Brand loyalty.

1. Introduction

As a leading company in the entertainment industry, Disney has successfully built an "empire of joy" with its rich IP resources and innovative marketing strategies. From the Disney Princess series to the new Netflix IP Ling Na Baier, these IP consumer products have not only won the love of consumers, but also become hot products in the market. The purpose of this paper is to discuss the success of Disney's marketing strategy through STP analysis and consumer psychology.

2. Background Information

2.1. Popularity

On September 29, 2021, as the new IP of Shanghai Disney Resort, Ling Na Belle was launched and quickly became popular, making it to the position of "hot topic" on social media platforms such as Weibo and Xiaohongshu. Demand was so frenzied that it led to a massive resale market, with prices soaring to 13 times the original price. Despite the official price of RMB 219, some people were reselling them for as much as RMB 3,000 at the peak of demand. The frenzy even led to thousands of people queuing up overnight, similar to the scenes commonly seen at Apple product launches [1].

Plush key chains and related products frequently sold out, indicating a sustained high demand that outstripped supply, which Disney attributed to production bottlenecks and problems associated with the pandemic. Nonetheless, Disney's marketing strategy seems to drive this scarcity in part by utilizing scarcity to increase consumer desire and create frenzy among consumers. This strategy, coupled with the lack of substance behind the IP, reflects a trend in modern consumer culture where branding and promotion often outweigh traditional content-driven approaches to Disney IP.

2.2. The Importance of Consumer Psychology in Marketing

Consumer Psychology is the art of determining consumer requirements through study and analysis of consumer spending and purchasing habits relating to products or

services advertised for sale [2]. It delves into the cognitive processes that influence buying behavior. By exploring how emotions, perceptions and attitudes shape decisions, marketers can more effectively predict how consumers will react to different marketing strategies. This insight is critical for segmenting and customizing communications that resonate deeply with different consumer segments, increasing engagement and conversions.

In addition, consumer psychology helps foster brand loyalty. By aligning marketing messages with consumers' intrinsic values and desires, brands can cultivate a loyal customer base that will not only make repeat purchases, but also advocate for the brand within their community. This emotional connection not only increases direct sales, but also improves brand reputation through word-of-mouth, significantly amplifying the marketing effect.

At the same time, using psychological principles can optimize pricing strategies, product positioning, and promotional campaigns to make them more attractive to target consumers. The use of psychological triggers such as scarcity, social acceptance and fear of missing out can be effective in influencing consumer perceptions and encouraging quick purchase decisions.

In summary, the strategic use of consumer psychology in marketing not only promotes immediate sales, but also builds sustainable competitive advantage by securing a loyal customer base and enhancing brand equity. This rigorous approach to understanding and leveraging consumer behavior is critical to achieving long-term business success.

3. STP analysis: Market Segmentation, Target Market Selection and Market Positioning

3.1. Market Segmentation

Disney has segmented the market into three main segments - children, teenagers and adults - based on consumer groups of different ages, genders and income levels. Each segment has its own specific needs and preferences, and Disney has introduced products that are unique to each group. Planning encourages the setting of clear objectives, so that marketers

establish from the start exactly what they want to achieve from the exercise. This also increases the likelihood that measures will be designed to check that objectives have been achieved [3].

3.1.1. Population classification

Children (3-12 years old): Disney's IP derivatives, such as toys, apparel and school supplies, are primarily targeted at this group. The focus is on colorful, interactive products featuring popular characters from Disney movies and series. These items are typically marketed through TV commercials, online games and kid-friendly apps.

Teens (13-19): Products for this group are cooler and edgier and include tech products such as phone cases and headphones, fashionable clothing and accessories that pay more subtle homage to Disney characters.

Adults (20s and up): For adults, especially those in their 20s and 40s, Disney focuses on high-end products such as collectibles, art prints, and designer fashion products that incorporate Disney themes in a sophisticated way. There is also a large market for nostalgic items that remind them of their childhood. Marketing to adults is often done through nostalgia-driven events, partnerships with high-end brands, and at events and venues that cater to adult interests, such as bars and festivals.

3.1.2. Household income

Disney's product pricing strategy is tiered to appeal to different income levels. For low- and middle-income families, there are affordable basic toys and merchandise. For higher income consumers, Disney offers premium options such as limited edition collectibles and park experiences that include VIP tours and exclusive events.

3.2. Target Market Selection

Disney has selected a wide range of target markets covering all age groups by thoroughly analyzing the needs and potential of each market segment. For different age groups, Disney offers a wide range of products ranging from toys and apparel to high-end collectibles to meet the needs of different consumers.

3.2.1. Loyal Disney fans

These are the die-hard fans. They know every song, have seen every movie published by Disney, and may plan their vacations around Disney parks. Their brand loyalty is strong because they have developed a deep emotional connection with Disney over the years. The goal of targeting them is to foster their loyalty through exclusive, limited edition and premium products that can't be found anywhere else. These fans are willing to spend more to get unique Disney merchandise that complements their extensive collection.

3.2.2. Young Families

This group is critical because Disney is all about the family experience. Young families often want to create memorable experiences for their children, which makes them a prime target for a range of Disney products that promise fun and family bonding. From matching Disney apparel to home décor and family-friendly movies, these products help integrate Disney into everyday family life. Marketing to young families often includes emphasizing the quality and family value of Disney products, stressing how they help make childhood magical and support family bonds.

Both groups typically have the financial flexibility to invest in high-priced Disney merchandise, whether it's collecting rare items or creating enchanting family experiences. Disney

has capitalized on this by offering a diverse product line ranging from more affordable items to high-end collectibles and experiences, ensuring that there is something for every budget in the target demographic.

3.3. Market Positioning

Disney has positioned itself in the market as "an entertainment brand that delivers joy and dreams to consumers around the world". Through continuous innovation and high-quality products and services, Disney has successfully created a unique brand image and won the trust and love of consumers.

3.3.1. Emphasize uniqueness

Disney knows how to make each item unique. In contrast to general information processing models, the consumer-psychology model of brands focuses specifically on the unique characteristics of brands. One brand, for example, can span across various products and product categories. Brand information is conveyed frequently through multi-sensory stimulation [4]. Whether it's a limited edition figurine of Reina Belle or a castle block model, they make sure their products stand out by offering something you won't find in any other store. This uniqueness makes the product popular not only with children but also with collectors and enthusiasts who treasure exclusive items.

3.3.2. Emphasize Emotional Value

The phrase "Bringing the Magic of Disney Home" is more than just a tagline; it's a powerful emotional appeal. Disney capitalized on consumers' deep nostalgic connection to its characters and stories. By purchasing these products, consumers are buying more than just physical objects; they are reclaiming a part of their childhood or creating new memories with their families. This emotional connection is a powerful tool in Disney's arsenal, making their merchandise more of an heirloom than an impulse buy.

3.3.3. Positioned as high quality and collectible

Disney positions its products as high quality investments, not just small ornaments. This is critical to justify the higher prices and to attract collectors who see these items as long-term additions to their collections that may appreciate in value. The use of quality materials, attention to detail, and exclusive branding all contribute to this upscale image.

That's why Disney's positioning strategy for its IP derivatives skillfully blends uniqueness and emotional value to make each item feel like a must-have artifact. It's all about selling high-quality, collectible pieces that promise to keep the magic alive.

4. The Application of Consumer Psychology in Disney's Marketing Strategy

4.1. Emotional Connection and Brand Loyalty

Disney has established a deep emotional connection with consumers by creating emotional and storytelling IP images. This emotional connection has led consumers to develop a strong sense of loyalty to the Disney brand and a willingness to pay a premium for Disney products.

Disney marketers should focus on creating an emotional connection with consumers through storytelling. For example, utilizing deep emotional narratives of the characters or the nostalgia associated with them can increase consumer attachment to the product. Marketers can use these stories in

their ads to evoke strong emotions that can drive purchases.

4.2. Motivation to Buy

Disney has motivated consumers to buy by designing collectibles and limited edition products. These products not only have unique value, but also satisfy consumers' desire to collect and socialize.

4.2.1. Predicting Purchases

By understanding the factors that influence consumer behavior, Disney can adapt their marketing strategies to effectively drive sales. For example, Disney knows that high quality awareness and strong brand associations significantly influence consumer decisions and therefore focuses on high quality, emotionally resonant marketing campaigns.

4.2.2. Explaining Consumer Engagement

Consumer behavior theories also help explain why consumers not only buy products, but also interact with them. For example, the use and gratification theory suggests that people use Disney products not just for utility, but for emotional and psychological gratification, such as pleasure, nostalgia, or a sense of belonging to a fan base.

In essence, the theoretical underpinnings of Disney's strategy are more than just fancy academic stuff—they are practical tools for predicting how real people will react to their products. Understanding these theories allows Disney to create more targeted and effective marketing campaigns that dig deeper into the psyche of the consumer, making each product release feel like a new chapter in a never-ending magical story.

4.3. Taking Advantage of Consumer Psychological Weaknesses

In today's business environment, the influence of consumer psychology on advertising and package design is becoming increasingly significant. Consumer psychology is at the center of advertising and packaging design strategies because they directly affect consumers' purchasing decisions and brand loyalty. A successful advertising and packaging design requires a deep understanding of consumer needs, interests and psychology in order to create a product and brand image that captures their attention [5]. Disney has skillfully utilized consumers' psychological weaknesses, such as the psychology of scarcity, the psychology of social identity and the fear of missing out, in its marketing strategy. By limiting the number of products and creating a rush to buy, Disney has successfully stimulated consumers' desire to buy and

maximized the sales target.

4.3.1. Segmentation and personalization

By understanding the psychographics of different consumer groups, such as values, lifestyles and personality types, marketers can tailor their messages more effectively. For example, young families may be motivated by themes of safety and joy, while collectors may be more interested in exclusivity and value-added. Personalizing communications and promotions to these insights can significantly increase consumer response and loyalty.

4.3.2. Use psychological pricing

Marketers can use psychological pricing strategies to make the cost seem more attractive. Pricing a product at Rs. 179 instead of Rs. 180 looks psychologically more attractive because it is below the next whole number. In addition, offering a limited-time discount creates a sense of urgency, prompting a quicker buying decision.

5. Conclusion

Disney has successfully implemented precise marketing strategies through STP analysis and principles of consumer psychology. By gaining a deep understanding of the needs and preferences of different consumer groups, Disney was able to accurately position itself in the market and launch products that meet consumers' needs. At the same time, through emotional connection, brand loyalty development, and exploitation of consumers' psychological weaknesses, Disney has successfully stimulated consumers' desire to buy and maximized sales goals. These successful marketing strategies provide useful reference and inspiration for other enterprises.

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