

A Study on the Marketing Strategies of Three Squirrels on Short Video Platforms

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Abstract: This study examines the marketing strategies employed by Three Squirrels on short video platforms, aiming to understand how these strategies contribute to the brand's growth and competitive advantage in the evolving digital landscape. With the rise of platforms like TikTok, short video marketing has become a powerful tool for brands to engage with consumers through innovative content and interactive experiences. Using a case study approach, this research analyzes Three Squirrels' tactics, including frequent product releases, the creation of best-selling items, influencer collaborations, and precision marketing. The study reveals that Three Squirrels' strategic use of short video platforms has significantly boosted brand visibility, sales conversion rates, and consumer loyalty. Key findings include the impact of influencer partnerships on driving sales and the effectiveness of precision marketing in enhancing user engagement. These results highlight the importance of adapting marketing strategies to the dynamic nature of digital media. In conclusion, the success of Three Squirrels on short video platforms underscores the critical role of innovative digital marketing strategies in maintaining market competitiveness and fostering brand growth. This research provides valuable insights for other companies looking to leverage short video platforms to achieve sustainable development.

Keywords: Three Squirrels; Short Video Marketing; Marketing Strategy; Short Video Platform; Precision Marketing

1. Introduction

With the rapid development of internet technology and the widespread use of smartphones, short video platforms have quickly risen to prominence, becoming important channels for users to access information and

entertainment. Platforms like Tiktok and Kwai attract many users due to their short, vivid, and easily shareable content. The rapid growth of the short video market has not only changed people's entertainment habits but also provided new marketing channels for brands. The marketing potential of short video platforms is enormous. Companies use these platforms to showcase product features and brand culture and even directly sell products, greatly enhancing marketing effectiveness and user engagement. The rise of short video platforms allows companies to promote their brands more personalized and interactively, accurately reaching target consumers and improving brand exposure and sales conversion rates.

Three Squirrels, established in 2012, is a leading snack brand in China that initially gained success through e-commerce channels. With high-quality products and innovative marketing strategies, Three Squirrels quickly made its mark in the market and successfully went public in 2019. However, as market competition intensifies and consumer demands evolve, Three Squirrels also faces challenges such as slowed growth and brand aging. In this context, the emergence of short video platforms provides Three Squirrels with new development opportunities. According to the head of the Short Video E-commerce Center at Three Squirrels, the short video e-commerce sector achieved remarkable results in 2023, with a 500% growth during the off-season and a new record of 1.7 billion RMB in GMV during the New Year Festival. The high growth continued in the first and second quarters of 2024, with dried mangoes, prunes, and hawthorns becoming new growth points following nuts and meat products. Three Squirrels strengthened its presence on short video platforms, achieving dual improvements in sales and brand influence through live broadcasts and short video promotions.

Several factors make Three Squirrels an ideal

case study. Firstly, it holds a significant position in the domestic nut market with extensive brand influence, making it a suitable case for studying short video marketing strategies. Secondly, Three Squirrels' marketing activities on short video platforms like Tiktok have achieved remarkable results, providing valuable research insights. Lastly, Three Squirrels employs innovative strategies in product design, pricing, and promotion, offering rich material and references for in-depth exploration of its marketing strategies. These factors collectively make Three Squirrels a representative and valuable case for research.

2. Characteristics and Strategies of Short Video Marketing

Short video marketing refers to a promotional strategy where companies use short video platforms to release concise and engaging video content aimed at brand promotion, product advertisement, and sales enhancement. Typically ranging from 15 seconds to 1 minute in duration, these videos are designed to capture users' attention quickly and are highly shareable across social media, allowing for widespread dissemination.

Short video marketing, as an emerging form of digital marketing, has received widespread attention and research in recent years. Existing studies mainly focus on the characteristics, strategies, and impact of short video marketing on consumer behavior. Short video marketing is favored by businesses and consumers due to its short content, rapid dissemination, and strong interactivity. Wang & Zhang pointed out that short video marketing can quickly capture users' attention and enhance the emotional connection between the brand and consumers through vivid content^[1]. Li found that short video marketing has high viral spreadability, achieving large-scale dissemination and brand exposure in a short period through user sharing^[2].

Scholars have proposed various effective methods for short video marketing strategies. Li & Zhang studied the importance of content creativity in short video marketing, arguing that unique and interesting content can significantly enhance user viewing experience and engagement^[3]. Wang & Liu emphasized the role of KOLs (Key Opinion Leaders) and influencers in short video marketing, stating that collaboration with them can effectively increase brand trust and sales conversion rates^[4]. Chen

analyzed the precision marketing strategy, using big data and algorithm recommendations to achieve personalized content delivery, improving brand communication effectiveness and user satisfaction^[5].

Based on a comprehensive review of recent studies, it is evident that short video marketing has emerged as a powerful tool for brands seeking to engage with modern consumers. Short video marketing has the following key dissemination characteristics and advantages:

1) Instantaneity and Efficiency: Short videos are concise and visually engaging, capable of conveying a large amount of information in a brief period, catering to modern users' need for quick information consumption.

2) Interactivity and Engagement: Short video platforms offer interactive features like likes, comments, and shares, enhancing user participation and interaction, and helping brands build close emotional connections with their audience.

3) Personalization and Precision: By leveraging big data and algorithm-driven recommendations, short video platforms can push content based on users' interests and behaviors, enabling precise marketing and improving brand communication effectiveness.

4) Viral Spread and Social Diffusion: Short video content is highly shareable, allowing users to spread it organically, leading to rapid viral dissemination and expanding brand influence in a short time.

5) Content Diversity and Creativity: The variety of content formats on short video platforms, such as creative videos, live streams, and challenges, offers multiple avenues for brand promotion, enhancing brand recall and favorability.

6) Low Cost and High Return: Compared to traditional advertising, short video marketing is relatively low-cost, but its efficient dissemination and broad user reach enable brands to achieve high returns on investment at a lower expense.

3. Marketing Strategies of Three Squirrels on Short Video Platforms

This study systematically explores the marketing strategies of Three Squirrels on short video platforms through a case study approach. By analyzing the specific operations of Three Squirrels on short video platforms, including product design, pricing, channels, and

promotions, the study reveals its success experiences and unique aspects.

3.1 Frequent New Product Releases: Enhancing Brand Vitality and Market Coverage

In a rapidly changing market environment, frequently releasing new products helps maintain consumer freshness and purchasing interest, increasing brand exposure and attracting more attention and traffic^[6]. In 2023, Three Squirrels performed exceptionally well on short video channels, launching a total of 1,118 new products throughout the year, with 20-30 new products hitting the market every month, averaging three new products daily. Among these, 14 new products achieved sales of over ten million yuan. Data shows that after the release of new products, the discussion volume of brand-related topics and the initial sales of the products significantly increased.

The key roles of frequent new product releases on short video platforms are:

- 1) Enhancing brand vitality: Constant new product launches make the brand image more vibrant and dynamic.
- 2) Meeting diverse needs: Frequent new product releases better meet the diverse needs of consumers.
- 3) Increasing competitiveness: Continuous innovation and new product launches are key strategies for maintaining competitive advantage.
- 4) Promoting sales growth: Frequent new product releases stimulate consumer purchasing desire, promoting sales growth.
- 5) Enhancing brand awareness and reputation: New product releases utilize the high dissemination potential of short video platforms to quickly expand brand influence.

3.2 Creating Best-selling Products: Rapidly Expanding Brand Awareness and Market Share

Best-selling products gain significant sales and attention in a short period, with high spreadability and word-of-mouth effects^[7]. In 2023, Three Squirrels launched a 360g package of Hawaiian nuts priced at 19.9 yuan/10 packs, attracting many consumers with its ultra-low price, achieving sales of over one million units. Subsequently, Three Squirrels introduced other ultra-low-priced best-selling products, such as 64 quail eggs for 19.9 yuan and a large can of daily nuts for 29.9 yuan.

Since 2023, the best-selling products created by Three Squirrels on short video platforms are listed in the Table 1 (data source: Chanmama Data Network, as of July 31, 2024):

Table 1. Best-selling Products by Three Squirrels on Short Video Platforms

Product	Transaction Price	Sales
10 packs of 360g Hawaiian nuts	19.9 yuan	75-100 million yuan
400g daily nut can	29.9 yuan	50-75 million yuan
64 small packs of marinated quail eggs	19.9 yuan	25-50 million yuan
Spicy snack gift pack with 76 small packs	19.9 yuan	25-50 million yuan
700g package of 80 milk and rice cakes	19.9 yuan	50-75 million yuan
63 fish sausages	19.9 yuan	25-50 million yuan
500g dried mango	19.9 yuan	10-25 million yuan
Box of 20 buffalo milk mille-feuille toasts	19.9 yuan	10-25 million yuan

The roles of creating best-selling products are:

- 1) Enhancing brand awareness: Best-selling products can quickly expand brand influence.
- 2) Driving sales of other products: The success of best-selling products can drive overall product line sales.
- 3) Increasing market share: Rapidly occupying market share, improving the brand's position in the industry.
- 4) Enhancing brand innovation: Showcasing the brand's excellence in product innovation, market insight, and marketing strategies.

3.3 Product Diversification: Meeting Diverse Needs and Enhancing User Loyalty

Product diversification plays a crucial role in short video marketing. By offering diversified products, companies can adapt to market changes and capture more market opportunities. Three Squirrels adopts a "one product, one chain" strategy, comprehensively upgrading and optimizing around core major products, such as large crispy tofu and black pig luncheon meat. Additionally, Three Squirrels launched its first cold chain meat product, boneless chicken feet, achieving sales of 50 million yuan in its first year. Through major product transformation, high-end ingredient introduction, category

expansion, and omni-channel collaboration, Three Squirrels successfully achieved product diversification. These measures not only met the diverse needs of the market and consumers but also enhanced the brand's market competitiveness and influence.

The distribution of product categories for Three Squirrels on short video platforms is shown in the Table 2 (data source: Chanmama Data Network, as of July 31, 2024):

Table 2. Three Squirrels' Product Category Distribution List on Short Video Platforms (Since 2024)

Product Category	Number of Products	Proportion
Pecans/Nuts/Roasted Seeds	2183	42.3%
Jerky/Smoked and Marinated Meats	843	16.33%
Pastries/Snacks/Bread	683	13.23%
Dried Fruits/Fruit Products	434	8.41%
Cookies/Puffed Foods	181	3.51%
Candy/Snacks/Jelly/Pudding	129	2.5%
Others	703	13.72%

The advantages of product diversification are^[8]:

- 1) Expanding market coverage: Attracting different types of consumers.
- 2) Improving user experience: Meeting the differentiated needs of consumers, enhancing user satisfaction and loyalty.
- 3) Increasing brand awareness and market competitiveness: Attracting user attention and interest by showcasing various innovative products.

3.4 High-end Cost-effective Strategy: Enhancing Market Competitiveness and Attracting a Wide Range of Consumers

The core of the "high-end cost-effective" strategy lies in providing high-quality products while maintaining affordable prices. This strategy enables Three Squirrels to stand out in a highly competitive market, attracting a broader consumer base.

In the short video marketing environment, this strategy is particularly effective due to its strong appeal, high dissemination potential, and low cost. Since entering short video platforms, Three

Squirrels has launched several high-end cost-effective products, such as 10 packs of ultra-low-priced Hawaiian nuts for 19.9 yuan, 64 low-priced quail eggs for 19.9 yuan, and 80 packs of milk and rice cakes for 19.9 yuan.

To support the "high-end cost-performance" strategy, Three Squirrels has undertaken a comprehensive overhaul of its supply chain:

1) In-house Manufacturing: Three Squirrels has established multiple in-house factories, covering key categories like nuts. This allows for full optimization from production to packaging and logistics.

2) Direct Sourcing of Raw Materials: The company collaborates with both global and domestic raw material suppliers, achieving end-to-end control from raw material procurement to production processing.

3) Cost Compression: The decline in raw material prices has enabled the brand to produce high-quality products at lower costs. Additionally, Three Squirrels has reduced production costs and logistics expenses by implementing automated production lines and utilizing regional warehousing.

The advantages of the high-end cost-effective strategy are:

- 1) Attracting consumer attention: High-end cost-effective products are more attractive and easier to achieve viral marketing effects.
- 2) Enhancing market competitiveness: Meeting consumer demands for high quality and low prices, thereby enhancing market competitiveness.
- 3) Expanding market share: More attractive to a wide range of consumer groups, expanding market share.

3.5 Influencer Distribution: Leveraging Influence to Enhance Product Exposure and Sales Conversion

Influencer distribution, a sales model based on social media platforms, involves content creators promoting and selling products through their influential reach^[9] Three Squirrels collaborates with prominent influencers to share product experiences and insights via short videos and live broadcasts, showcasing product advantages directly to their audiences. According to data from Chanmama, since 2024, Three Squirrels has partnered with approximately 54,000 influencers, set up over 25 live broadcast rooms, and achieved cumulative sales of over one million units, contributing more than one billion

yuan in revenue. To ensure the effectiveness and appeal of promotional content, Three Squirrels tailors differentiated promotional materials based on the characteristics of various influencers' fan bases. They also track and analyze the promotional effectiveness of influencers in real-time, adjusting cooperation strategies and optimizing content and promotional methods accordingly. Influencers with sales exceeding 100,000 units are listed in the Table 3 (Data from Chamama, as of July 31, 2024):

Table 3. List of Influencers Promoting Three Squirrels on Short Video Platforms (Influencers with Sales Exceeding 100,000 Units)

Influencer Name	Number of Promoted Products	Sales Volume	Sales Revenue
Jia Nailiang	43	>1 million	1 billion+
Guangdong Couple	14	100k-250k	25 million-50 million
Chen Sanfei Siblings	68	250k-500k	25 million-50 million
Guoyue	33	250k-500k	25 million-50 million
Crazy Xiaoyang	10	100k-250k	25 million-50 million

Three Squirrels has achieved remarkable results in influencer distribution:

- 1) Sales Growth: Some products experienced explosive sales growth within a short period.
- 2) Brand Influence: Significantly increased brand exposure and market influence, attracting more potential users and enhancing brand trust and loyalty.
- 3) Conversion Rate: Compared to traditional advertising, influencer distribution boasts relatively lower marketing costs and higher conversion rates, thereby improving overall marketing ROI (Return on Investment).

3.6 Precision Marketing: Utilizing Big Data for Personalized Content Delivery and Improving Marketing Effectiveness

Precision marketing leverages big data and algorithmic recommendations to deliver personalized content to specific user groups, thereby enhancing marketing effectiveness^[10]. Three Squirrels employs precision marketing

strategies on short video platforms, achieving personalized marketing through comprehensive data analysis and algorithmic recommendations. For instance, Three Squirrels accurately delivers content tailored to user preferences, enabling consumers to see products and brand information relevant to their interests. This precision marketing approach not only increases user engagement and satisfaction but also improves the effectiveness of marketing efforts and brand communication.

The benefits of precision marketing include:

- 1) Enhancing Marketing Accuracy: Delivering personalized content based on user preferences and behaviors.
- 2) Improving Marketing Effectiveness: Enhancing marketing accuracy and user engagement, thus increasing overall marketing effectiveness.
- 3) Enhancing User Experience: Providing personalized content delivery, thereby improving user experience and satisfaction.
- 4) Reducing Marketing Costs: Increasing marketing efficiency and effectiveness, which in turn reduces overall marketing costs.

4. Conclusion

In the short video era, Three Squirrels successfully achieved remarkable marketing results through innovative strategies such as frequent new product releases, creating best-selling products, product diversification, high-end cost-effective approaches, and precision marketing. By analyzing the successful experience of Three Squirrels' marketing strategies on short video platforms, this study reveals the key factors for the success of short video marketing and provides valuable references and insights for other brands.

Three Squirrels' marketing strategies not only enhance brand awareness, reputation, and competitiveness but also better meet consumer demands and improve user satisfaction and loyalty. In the future, short video marketing will continue to develop and evolve, and companies need to continuously innovate and explore to adapt to market changes and maintain competitive advantages. This study provides an important reference for companies to develop short video marketing strategies and enhance marketing effectiveness and brand value.

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