

Crisis and Turnaround of the Pre-Prepared Food Industry: Research on the Impact of Improper Marketing and Brand Reshaping Paths

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Abstract: Due to some improper marketing methods used by some pre-prepared food merchants, consumers' trust in pre-prepared food has decreased, and even the image of pre-prepared foods and the catering industry has been damaged. Current research pays little attention to the impact of improper marketing in the pre-prepared food industry. This paper takes Weizhixiang as the research object and analyzes some of its improper marketing strategies through a case study method. Based on the case study, this paper finds that some improper marketing methods of prepared food companies can lead to a crisis of trust among consumers. Negative comments from consumers about companies will spread quickly through social media, which greatly affects consumers' consumption decisions. This article also puts forward relevant suggestions to help the pre-prepared food industry reverse its bad impression in the minds of consumers.

1 INTRODUCTION

In recent years, the pre-prepared food industry has developed rapidly and has gradually become an important part of the catering market. Due to its convenience and efficiency, many companies choose to use pre-prepared food to replace traditional manual cooking to reduce costs and improve operational efficiency. Consumers also choose convenient and fast pre-prepared food to save time when they are at home. However, with the expansion of the pre-prepared food market, the use of improper marketing methods has become increasingly frequent, leading to a crisis of consumer trust and even damaging the overall image of the industry.

Some companies exaggerate the nutritional value of their products, conceal the use of food additives, and even lack transparency in food safety, which makes consumers doubt the food safety, taste, and health of pre-prepared foods. In addition, the popularity of social media enables consumers to obtain information faster and more widely, and the negative public opinion effect caused by improper marketing is rapidly amplified, further exacerbating the credibility crisis of the pre-prepared food industry.

From the perspective of marketing strategies, more companies have adopted digital marketing strategies

to promote their products through social media. Consumers can obtain product information and product reviews through social media. Effective use of social media, using content, pictures, promotions and the influence of opinion leaders, will have a positive impact on purchasing decisions of customers (Aziz, Hosain, Dhar, Hossain, & Noor, 2024). Therefore, reviews of pre-prepared food on social media will influence consumption decisions of customers.

From the perspective of the trust crisis caused by improper marketing strategies, the current pre-prepared food industry should promote brand transparency and food safety information transparency so as to accept public supervision. According to research, although consumers can identify exaggerated claims as less credible than factual claims, their brand evaluation will be exaggerated after being exposed to exaggerated claims (Cowley, 2006). Therefore, when pre-prepared food companies exaggerate advertising information but consumers do not have corresponding consumption experience, consumers' trust in pre-prepared food will decrease.

Although existing studies have explored the market promotion model and marketing methods of the pre-prepared food industry, there is still a lack of research on how improper marketing affects

consumer trust and how companies can restore market recognition through brand reshaping. Therefore, this study intends to explore how the pre-prepared food industry can optimize its marketing strategy, reshape its brand image, and improve consumer trust in the current market environment.

This study will first use the SWOT analysis method to analyze the crises and opportunities of the failed prepared food industry, and will also introduce how improper marketing affects the development of the prepared food industry and consumer trust. In addition, it will provide relevant suggestions for optimizing marketing methods and reshaping the brand image of the prepared food industry. This article will introduce the relevant improper marketing cases of Weizhixiang Prepared Food Company.

The theoretical significance of this study is to fill the gap in the academic research on the impact of improper marketing and brand reshaping strategies in the pre-prepared food industry, and to explore the application of crisis management and brand reshaping in the food industry. The practical significance is to provide an operational marketing optimization plan for the pre-prepared food industry, to help companies find an effective way to repair their brands in the market crisis, and thus to promote the development of the industry.

2 CASE ANALYSIS OF WEIZHIXIANG FOOD CO., LTD.

This article chooses Weizhixiang Food Co., Ltd. because it is a large-scale pre-prepared food product company. Weizhixiang is one of the leading companies in the industry. It is representative to choose Weizhixiang as a case. At the same time, due to its large scale in the industry and the bad news disclosed before, Weizhixiang has received a lot of attention, and the information it has is relatively true and credible.

2.1 Company Profile

Suzhou Weizhixiang Food Co., Ltd. is a pre-prepared food product company. It was established on December 10, 2008 and listed on April 27, 2021. Weizhixiang focuses on the research and development, production and sales of semi-finished dishes, providing consumers with healthy, green, convenient and delicious semi-finished dishes.

Weizhixiang has 8 major product lines and more than 300 products. After more than ten years of development, more than 2,000 Weizhixiang stores have been opened in major cities across the country.

2.2 Weizhixiang's Multi-Brand and Multi-Channel Marketing Strategy

2.2.1 Weizhixiang Brand Diversification

Weizhixiang has achieved full coverage from high-end to ordinary through brands such as "Weizhixiang", "Zhuanyu", "Wei Ai Fengcang", "Souxiang", and "Weizhixiang Workshop". This has not only enhanced the brand's competitiveness, but also left a good impression on consumers. For example, the brand "Zhuanyu" is mainly responsible for the mid-to-high-end market, while the brand "Weizhixiang" guarantees cost-effectiveness, allowing ordinary consumers to have corresponding purchasing power. In addition, the products of each brand are also rich and diverse to meet the personalized needs of consumers. For example, some Weizhixiang brands are divided by the main ingredients, focusing on the four major series of cattle, sheep, aquatic products, poultry, and pork, providing catering companies with ingredients with stable quality and reasonable prices.

2.2.2 Weizhishan's Channel Diversification

Weizhishan's sales channels adopt a combination of online and offline methods. On the one hand, it sells in offline farmers' markets or supermarkets. On the other hand, it cooperates with many e-commerce platforms (such as Taobao).

In offline stores, the franchise system is mainly used for market expansion. These franchise stores mainly sell semi-finished dishes. Their main positions are in the Yangtze River Delta region, and most of them are located in farmers' markets. Weizhishan implements a strategy of independent operation and self-financing for the management of franchise stores, and provides franchisees with business guidance and supervision, store decoration, operation training and product delivery services. At present, Weizhishan has nearly 2,000 offline franchise stores, which contribute about 54% of Weizhishan's operating income.

On the other hand, especially during the epidemic in the past few years, the expansion of online channels has brought new growth points to Weizhishan. Through multi-channel layout, Weizhishan has increased market penetration,

improved brand visibility and consumer purchasing convenience. The online e-commerce channel accounted for 0.2% of the main business operating income last year. Although the proportion is not high, this channel has brought certain space for the growth and development of the company's business.

3 USE SWOT TO ANALYZE THE CRISIS AND OPPORTUNITIES OF THE PRE-PREPARED FOOD INDUSTRY

3.1 Advantages

With the continuous development of science and technology, supply chain technology has also been optimized to a certain extent, which saves the operating costs of pre-prepared food companies. At the same time, technologies such as automation reduce labor costs while improving the accuracy and stability of production. In addition, the transportation routes optimized by supply chain technology have reduced the transportation costs of pre-prepared food companies to a certain extent.

3.2 Disadvantages

In 2024, CCTV's 315 Gala exposed a series of incidents such as Weizhixiang using inferior rotten meat to make preserved vegetables and pork, which caused consumers to doubt the quality of pre-prepared dishes, and some consumers began to boycott pre-prepared dishes. At the same time, the relevant food safety information of pre-prepared dishes was not fully provided, which led to consumers questioning the safety of pre-prepared dishes after the vicious incident. In the end, consumer trust dropped significantly.

3.3 Opportunities

3.3.1 The Popularity of Digital Marketing

The popularity of social media has led to the fact that pre-prepared food companies can promote their products through social media (such as TikTok), and the influence of consumer reviews on consumer decisions has become increasingly greater with the spread of social media. Some companies that have experienced malicious incidents can use social media to guide consumers to pay attention to the positive aspects of their own companies, so as to deal with the

trust crisis caused by improper marketing methods. At the same time, pre-prepared food companies can see consumer reviews in a timely manner through social media and make corresponding adjustments immediately (Qiao, Xue, & Han, 2024).

3.3.2 Sustainable Food Concept Improves Industry Acceptance

The concept of sustainable development is recognized by more people in today's society. The proportion of ingredients in pre-prepared dishes is strictly regulated and divided during the production process. Therefore, it saves more ingredients and avoids food waste compared to manual cooking. People who support the concept of sustainable development will be more likely to accept pre-prepared dishes.

3.3.3 Strong Market Demand

Since the epidemic, pre-prepared dishes have become a major consumer choice for consumers. It meets consumers' needs for convenient, fast and diversified catering. At the same time, pre-prepared dishes are easy to make and low-priced, which is very suitable for today's fast-paced society. Consumers can enjoy dishes with a similar taste to those prepared on site in a shorter time through pre-prepared dishes. This saves a lot of time and also ensures a certain quality of life. Therefore, more consumers choose to buy pre-prepared dishes. This has led to a strong demand for pre-prepared dishes.

3.4 Threats

3.4.1 Government Regulation Is Becoming Stricter

The state's supervision of food safety and the catering industry is becoming increasingly strict, and the introduction of relevant policies has set norms for the development of the pre-prepared food industry. For example, the Food Safety Law issued in 2022 clarified the production standards and circulation specifications of pre-prepared food to ensure the healthy development of the industry.

3.4.2 Intensified Market Competition

With the booming development of the pre-prepared food market, more and more companies are participating in it. However, the rapid expansion of the market has also brought fierce competition. Weizhixiang pointed out in its 2023 annual report that

the current industry is in a stage of rapid development, the market scale continues to expand, and the number of participating companies is increasing. These companies each rely on their advantages such as brand awareness, product innovation capabilities and cost control to compete for market share and improve profitability. But at the same time, problems such as following the trend, homogenization and price wars have gradually emerged, bringing a considerable impact on the industry. When a new competitor enters the pre-prepared food market, pre-prepared food companies need to enhance the diversity of their products to improve the competitiveness of their products. Although when market competition is high, the impact of the innovation atmosphere on employee-driven departmental innovation is stronger (Gao, Lin, & Zhou, 2020). But this will bring great pressure to the pre-prepared food industry.

3.4.3 Food Safety Issues Have Attracted Much Attention

Food safety is related to human health level, and food safety is an inevitable expectation of modern society. As the production and operation entities that directly affect food safety, food production and related enterprises are given behavioral requirements to ensure food safety, that is, food safety responsibilities (Luo, 2020). A series of vicious incidents in the pre-prepared food industry have made the pre-prepared food industry itself more likely to attract public attention. At the same time, they pay more attention to the food safety issues of pre-prepared food. Therefore, in order to ensure the quality of pre-prepared food, pre-prepared food companies need to invest more time and money.

4 USE 4P THEORY TO ANALYZE THE WEIZHIXIANG PRE-PREPARED FOOD BRAND

4.1 Products

Weizhixiang provides consumers with a convenient and fast product. This type of product is mostly processed for the first time and can be eaten after heating. The characteristics are easy processing, simple operation, and time saving. In addition, the taste of pre-prepared dishes is similar to that of freshly made dishes. At the same time, in order to cater to consumer needs, Weizhixiang provides a

variety of pre-prepared food products, such as hot pot ingredients, fresh ingredients, so as to meet the personalized needs of consumers.

4.2 Price

There are multiple levels of pre-prepared food product prices. According to research, under the decentralized pricing model, compared with the differential pricing strategy, the supplier's own profit is reduced when adopting a unified pricing strategy (Chen, & Duan, 2024). Weizhixiang uses this differential pricing method to enable each brand to accurately meet customer needs. As mentioned above, Pre-prepared Food Co., Ltd. has multiple brands and has developed products of all prices from high-end to ordinary for different consumer groups. Consumers can purchase products of corresponding prices according to their own circumstances. For example, the price of products of the "Weizhixiang" brand is mostly between 30 and 50 yuan, and the weight of the products is mostly between 200 grams and 300 grams, which is competitive in terms of cost performance. At the same time, since the target customers of the brand's products are 20-30-year-old office workers and students, the price will be relatively cheap.

4.3 Place

Weizhixiang itself uses a multi-brand and multi-channel marketing strategy. Its sales channels are offline sales points such as supermarkets, and it also uses e-commerce for online sales. At the same time, in order to expand its sales scope, Weizhixiang also cooperates with major e-commerce platforms to deliver its products to consumers quickly and accurately.

4.4 Promotion

Due to the widespread use of social media in recent years, online marketing has gradually become an important means for companies to gain competitive advantages. As an emerging field of online marketing, social media marketing plays an important role in the era of social media. One of the most representative platforms is TikTok (Lu, 2024). Weizhixiang promotes its products online to enhance brand awareness and influence. At the same time, Weizhixiang promotes its products by conducting some offline promotional activities (such as discounts), also adopting an online plus offline approach.

5 THE IMPACT OF IMPROPER MARKETING ON THE PRE-PREPARED FOOD INDUSTRY

The lack of transparency in information about food safety issues in pre-prepared food leads to the lack of authenticity, accuracy and completeness of relevant food safety information. These problems lead to consumers' lack of complete knowledge of relevant food safety information. At the same time, with the exposure of some food safety issues, consumers' trust in Weizhixiang's pre-prepared food has declined. In the current era of social media development, consumers' evaluation of the Weizhixiang pre-prepared food brand will be spread through social media platforms such as short videos (such as Douyin). Therefore, the quality of the evaluation will directly affect the overall image of the pre-prepared food industry. Therefore, when Weizhixiang's pre-prepared food has problems, consumers' negative evaluation of Weizhixiang will spread quickly. In addition, improper crisis marketing will lead to the inability of pre-prepared food companies to respond urgently to customers' negative evaluations and have no way to deal with the corresponding problems in a timely manner. At the same time, if crisis marketing cannot present real and feasible information to consumers. Then, under the negative media reports on the company, it will not only reduce consumer trust, but also result in the damage of the brand image and economic benefits of the pre-prepared food industry (Lagree, Wilbur, & Cameron, 2019).

6 SUGGESTIONS

6.1 Brand Reshaping and Marketing Optimization Strategy

If Weizhixiang wants to reshape its brand and enhance consumer trust, it should improve brand transparency, establish a true and credible information transmission mechanism, and make the food safety information of pre-prepared food authentic, accurate and complete. At the same time, introduce a third-party testing agency to improve the credibility of Weizhixiang's products through the test reports of third-party agencies, and prove that its own products have no quality problems, so as to improve consumer trust.

6.2 Brand Integrity Affects Consumer Purchasing Decisions

Through the case analysis of Weizhixiang, this article finds that the reason why the pre-prepared food industry is boycotted by consumers is that the relevant pre-prepared food companies exaggerate and spread false advertisements and the lack of transparency in food safety information has led to a decline in consumer trust. It can be seen that brand integrity has greatly affected consumers' purchasing decisions, and consumers are more inclined to buy products with high brand integrity. Therefore, the pre-prepared food industry should actively improve its own brand integrity and enhance customer trust.

6.3 Positive Publicity on Social Media

Through case analysis, in order to cope with the brand trust crisis caused by negative marketing, pre-prepared food companies need to make information such as food safety transparent to improve consumer trust. At the same time, they need to increase the publicity of the brand's positive image on social media to guide the public to pay attention to the positive side of the brand. According to research, online media has no significant impact on service experience satisfaction or overall satisfaction. The positive impact of loyalty on overall satisfaction is higher online than offline (Shankar, Smith, & Rangaswamy, 2003). Therefore, service marketers should consider developing special loyalty enhancement programs for their online customers to enhance overall satisfaction. For example, pre-prepared food companies can offer additional reward points for online reservations and display these rewards prominently on their websites, allowing customers to track their rewards and actively remind or encourage customers to take action when they are close to reward milestones. Although some companies have implemented the first three initiatives, not many companies have implemented the fourth initiative.

6.4 Crisis Marketing

Collecting critical incident data on service failures from customers and employees can generate valuable information and support monitoring procedures. However, rather than simply categorizing events, it is better to examine events from the perspective of crisis management. Crisis management should pay more attention to the nature, form, and impact of customer participation in service organizations. Monitoring all

forms of customer participation has benefits, but special attention should be paid to customer behaviors that may trigger crises and the stabilizing effects of customer interactions on customer dissatisfaction (Elliott, Harris, & Baron, 2005). These are all things that the prepared food industry can learn from other companies that have experienced crises.

At the same time, when a crisis occurs, crisis marketing response and handling are crucial. Once a crisis event occurs, the company needs to respond quickly and take positive measures to respond, including communicating information openly and transparently, actively solving problems, and stabilizing public sentiment. Only in this way can the negative impact of the crisis be minimized and the reputation of the company and brand be maintained. At the same time, the company should also learn lessons from the crisis, strengthen internal management, and prevent similar crises from happening again.

7 CONCLUSION

This paper takes Weizhishan Company as the research object, deeply studies the crises and challenges faced by the prepared food industry under the background of improper marketing and the consumer trust crisis caused by the negative impact. Based on the case analysis, this paper explains the impact of brand integrity on consumer purchasing decisions. It also explains how consumer evaluation affects the overall image of the prepared food industry in the era of social media. In addition, this article explains how brand reshaping can help companies rebuild market trust and enhance brand value. At the same time, it also analyzes how companies can optimize consumer experience through transparent information disclosure and how to use social media marketing to establish a closer brand relationship with users. Since the scope of this article does not involve technologies such as AI, if researchers are interested, they can explore how artificial intelligence and blockchain technology can improve transparency in the food industry in the future, such as using AI algorithms to accurately find consumers.

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