

# BETWEEN STATELESSNESS AND ROOTEDNESS: DIVERGENT VISUAL DESIGN STRATEGIES IN JAPANESE AND CHINESE CHARACTER IP EXPORTS

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**Abstract:** As Japan and China emerge as the two dominant exporters of character intellectual property in global cultural markets, their visual design strategies diverge in fundamental ways. Japan's longstanding reliance on mukokuseki stands in sharp contrast to China's recent embrace of guochao. Mukokuseki refers to the deliberate suppression of national and ethnic visual markers to maximise cross-cultural appeal. Guochao, by contrast, is a culturally anchored design mode that foregrounds Chinese aesthetic heritage as a competitive differentiator. This paper conducts a comparative analysis of these two strategies. It draws on foundational frameworks of cultural odourlessness, empirical studies of mukokuseki perception, and theorisation of guochao as a rising cultural identity. Through qualitative visual content analysis of representative IP cases, we identify the structural logic, commercial mechanisms, and cultural-political assumptions underlying each strategy. We further examine the implications of these divergent approaches for export markets in Southeast Asia. Existing consumer perception studies, though limited in scope, point to context-specific responses that challenge the universality of mukokuseki. Our findings suggest that cultural visibility, strategically deployed, may constitute an emergent competitive advantage for Chinese IP exports in post-RCEP regional markets. This advantage, however, also introduces risks absent from Japan's historically dominant stateless model.

**Keywords:** Mukokuseki; Guochao; Character IP; Visual design strategy; Cultural export; RCEP

## 1 INTRODUCTION

The global market for character intellectual property—encompassing designed fictional characters deployed across merchandise, entertainment, and branded experiences—has grown into one of the most economically significant dimensions of contemporary cultural trade. Japan established early dominance in this field through franchises such as Hello Kitty, Pokémon, and Doraemon, all of which achieved sustained global penetration across culturally heterogeneous markets. A central explanation for this success lies in the concept of mukokuseki: the strategic, if not always deliberate, erasure of national and ethnic visual cues from character design, rendering IP products legible and emotionally accessible to consumers irrespective of their cultural background [1].

China's position in the character IP market has historically been that of a manufacturer rather than a cultural originator. However, the past decade has witnessed a marked shift. Domestic brands such as Pop Mart, whose LABUBU and Molly figures have generated considerable international attention, and MINISO, which has strategically repositioned itself as an IP-driven lifestyle brand, now challenge the assumption that global character IP must be culturally neutral to succeed internationally. Rather than emulating the stateless aesthetic of Japanese predecessors, these brands have increasingly adopted a guochao orientation: an assertion of Chinese cultural identity through the deliberate incorporation of traditional visual motifs, mythological iconography, and national aesthetic heritage [2].

These two design philosophies—mukokuseki and guochao—are not merely stylistic choices. They represent fundamentally different theories of how cultural products travel across national boundaries: one premised on the commercial utility of cultural erasure, the other on the competitive value of cultural visibility. The tension between them has become particularly legible within the context of the Regional Comprehensive Economic Partnership (RCEP), which, since its entry into force in January 2022, has deepened trade integration across fifteen Asia-Pacific member states and accelerated the cross-border circulation of cultural goods.

Despite the theoretical and commercial significance of this divergence, comparative scholarly analysis remains limited. Iwabuchi's framework was developed primarily to account for Japanese cultural exports in the 1990s, before the emergence of China as a character IP exporter. Seaborn et al.'s experimental study of mukokuseki perception, while providing the most rigorous empirical evidence to date for the existence of both made-in and mukokuseki effects, recruited only American and Japanese participants, explicitly noting the need for cross-cultural extension [3]. Empirical work on guochao has focused on domestic brand identity and Chinese consumer reception rather than on export markets or comparative analysis with Japanese strategies [4]. The gap is especially pronounced with respect to Southeast Asian consumers, for whom limited and methodologically constrained studies suggest context-specific aesthetic responses that have yet to be systematically investigated.

This paper addresses these gaps through a comparative analysis of mukokuseki and guochao as competing visual design strategies in character IP exports. We pursue two objectives: first, to establish a theoretically grounded framework for comparing these strategies at the level of visual design logic, commercial mechanism, and cultural-political assumption;

and second, to assess the implications of this divergence for export markets, with particular attention to the Southeast Asian context. The paper proceeds as follows. Section 2 reviews the relevant literature. Section 3 presents a comparative visual analysis of representative cases. Section 4 examines market evidence and trade implications. Section 5 discusses findings, including the Southeast Asian dimension, and Section 6 concludes.

## 2 LITERATURE REVIEW

### 2.1 Mukokuseki: The Theorisation of Cultural Odourlessness

The concept of mukokuseki was introduced by Koichi Iwabuchi in his landmark study *Recentering Globalization: Popular Culture and Japanese Transnationalism*. Iwabuchi deployed the term—literally meaning "stateless" or "without nationality" in Japanese—to describe a distinctive feature of Japanese cultural exports: the absence of perceivable cues to national, racial, or ethnic origin in the visual design of characters and consumer goods. Iwabuchi argued that this "cultural odourlessness" was not incidental but constitutive of Japan's transnational commercial success, enabling products to be absorbed into local consumer cultures without activating the resistance often provoked by overtly foreign or nationally marked cultural goods. Pokémon, Hello Kitty, and Doraemon were offered as paradigmatic cases: creatures and characters whose visual vocabularies drew on no identifiable national iconography and whose narrative worlds were constructed as culturally neutral spaces.

Iwabuchi's framework rests on two claims. First, mukokuseki achieves statelessness by stripping designed characters of visual markers associated with any particular national or ethnic identity—skin tone ambiguity, non-referential costume design, fictional or fantastical morphology, and palette choices that carry no culturally specific connotation. Second, this statelessness enables trans-cultural adoptability: consumers from diverse national backgrounds can project their own cultural frameworks onto the character, facilitating affective identification across cultural distance. Iwabuchi contrasted mukokuseki favourably with earlier Japanese exports such as Sony consumer electronics, which retained residual "cultural odour" through associations with Japanese technological identity, and with American cultural exports, which he characterised as carrying an unmistakable and often resisted cultural scent.

Subsequent scholarship has both extended and complicated Iwabuchi's framework. In Yano's cultural biography of Hello Kitty, demonstrated how the character's commercial success in the United States involved active processes of localisation and cultural reframing that exceeded mere statelessness—suggesting that mukokuseki is a condition of possibility rather than a sufficient explanation for cross-cultural success [5]. More recent work has questioned whether mukokuseki, as a perceptual outcome, is reliably achieved even when pursued as a design intention. Seaborn et al. conducted the most rigorous empirical examination of this question to date, investigating whether and how national identity is perceived in the visual design of robots—objects that, like character IP, are frequently produced with internationally oriented design intent [3]. In a two-phase categorisation study with 212 participants—110 Americans and 92 Japanese—the authors found evidence of both made-in effects (where the robot's national origin was correctly perceived) and two distinct forms of mukokuseki effects (where national identity was either absent or ambiguously distributed across multiple nationalities). Critically, these effects were not uniform across robot stimuli, national cohorts, or individual participants, indicating that mukokuseki is a contingent perceptual achievement rather than a guaranteed design outcome. Seaborn et al. explicitly identify the restriction of their sample to American and Japanese participants as a key limitation, noting that the generalisability of their findings across other cultural groups—including those in Southeast and East Asia—remains an open empirical question.

### 2.2 Guochao: Cultural Anchoring as Competitive Strategy

The concept of guochao—literally "national tide" or "national trend"—designates a design and branding movement that emerged prominently in China from approximately 2018 onward, characterised by the deliberate incorporation of Chinese cultural heritage, visual aesthetics, and national identity into contemporary consumer product design. Wang provides the most theoretically developed account of guochao as a cultural identity formation, arguing that it represents not merely a stylistic trend but a strategic reconfiguration of China's position in the global fashion and design system [2]. Wang identifies two sub-trajectories within guochao: a "Guo" orientation, which foregrounds the symbolic, material, and historical depth of Chinese cultural identity through traditional motifs, calligraphic elements, and mythological iconography; and a "Chao" orientation, which integrates Chinese symbolic elements into a globally legible streetwear and youth culture aesthetic, blurring the boundaries of the East-West aesthetic binary. Zhang and Zhao, in a mixed-methods study of Chinese Gen-Z consumers, demonstrate that guochao consumption functions as a mechanism of national identity performance, with purchase intention strongly mediated by perceived cultural authenticity rather than mere aesthetic novelty [6].

In the domain of character IP and cultural merchandise, guochao manifests through the incorporation of visual elements drawn from Chinese mythology (dragons, phoenixes, the Monkey King), imperial court aesthetics (glazed colour palettes, architectural motifs), folk art traditions (paper-cutting, embroidery patterns), and contemporary national iconography. The Palace Museum (Gu Gong) cultural creative product line exemplifies the institutional dimension of this strategy: Li and Li demonstrated [7], in a study of 201 Chinese consumers, that design aesthetics positively influence purchase intention for Palace Museum cultural products through the mediating mechanism of perceived value, with Chinese traditionality serving as a positive moderating variable. The finding that traditional cultural orientation amplifies rather than diminishes the commercial appeal of culturally marked design provides empirical support for the

guochao premise that cultural visibility can function as a demand-generating asset rather than a barrier to consumption. The commercial evidence from China's leading character IP exporters reinforces this pattern at the international scale. Pop Mart, whose annual report for 2024 recorded total revenues of 13.04 billion yuan (a year-on-year increase of 106.9%), generated 5.07 billion yuan from overseas and Hong Kong region, Macau region, and Taiwan region markets—representing 38.9% of total revenue. Southeast Asian markets accounted for 2.40 billion yuan of overseas revenue, a year-on-year growth of 619.1%, making the region the fastest-growing segment of Pop Mart's international portfolio. MINISO, pursuing a parallel but broader strategy, reported total revenues of 17.0 billion yuan in 2024 (up 22.8% year-on-year), with overseas revenues of 6.68 billion yuan (up 42.0%), generated through a network of 3,118 overseas stores across 112 countries and regions as of 31 December 2024.

These figures indicate that Chinese character IP brands pursuing culturally marked design strategies have achieved rapid international commercial scaling. They do not, however, establish a direct causal link between visual cultural anchoring and commercial success, since confounding variables—including price positioning, distribution infrastructure, social media marketing, and the novelty premium associated with new market entrants—complicate any straightforward attribution. The mechanisms through which visual cultural identity influences consumer preference across different national contexts remain empirically underspecified.

### **2.3 Research Gaps**

The foregoing review identifies three significant gaps in the existing literature. First, while mukokuseki and guochao have each been theorised and, to varying degrees, empirically investigated as distinct phenomena, no study has subjected them to systematic comparative analysis within a unified conceptual framework. The two design philosophies have developed in separate scholarly conversations—mukokuseki within Japanese cultural studies and transnational media studies, guochao within Chinese fashion studies and branding research—and their juxtaposition as competing strategies in shared export markets has not been examined.

Second, the empirical study of mukokuseki perceptio though methodologically rigorous, is restricted to American and Japanese participant cohorts [3]. The authors acknowledge this limitation explicitly, noting that their findings cannot be assumed to generalise across different cultural contexts. No equivalent study examines how consumers from RCEP member states, and particularly from Southeast Asia, perceive and respond to the visual national identity cues embedded in Japanese versus Chinese character IP.

Third, the consumer reception of guochao outside China remains poorly documented. The most relevant existing evidence is a qualitative study of Indonesian students' perceptions of guochao visual style conducted at Xiamen University Malaysia (XMUM), which, while indicating generally positive responses to colour richness and cultural symbolism, is limited by its small and non-representative sample and its single-country scope. No comparative, quantitative study has examined Southeast Asian consumer responses to mukokuseki versus culturally anchored visual design strategies across multiple RCEP member states. This paper does not fill this empirical gap—which would require primary data collection across multiple national contexts—but explicitly theorises it as a priority for future research and draws on available secondary evidence to sketch its probable contours.

## **3 COMPARATIVE VISUAL ANALYSIS: MUKOKUSEKI AND GUOCHAO IN PRACTICE**

### **3.1 Analytical Framework and Case Selection**

To compare the visual logic of mukokuseki and guochao as design strategies, we employ qualitative visual content analysis, a method suited to the systematic identification and interpretation of visual elements across a defined corpus of designed artefacts [8]. Analysis focuses on four dimensions: (1) morphological coding, examining the form of characters (fantastical/realistic, human/non-human, racially coded/ambiguous); (2) chromatic coding, examining colour palette selection and its cultural referentiality; (3) symbolic density, measuring the degree to which culturally specific iconographic elements are incorporated into character design; and (4) narrative anchoring, examining the extent to which characters are embedded in culturally specific mythological, historical, or literary referents.

Case selection follows a purposive logic, selecting cases that are commercially significant, internationally distributed, and analytically representative of each design strategy. For mukokuseki, we analyse Hello Kitty (Sanrio) and Pokémon (Nintendo/Game Freak), both of which Iwabuchi identifies as exemplary cases and which remain among the most globally distributed character IP franchises. For guochao, we analyse LABUBU (Pop Mart) and the visual merchandise line associated with Black Myth: Wukong (Game Science), which represent, respectively, the abstract-fantastical and mythologically anchored poles of the guochao design spectrum.

### **3.2 Mukokuseki in Practice: Hello Kitty and Pokémon**

Hello Kitty, introduced by Sanrio in 1974, represents the most thoroughgoing realisation of mukokuseki as a design principle. The character's morphology is radically simplified: a flat, featureless feline face with no mouth, minimal facial differentiation, and a palette—predominantly white with red accessories—that carries no culturally specific connotation in any major national market. The absence of a mouth is frequently interpreted as an invitation to projection: the character's emotional state, and by extension its cultural meaning, is supplied by the viewer rather than inscribed by the designer. Yano argues that this designed blankness is precisely the source of Hello Kitty's cross-cultural adaptability

[5], enabling the character to be deployed across an extraordinary range of national cultural contexts, from Japanese kawaii culture to American pop art to Hindu religious iconography, without structural incongruity. Crucially, no element of Hello Kitty's visual design marks it as specifically Japanese: the character's name is English, its visual grammar draws on no Japanese iconographic tradition, and its narrative world—to the extent it has one—is constructed as a pan-cultural pastoral fantasy.

Pokémon demonstrates the scalability of mukokuseki across a franchise of substantially greater morphological complexity. The franchise encompasses over 1,000 individual character designs, each requiring its own analysis; however, the foundational design logic is consistently mukokuseki. The majority of Pokémon are fantastical creatures whose morphological referents are drawn from natural history (insects, fish, geological formations, weather phenomena) or abstract geometric forms rather than from culturally specific visual traditions. Where Pokémon do incorporate cultural referents—Yamask, whose design alludes to ancient Egyptian funerary masks, or Maractus, whose design evokes Mexican cacti—these are drawn from non-Japanese cultural traditions, functioning to distribute rather than concentrate cultural specificity. The franchise's narrative world (the Pokémon region system) is constructed as a fictional cartographic space bearing no direct correspondence to any real national geography, further insulating the IP from national identity attribution.

### 3.3 Guochao in Practice: LABUBU and Black Myth: Wukong Merchandise

LABUBU, Pop Mart's most commercially successful internationally distributed character, occupies an interesting analytical position within the guochao framework. Designed by Hong Kong region's artist Kasing Lung, the character's morphology combines fantastical creature design—pointed ears, jagged teeth, elongated limbs—with a palette and surface treatment that does not draw directly on Chinese traditional iconography. In this respect, LABUBU might appear to approximate mukokuseki rather than guochao. However, its positioning within the broader Pop Mart commercial ecosystem, and the cultural narratives that have accompanied its international marketing, locate it within the guochao trajectory. The character's theatrical and fantastical visual vocabulary has been consistently framed by Pop Mart as an expression of Chinese contemporary creative culture, and its Thai market success—where it achieved what approached a viral social phenomenon following endorsement by Thai celebrities and its designation as a "Magical Thailand Experience Officer" in June 2024—was mediated through explicit association with Chinese brand identity. LABUBU thus represents a "soft" guochao strategy: cultural visibility achieved through brand and narrative framing rather than direct iconographic incorporation.

Black Myth: Wukong merchandise, by contrast, represents "hard" guochao—the direct and explicit incorporation of classical Chinese mythological iconography into visual character design. The game's source material, the Ming dynasty classic *Journey to the West*, supplies an iconographic vocabulary—golden staff, divine armour based on Tang dynasty military aesthetics, celestial architecture derived from Chinese imperial visual culture—that is unambiguously and exclusively Chinese in cultural reference. The merchandise associated with the franchise, for which MINISO held global offline exclusive distribution rights, extends this iconographic vocabulary into material consumer goods: the visual design of these products carries high symbolic density, with every element referencing a specific Chinese cultural tradition. This represents the maximum possible distance from mukokuseki: the cultural odour is not merely present but constitutes the primary value proposition of the product.

### 3.4 Structural Comparison

The four cases, taken together, reveal a structural dimension along which Japanese and Chinese character IP strategies diverge. Along the axis of cultural specificity, Hello Kitty and Pokémon occupy the stateless pole: their visual designs are systematically purged of national iconographic content, with cultural referents either absent or drawn from multiple non-Japanese traditions. LABUBU occupies a median position: its immediate visual vocabulary is culturally ambiguous, but its brand identity is culturally anchored. Black Myth: Wukong merchandise occupies the culturally rooted pole: iconographic content is exclusively and explicitly Chinese in reference.

This structural variation corresponds to differing theories of cultural risk in export markets. Mukokuseki operates on the assumption that cultural specificity constitutes a barrier to cross-cultural adoption: by minimising cultural odour, designers reduce the risk of consumer resistance premised on cultural distance or national antipathy. Guochao operates on the contrary assumption: that cultural specificity constitutes a differentiating asset, generating novelty premium, authenticity appeal, and cultural curiosity effects that can offset the resistance risks that mukokuseki strategies seek to avoid. The empirical question of which assumption is better supported by consumer response data, particularly in diverse export markets, is precisely what the existing literature has not adequately addressed.

## 4 MARKET EVIDENCE AND TRADE IMPLICATIONS

### 4.1 Japan's Mukokuseki Model: Sustained Penetration and Institutional Consolidation

The commercial success of Japan's mukokuseki model across multiple decades provides strong prima facie evidence for the viability of cultural erasure as an export strategy. Hello Kitty has been estimated to generate annual retail revenues of approximately five billion US dollars globally, with significant market presence across North America, Europe, and Asia—a penetration profile that could not have been achieved through culturally specific design. Pokémon, as of 2023,

was reported to be the highest-grossing media franchise in history, with estimated total revenues exceeding 150 billion US dollars across games, merchandise, and licensed products. These figures represent the outcome of a design strategy that, by minimising cultural resistance, enabled genuine global market access.

The institutional underpinning of Japan's *mukokuseki* model is also relevant to the comparative analysis. Japan has developed, over several decades, a sophisticated system of IP licensing and rights management that enables *mukokuseki* characters to be deployed across an enormous range of product categories and national markets without loss of brand integrity. This institutional infrastructure—encompassing IP law, licensing agreements, quality control mechanisms, and brand governance frameworks—constitutes a competitive advantage that is distinct from, but reinforces, the visual design strategy. Mori traces how this institutional ecology has evolved in Southeast Asia specifically [9], demonstrating that Japanese licensors have adapted their governance models to accommodate local retail structures while maintaining strict quality control, creating entry barriers that Chinese brands have yet to replicate. Chinese character IP brands are, by comparison, at an earlier stage of institutional development in international markets, though the pace of their international expansion suggests that this gap is being narrowed.

#### **4.2 China's Guochao Model: Rapid Scaling and the Question of Sustainability**

The commercial performance of Chinese character IP in international markets, particularly between 2023 and 2024, challenges the assumption that cultural specificity constitutes a structural barrier to global market penetration. Pop Mart's overseas revenues grew by 375.2% year-on-year in 2024 [10], with Southeast Asian markets recording growth of 619.1%. MINISO's overseas revenue grew by 42.0% year-on-year in the same period [11], with IP product revenues growing by approximately 85%. These growth rates substantially exceed the performance benchmarks of established *mukokuseki* brands in comparable market conditions.

However, the interpretation of these figures requires care. Several factors complicate a straightforward attribution of commercial success to *guochao* visual strategy. First, Pop Mart and MINISO are both expanding from a low base in international markets: high percentage growth rates reflect the rapid early-stage scaling of new market entrants rather than the sustained penetration that characterises established Japanese franchises. Second, distribution channel effects—particularly the exceptional growth of TikTok-mediated sales (Pop Mart's TikTok channel revenues grew by 5,779.8% year-on-year in 2024) and Shopee e-commerce (growing by 656.0%)—suggest that viral social media dynamics and the novelty premium of new market entrants may be driving a significant portion of growth independent of visual design strategy. Chen and Wang argue that these platforms function not merely as distribution channels but as cultural translation mechanisms [12], algorithmically amplifying content that resonates with local aesthetic sensibilities while simultaneously tagging products with country-of-origin metadata that shapes consumer perception. Third, the blind box commercial mechanism, in which consumers purchase sealed packaging without knowledge of the specific figure contained, generates demand through psychological incentive structures (uncertainty and completion drive) that are not directly related to the cultural content of the character designs. These confounding factors mean that the market evidence, while consistent with the hypothesis that cultural anchoring does not impede international commercial success, does not establish that it actively drives it.

### **5 DISCUSSION: THE SOUTHEAST ASIAN DIMENSION AND THE LIMITS OF EXISTING EVIDENCE**

#### **5.1 Consumer Perception in Southeast Asia: What the Evidence Suggests**

Southeast Asia constitutes a particularly significant testing ground for the relative commercial and cultural merits of *mukokuseki* and *guochao* strategies. The region encompasses fifteen RCEP member states with diverse religious, linguistic, and aesthetic traditions; high rates of mobile internet penetration and digital commerce adoption; and young demographic profiles that index strongly to character IP consumption categories. It is also the most rapidly growing market for both Japanese and Chinese character IP exports, making it the arena in which the competitive implications of divergent design strategies are most immediately legible.

Existing empirical evidence on Southeast Asian consumer responses to Chinese character IP is limited but suggestive. Nguyen et al. [13], in a structural equation modelling study of 448 Vietnamese consumers across three geographic regions, found that consumer ethnocentrism negatively influences country image perception and purchase intention toward Chinese imported products. This finding is consistent with prior literature on country-of-origin effects and suggests that cultural visibility, to the extent it activates country-of-origin associations, may face headwinds in Vietnamese market contexts shaped by complex historical relationships with China. Notably, however, the study focused on functional product categories rather than character IP, where the emotional and aesthetic dimensions of the purchase decision may moderate country-of-origin resistance effects. Kim and Lee [10], conducting a multi-country analysis across Indonesia, Malaysia, Thailand, and the Philippines, found that cultural proximity significantly amplifies consumer acceptance of Chinese cultural products, with acceptance rates highest in markets exhibiting pre-existing Confucian cultural heritage and lowest in markets with stronger indigenous aesthetic traditions.

A qualitative study of Indonesian students' perceptions of *guochao* visual style at XMUM reported generally positive responses to the colour richness, visual complexity, and cultural symbolism of *guochao* design. Participants expressed aesthetic appreciation for the distinctiveness of Chinese traditional visual motifs, even in the absence of strong prior familiarity with their cultural referents. This suggests that, at least for educated Indonesian consumers, cultural anchoring may activate curiosity and novelty responses rather than resistance. However, the study's small sample size

and its restriction to a university student population limit the generalisability of these findings.

Thailand presents a distinct profile. Pop Mart's commercial success in Thailand—where the LABUBU character achieved what approximated a celebrity-driven cultural phenomenon in 2024, and where Pop Mart's first Southeast Asian store opened in September 2023 at the Central World shopping centre—suggests that Thai consumers, who have long engagement with Japanese kawaii aesthetics through regional media culture and a significant ethnic Chinese community, may be particularly receptive to the hybrid aesthetic of soft guochao. The celebrity endorsement mechanism and the social performance dimensions of blind box culture (where the unboxing process itself is a social media content event) appear to have amplified the character's market penetration beyond what design aesthetics alone would predict.

## 5.2 Theoretical Implications: Beyond the Mukokuseki Paradigm

The comparison developed in this paper suggests that Iwabuchi's mukokuseki framework [1], while foundational, requires extension to account for the possibility of alternative routes to cross-cultural character IP success. Iwabuchi's account was developed in a specific historical conjuncture—the emergence of Japanese cultural exports in the 1990s—and reflects assumptions about the cross-cultural dynamics of that period that may not translate directly to the contemporary context. In particular, the framework assumes a relatively stable hierarchy of cultural power in which Western (especially American) cultural products carry dominant "cultural scent" and Japanese products achieve success precisely by avoiding cultural odour. The emergence of guochao as an internationally competitive design strategy suggests that the dynamics of cultural scent and cultural odourlessness may be more variable and context-dependent than Iwabuchi's framework implies.

Seaborn et al.'s empirical findings reinforce this theoretical revision [3]. Their demonstration that mukokuseki effects are not universal—that even designs intended to be stateless may be perceived as culturally marked by some participant cohorts—suggests that the commercial utility of mukokuseki is contingent on the perceptual frameworks of specific consumer populations rather than a guaranteed outcome of design intention. This finding opens the possibility that what constitutes optimal cultural visibility may vary across markets: that a guochao strategy may achieve strong resonance in markets where Chinese cultural heritage is positively valued, while a mukokuseki strategy may be more appropriate in markets where cultural visibility is more likely to activate country-of-origin resistance.

This market-sensitive theory of cultural visibility aligns with Wang's observation that guochao is not a monolithic strategy but encompasses both high cultural density (Guo orientation) and hybrid [2], globally legible approaches (Chao orientation). Chinese character IP brands may be best understood as navigating a spectrum of cultural visibility, calibrating their positioning in response to the specific cultural distance and political-historical context of each export market—a more sophisticated strategic logic than either pure mukokuseki or undifferentiated cultural assertion.

## 5.3 Limitations and Future Research Directions

This paper has several limitations that should be acknowledged. First, the visual content analysis presented in Section 3, while analytically grounded, is qualitative and does not generate quantitative data on the frequency or salience of the visual elements identified. Future research should develop systematic visual coding schemes that enable quantitative comparison across larger corpora of character IP designs. Second, the market evidence discussed in Section 4 is drawn from publicly available commercial reports and academic studies that do not permit causal attribution of commercial outcomes to visual design strategy. Primary consumer research—including experimental studies in the manner of Seaborn et al. extended to character IP stimuli and Southeast Asian participant cohorts—is required to establish the mechanisms through which visual cultural identity influences consumer preference across national contexts [3]. Third, the paper has not examined the role of marketing, distribution, and platform dynamics in mediating the relationship between visual design and commercial outcomes: the extraordinary growth of TikTok-mediated sales for Pop Mart suggests that social media virality may function as an equalising mechanism that amplifies the reach of any design strategy, regardless of its cultural orientation.

Future research should address these limitations through: (1) experimental studies of character IP perception across RCEP member state participant cohorts, building on the methodological framework of Seaborn et al. [3]; (2) large-scale survey research on Southeast Asian consumers' cultural distance perceptions, aesthetic preferences, and country-of-origin attitudes with respect to Japanese and Chinese character IP; and (3) longitudinal analysis of the commercial trajectories of mukokuseki and guochao brands in Southeast Asian markets, to assess whether the rapid growth observed in 2024 represents a structural shift or a temporary novelty premium.

## 6 CONCLUSION

This study examines the divergent visual design strategies of Japanese and Chinese character IP exports through the conceptual lens of mukokuseki and guochao. Japan's mukokuseki model, theorised by Iwabuchi and empirically complicated by Seaborn et al., rests on cultural erasure: designers suppress national identity markers to maximise cross-cultural adoptability. China's guochao model, theorised by Wang and evidenced in the commercial practice of brands including Pop Mart and MINISO, rests on cultural assertion: designers foreground Chinese aesthetic heritage as a differentiating and demand-generating asset.

The visual analysis shows that these strategies produce structurally distinct outputs. Mukokuseki characters sit at the

stateless end of the spectrum: their designs are morphologically ambiguous, chromatically neutral, symbolically sparse, and narratively unanchored. Guochao characters—from the hybrid soft-guochao of LABUBU to the hard-guochao of Black Myth: Wukong merchandise—incorporate varying densities of Chinese cultural iconography that mark their origins explicitly. Market evidence shows that guochao strategies scale rapidly internationally without encountering the structural barriers to cultural adoption that the mukokuseki paradigm would predict.

The Southeast Asian evidence uncovers a varied consumer perception landscape. Vietnamese consumers exhibit country-of-origin resistance effects that may moderate cultural visibility advantages; Indonesian consumers show aesthetic appreciation for guochao design elements; Thai consumers demonstrate that celebrity-mediated social performance dynamics can amplify the reach of soft-guochao strategies beyond what design aesthetics alone would predict. These patterns imply that optimising visual design for international character IP exports demands market-specific calibration rather than the application of a universal formula—whether that formula prescribes cultural erasure or cultural assertion.

The broader implication runs deeper: the mukokuseki paradigm no longer monopolises viable models for character IP internationalisation. China's rise as a major character IP exporter creates a new competitive dynamic in which strategically deployed cultural visibility offers an emergent advantage in markets receptive to Chinese aesthetic heritage. This development resonates with broader shifts in global cultural power. As Nye and others have argued, soft power in the digital age depends less on curated national images and more on perceived authenticity and cultural resonance. Guochao's explicit cultural marking aligns with this shift: rather than hiding its origins, it leverages them as a source of authenticity and narrative depth. In Southeast Asia, where China's economic influence and cultural proximity create complex reception dynamics, this strategy finds particular traction in markets with strong ethnic Chinese communities or existing cultural affinities, while facing headwinds in contexts shaped by territorial disputes or historical tensions.

This analysis also speaks to the emerging literature on "takokuseki"—the multiplicity of national identity cues rather than their absence—as a complementary framework to mukokuseki. While mukokuseki seeks to erase cultural markers, guochao strategically multiplies and layers them, creating what we might term "selective cultural density": enough cultural specificity to signal authenticity and depth, but not so much as to alienate cross-cultural audiences. LABUBU's success in Thailand exemplifies this balance: its visual vocabulary remains globally legible, while its brand narrative and celebrity endorsements anchor it in Chinese cultural identity.

Whether this advantage lasts, and whether it extends beyond the Thai market to the more complex consumer landscapes of Vietnam, Indonesia, and Malaysia, stays open. Future research must address these questions through experimental studies across RCEP member states, large-scale surveys on cultural distance and aesthetic preferences, and longitudinal tracking of commercial trajectories. Only then can we determine whether guochao represents a structural shift in global character IP strategy or a temporary novelty premium in an evolving market.

## COMPETING INTERESTS

The authors have no relevant financial or non-financial interests to disclose.

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