The Role of Branding, Promotion and Sub-culture in the Consumption of Breakfast Cereals in Thailand

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Abstract

Nowadays, firms try to comprehend crucial factors impacting on consumer behaviour to sustain themselves in the market. Although these factors may vary and depend on many external and internal environmental influences this study examines the role of branding, promotion and sub-culture in influencing the consumption of breakfast cereals in Thailand through a qualitative, interpretive approach using as a case study Kellogg’s a well-known international cereal breakfast company. Grounded theory used to analyse findings suggests: branding influences consumer’s purchase decision making in Thailand while age is a contributing factor to consumers’ choices and especially with reference to breakfast cereals. Hence it is important that firms keep adjusting their marketing strategy in line with the changing consumption patterns if they want to keep themselves ahead of the game.

Keywords: Branding; Sub-culture; Promotion; Consumption; Breakfast-cereals; Thailand

Introduction

Several factors influence consumer behaviour [1-3] and they tend to vary from industry to industry. This is mainly due to internal and external environmental changes that globalisation has brought about worldwide. Accordingly, it is important that international organisations comprehend consumers’ preferences in different parts of the globe and adopt strategies that boost demand for their products and/or services [4]. With respect to food, the differences in consumption across countries may arise from divergences in consumer characteristics such as nationality, religion, education, sex, attitudes and behaviour [5]. Thus, people who live in different countries would likely have different patterns of consumption [6]. Therefore, it would be difficult for international companies to realise the needs of all consumers worldwide with the same products/services and using the same marketing strategies. Firms may have to adjust their products to comply with certain consumption patterns in local markets. Brynes suggests that organisations and marketers in particular should focus on comprehending the local and cultural component of the countries they target. Das states that globalisation has greatly influenced consumption patterns, whilst Ravallion stresses the role of the evolution of living standards within a country, as indicated by its Gross Domestic Product (GDP). For example in Asian countries, the annual GDP increased from $765 to $4,359 between 1950 and 2000 [7,8]. In Thailand specifically, since the 1960s the GDP has steadily increased due to economic growth. From 2007 to 2008 alone the GDP saw an eight percent increase. Further, Asian countries also score high on the uncertainty avoidance index, an indication that Asians prefer to choose products they can trust and are certain of their quality [9-11].

This study focuses on the influence of branding, promotion, and sub-culture on food, with emphasis on branded breakfast cereal in Thailand, and on consumers’ decision making processes, in order to assess patterns of behaviour. Accordingly, a) types of consumer behaviour are explored with a view to identify their origins; b) the possible links between branding and consumer behaviour are examined; c) the difference between consumption patterns of the old and new generations are investigated to identify possible influences of sub-culture on consumption of breakfast cereals; d) and the most effective marketing communication tool in influencing consumption of breakfast cereals in Thailand is considered to establish reasons for its success.

To enable the investigation of the role of branding, sub-culture and promotion in the consumption of breakfast cereals, this research focuses on the case of Kellogg’s breakfast cereals. Kellogg’s, which is regarded as the leading breakfast cereals in the world, uses four main types of promotional tool, namely: public relations, advertising, sales promotion and direct marketing [12-17]. However, the extent to which branding influences purchase, which of these tools best promotes the breakfast cereal in Thailand, and the effect of sub-culture have not, so far, been established; an issue which is addressed in this study.

The study adopted a qualitative interpretive approach to research within a case study strategy in order to investigate food consumer behaviour with regard to breakfast cereal and most specifically the Kellogg’s brand. The findings indicated that consumer patterns of behaviour changed due to a shift in the economy from agricultural to industrial, a competitive work environment, traffic congestion, a concern for a healthy lifestyle, preference for a branded product, advertising and sub-cultural influences.

Primary market data may involve qualitative research or quantitative research. Both types of data are valuable in understanding what consumers want or need. Qualitative data is concerned more about opinions, feelings and attitudes. Quantitative data is in numerical form and is usually gathered from a large sample of respondents.

Qualitative research establishes a conversation with consumers. It prompts consumer reaction to, for example, a new product idea and helps researchers understand what they think of it, how it makes them feel, why they find it interesting or not.

Quantitative research may use questionnaires administered to large numbers of respondents. This allows statistical analysis, such as the calculation of a mean score or percentages. It aims to give a

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representative picture of what consumers think of a new product idea or a new (real) food.

As this research focuses on development of Crunchy Nut Bites, a more recent extension to the Crunchy nuts brand. It was important for Kellogg’s to conduct both Qualitative and Quantitative research because by conducting qualitative research it was able to know the demands of the consumer in terms of potential flavours and textures.

The results of the qualitative research allowed the Kellogg's to discard some ideas. Other ideas were appealing to consumers but needed refining and further development. Quantitative research was also important. As Kellogg's came out with a number of products to produce, these products were shown to a number of large group of representative consumers in a quantitative survey. They were asked to rate those ideas against a number of scales, so Kellogg's could identify which product ideas consumers liked best or disliked.

Considering branding, promotion, and sub-culture and their links with consumer behaviour

According to Doyle, a ‘[…] successful brand is a name, symbol, design, or some combination, which identifies the ‘product’ of a particular organisation as having a sustainable differential advantage.’ ‘Successful brands are normally brand leaders in their segments. Brands work by facilitating and effecting customer’s choice process’ [18,19]. From this point of view, the quality increase of the private label brands could be a major factor which reduces the differentiation between brands. Therefore, an opportunity arises for cereal companies to adjust their marketing strategy appropriately in order to differentiate themselves among competitors’ brands. One way to do that is by considering sub-cultures.

In recent years, with respect to breakfast cereals, there has been an increase in ‘own-label’ (private label) cereal products alongside traditional brands, which makes it difficult for consumers to distinguish between them [18,19]. From this point of view, the quality increase of the private label brands could be a major factor which reduces the differentiation between brands. Therefore, an opportunity arises for cereal companies to adjust their marketing strategy appropriately in order to differentiate themselves among competitors’ brands. One way to do that is by considering sub-cultures.

One way of defining sub-cultures is along generational lines or rather segmentation by age. People in the same age-group tend to have similar life-experiences, needs and also consumption patterns. Marketers tend to classify consumers into four age-groups: Generation Y/millenniums, Generation X, Boomers and Seniors [20,21]. In particular, Generation Y is comprised of people who were born between the years 1977-1994. This generation likes to watch television programmes, listen to music, read newspapers, surf the internet, and talk with a number of friends. Milleniums, on the other hand, enjoy the internet, celebrity culture, the lifestyle of the rich and famous, etc. In the case of marketing communications, the basic elements which are always used as the promotional mix for promoting products and services are the 4Ps of marketing mix: product, price, place and promotion [33]. Furthermore, there are several tools, such as advertising, sales promotion, public relations and direct marketing, which marketers can choose from. They can choose the most appropriate element or combine various tools together for more effective outcomes.

Schiffmann and Kanuk [3] suggest that the principal components of communication are sender, receiver, medium, message and feedback. They explain that all these components play an important role in marketing communications. For example, they argue that the medium, which is the channel of communication, is important as the marketers have to select the most effective channel through which to reach their target consumers; whereas feedback is important because the message, which is sent to receivers, can be verified by consumer feedback which confirms (or otherwise) that the message actually conveyed is correct.

In relation to cultural differences, it is important for marketers to learn and understand local behaviours that impact on consumer demand [36]. An organisation’s competitive advantages will be enhanced by the provision of appropriate products and services that are adapted to local usage conditions. However, although advertising is the most effective tool for international marketing communications, it has, on occasion, been associated with advertising campaign miscommunication, against a backdrop of cultural, language and behavioural differences between countries. Indeed, Blythe points out that there are few ads which can be launched in any country, and where there is no need to change anything except the language. For these reasons, it can be assumed that the best way to reach target consumers in foreign countries is to learn

and to understand their cultures, languages and behaviours in order to effectively and efficiently reach them and to increase profitability in global markets.

Above all, Mooij points out that marketers should be concerned about the advertising styles to use in different countries to communicate their products because the appropriate method of advertising will usually vary across cultures. The study suggests various components of advertising styles and these can be implemented differently in different cultures. They include: appeal, communication style (e.g. explicit, implicit, direct, indirect), basic advertising form (e.g. testimonial, drama, entertainment) and execution (e.g. how people are dressed).

Ghauri and Cateora suggest that in order to reach the target markets in different cultures, it would be better for international firms to hire local advertising agencies or multinational advertising agencies which have local branches in different countries and have adequate experience in the target countries [37]. As the local advertising agencies should have more knowledge about the local people in each country than the organisation, the agencies would more likely create an effective campaign which can reach the target consumers and increase the profitability of the companies by using the right channel and content in communications [38,39].

**Thailand and consumer behaviour**

The study area for this research is Thailand. Thai people are traditionally known to prepare and cook all meals of the day for themselves at home. They eat rice at almost every meal and their breakfast is customarily based on soy milk, deep-fried dough sticks and congee (boiled rice) [40]. However, in recent years, their consumption pattern seems to have changed. Hence, increasingly people have started to eat out and/or to buy ready-made food rather than preparing their meals at home (National Research Council of Thailand). This change in behaviour is partly attributable to the economic downturn and globalisation, and consequently busy lifestyles [41]. For example, due to the economic downturn, people were forced to work longer hours – waking earlier and returning home later. Hence, they need to take a quick but nutritious breakfast [42]. At the same time, people are increasingly interested in healthy lifestyles and healthy food with increasing demand for fruit and vegetable juices (ibid). All these signify changes in consumption behaviours. In recent decades Thailand has also become more industrialised as the country increasingly changes its economic structure from an agricultural to an industrial one. As a result, people have to work harder than in the past, which can lead to spending less time on domestic chores such as cooking, but also to less time with their families [43].

**Methodology and Research Design**

A qualitative inductive approach to research within a case study strategy was adopted since the aim of the study was to comprehend the way actors understand the social world and the meaning behind their actions; in this instance, to comprehend the way the consumers' purchasing behaviour is influenced by the role of branding, marketing communications and sub-culture in the consumption of breakfast cereals with special emphasis on Kellogg's in Thailand. The participants consisted of Thai people who consume Kellogg's breakfast cereal and were born between 1977 and 1994. They are members of generation Y and are mainly characterised by their intense exposure to communication, media and digital technology [44,45]. In total 15 people were interviewed using an open-ended semi-structured set of interview questions which allowed the researcher to probe with more questions hence eliciting more information. The interviewing processes ceased when saturation was achieved. Given that the sample had to comply with the specific characteristics of age and consumption of the Kellogg's cereal breakfast brand, a non-probability, purposive, technique was used.

The interviewees were identified both in Thailand and the United Kingdom and were interviewed either face-to-face (for Thai respondents who resided in the UK) or via telephone and Skype (for respondents who resided in Thailand). All interviews were conducted in the Thai language because it gave more room for discussion as the respondents felt more comfortable speaking in their mother tongue. The interviews were recorded using a voice recorder. The voice recorder assisted the researcher to refer back to the conversations when necessary. Then the conversations were translated from Thai to the English language and then analysed.

Grounded theory was used to analyse the data since, as Saunders states it can help the researcher to discover a wide range of business and management issues such as consumer behaviour [46]. Further, since the aim of the research was to come up with certain prepositions, the use of grounded theory seemed an appropriate analytical process due to its rigour and systematic nature of coding: open, axial and selective.

Open coding involves 'breaking down, examining, comparing, conceptualizing, and categorizing data often, in terms of properties and dimensions [47]. Consequently, the data were firstly codified, having the aim and objectives in mind and asking open questions, such as why?, how? and what? Then the codes were grouped into concepts according to meaning and relevance to the literature. The following concepts were identified and classified: 'marketing communication,' 'promotion,' 'tools,' 'change on consumer behaviour,' 'change,' 'culture,' 'new generation,' 'difference,' 'purchasing decision-making,' 'brand,' 'food consumption,' 'breakfast cereal,' 'Kellogg's,' 'traditional,' 'globalisation,' 'patterns,' 'international,' 'profitability' and 'cereals'.

Then the concepts were grouped into categories following repetition patterns and relationships among concepts as part of the axial process. The following categories were formulated: 'branding,' 'consumption patterns,' 'marketing communications tools (advertising, sales promotion)'. Then the categories were extended into prepositions considering themes to be discussed as well as relations between those themes (Table 1).

The final step in grounded theory, selective coding was not used since the aim was not to induce a theory per se but to come up with certain prepositions that best discusses the aim and objectives of the research.

<table>
<thead>
<tr>
<th>Category</th>
<th>Prepositions</th>
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<tbody>
<tr>
<td><strong>Consumption Pattern</strong></td>
<td>An economic shift from agriculture to industry brought about changes in food consumption patterns in Thailand. Branding and promotional channels contributed to a change in food consumer behaviour</td>
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<tr>
<td><strong>Branding</strong></td>
<td>Comprehension of sub-cultures within a culture is essential for the effective use of marketing communication tools to sell breakfast cereals.</td>
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**Table 1: Axial coding**
Analysis and Findings

Preposition 1:

An economic shift from agriculture to industry brought about changes in food consumption patterns in Thailand.

Consumer behaviour in Thailand has seen ‘[...] many changes over the last few decades. Especially due to the economy’s shift from agricultural to an industrial one’ said an interviewee. Kouluwat points out the change of economic structure from agricultural to industrial as the major reason for economic growth in Thailand since the 1960s, and development, it could be argued, depicted at a societal level in terms of knowledge, education, and information dissemination [48]. In view of that, the change in food consumption pattern, such as the change in expenditure on food products from home prepared food to ready-to-eat food, is due to a number of factors including globalisation, enhanced living standards, economic growth/development, and a change in lifestyle and behaviour of the people of the country (ibid). This research reinforces this view and it also informs knowledge by pointing out that a competitive work environment, traffic, and a concern for a healthy lifestyle are also contributing factors to changing patterns of consumer behaviour in Thailand.

Accordingly, people’s habits have changed in an effort to adjust to a more competitive work environment associated with longer working hours. One interviewee said ‘[..] due to high competition at the work place, I have to work harder to get promotion than in the past. Therefore, I have to spend most of my time at work and do not have enough time to cook anymore ‘[..]’ While another one added ‘I have to work more than eight hours a day for six days a week, so I do not have enough time to cook, and I resort to buying ready-to-eat or frozen food [hence] most of my salary will be spent on food’. In relation to this, Shannon (2008) maintains that nowadays people tend to have less time to cook due to the time-pressure arising from long working hours. Meanwhile, Euromonitor International argue that, due to continued economic growth and the change in lifestyle in Thailand, people tend to spend a larger proportion of their incomes on food consumption [49].

Another contributing factor to changes in food consumer behaviour is time spent commuting. ‘[D]ue to the traffic congestion every morning, I do not have enough time to cook, therefore, I have to eat within five or ten minutes and then go to work ‘[..]’; also, I have to spend time for transportation, more than two hours every day. ‘[..]’. I think we have very bad transportation in Bangkok. Therefore, I have to stay in my car more than two hours every day, which means I have less time for anything else ‘[..]’ so cereal breakfast is a fast solution for that’ said some interviewees.

A concern for healthy well-being is also a contributory factor. One interviewee said ‘Even if I do not have enough time to cook in the morning, I still want to eat food that can give me the nutrients and vitamins ‘[..]’ some types of breakfast cereal are reputed for that however I prefer the branded ones and especially Kellogg’s since I have more trust in the manufacturers’. Whilst another one added ‘[..] I would prefer to choose breakfast cereals which contain appropriate types of vitamins and nutrients ‘[..]’. I always read nutrition details before purchase because I want to know what kind of nutrients I can gain from the products ‘[..]’. I choose my favourite breakfast cereal based on the ingredients, i.e. whole-grain ‘[..]’ I trust Kellogg’s on this’. Thompson and Moughan, Rahavi and Kapak note that increasingly people are placing an emphasis on health and wellness rather than on other things because this provides several beneficial effects such as reduction in diseases and illnesses. Likewise, there is an increasing consumer awareness about human health and environmental issues and concern for food safety, quality and security [50-52].

Branding and promotional channels as contributing factors to a change in food consumer behaviour

Branding also influences food consumer behaviour. Thai people prefer to purchase well-known brands, and this is usually attributed to their reputation for quality and value for money. An interviewee said ‘With regards to the purchase of basic products that are available everywhere in the market such as chilli, basil leaf and egg, I would choose the local ones due to the lower price. However, for particular products such as chocolate, breakfast cereal and rice, I would prefer the famous brands because I need more quality’. Accordingly, there is a link between consumers’ behaviour and branding. This complies with Hofstede who argues that the purchasing of famous brands is a characteristic of collectivist society (and Thailand is at a high level on the collectivistic index), unlike individualistic cultures where people are more likely to purchase unknown brands [53]. Furthermore, Thai people do not feel that they can receive the same quality from unknown brands as their trust is mainly based on the reputation of the well-known brands [54].

Further another interviewee added ‘In order to compare the same product between the famous and local brands, I would consider the price of the famous brands first and if it is worth it, I would be willing to pay for the better things ‘[..]’ my decision is mainly based on its brand ‘[..]’ I trust well established brands to give the quality I am after and I am willing to pay for this’ said some interviewees.

These findings contradicts Rickwood and White study that argues that financial status determines purchasing behaviour and that the lower priced products may attract more consumer attention, and Bareham study which argues that household income and price are issues that affect consumer behaviour and the demand of consumption as well.

However Kellogs in order to address also low income households and consequently increase even further sales uses promotional channels such as sales promotions, and advertising. One interviewee said ‘I have known Kellogg’s from the promotions in the supermarket such as buy-one-get-one-free and those that give out free toys or bowls along with a purchase of a cereal box. While another one added ‘[..] due to the high price of the breakfast cereal in Thailand, I usually buy many boxes at the same time since they are cheaper this way ‘[..]’ Kellogg’s does that occasionally ‘[..]’ the price of Kellogg’s cereal in Thailand is quite high if we compare with the average incomes of Thai people. For example, the price of Kellogg’s Frostie 300 grammes is about 100 baht (£2). However if the company has the effective promotion, such as buy one get one free or half price, it would increase the purchase volume from the consumers in Thailand.’

In the past years, Kellogg’s Company has used sales promotion to boost up sales and brand value such as price promotions by discount price of products per unit within specific period, premium promotions such as provide free gifts within cereal boxes and joint promotions such as get free a pint of milk and a box of cereal when consumers can completely collect special codes.

Kellogs is also using advertising to increase its visibility ‘I have known Kellogg’s breakfast cereal for ten years as I watched the advertising on TV during the cartoon programme. Afterwards I asked my parents to buy it because I was impressed with the presenter of the product, which is the Orange Tiger’. The influence on consumer...
decision-making is the key target of advertising, and one of the most important types of communications. Many studies point out that advertising is the most powerful tool of global marketing at present, and it is still a difficult task to launch the same advertising all over the world in order to reach target consumers worldwide due to the cultural differences and behaviour across countries.

Direct marketing and public relations even though used from the company do not seem to have an impact on consumers decision making since none of them seem to have. As a result of the data analysis in Thailand, it can be assumed that the promotional tool can affect on consumer decision making in different countries. As a result of the data analysis in Thailand, it can be assumed that the promotional tool can affect on consumer decision making in different countries. As a result of the data analysis in Thailand, it can be assumed that the promotional tool can affect on consumer decision making in different countries. As a result of the data analysis in Thailand, it can be assumed that the promotional tool can affect on consumer decision making in different countries.

From the arguments above, it is possible to say that the communications’ tools, such as advertising, promotions and public relations, can be one of the influential factors which can affect on consumers’ decision-making. However, as it has been mentioned earlier about the consumer diversity in the different countries, it is the major issue that should be concerned as the consumer decision-making would be affected from the communications’ tools in the different ways in different countries. As a result of the data analysis in Thailand, it can be assumed that the promotional tool can affect on consumer decision-making of the Kellogg’s company in Thailand.

Comprehension of sub-cultures within a culture is essential for the effective use of marketing communication tools to sell breakfast cereals

There is a clear distinction between the breakfast preferences of the younger and older generations and this reflects consumption differences across the sub-cultures. One interviewee said, ‘[...] my parents always eat a traditional meal, such as congee, every morning but I prefer breakfast cereal or toast’. According to De Mooij, in collective societies people are less prone to innovation. However when innovation is adopted by a group’s culture or sub-culture, even though initially the rate of adoption might be slow, when it takes root the speed of diffusion is higher than in individualistic societies. Another interviewee commented ‘[...] no one in my family eats breakfast cereal for breakfast except me, my sister and brother’.

Accordingly, consumption preferences of the younger generation are different from those of the older generation. The older generation tended to consume traditional breakfast meals in contrast to sub-cultures such as generation Y which prefers breakfast cereals and ready-made meals. Bareham and Peter and Olson suggest that the culture in which people were brought up plays a critical part in consumption patterns and in turn has implications for the communication channels that companies use in order to create an appropriate impact.

Further, another interviewee added, ‘My father and mother and grandparents don’t really trust new products, they prefer what they already know and are used to’. Rokkas argued that societies with high uncertainty avoidance do not trust new ideas and behaviours. Accordingly, marketers should take into account traditional lifestyles, consumers’ age and local culture when marketing products. Since people are interested in health promotion, this should be around the health benefits that cereals might bring to both the younger and older generations. Pankhania argues that it is crucial to take into consideration not only cultural diversity within countries but also between them. This is because a group’s identity might be stronger and more important for those who are a part of it, which might relate to the feeling of belonging.

Conclusion

The purpose of this study was to explore breakfast cereal consumption in Thailand while taking into consideration the role of branding, sub-culture and promotional communication tools. Kellogg’s was used as a case study. Interviews were employed as the data collection method in order to obtain rich qualitative data from the respondents. The grounded theory analytical procedure was used in order to come up with prepositions which best discussed the data which were linked to the themes of consumer behaviour, branding, sub-culture and promotion.

Consequently, a shift from an agricultural based to an industrial based economy contributed to changes in food consumption; this is a shift from traditional to convenient breakfast meals with reference to breakfast cereal and especially among the younger generation. Branding is paramount when choosing a cereal product and Kellogg’s is favoured by consumers since it is linked to healthy nutrients.

More specifically, the findings suggest that Thailand has witnessed many changes in the past few decades with regard to its economic structure, technology and society, among other things. These changes have impacted on consumer behaviour and societal consumption patterns. Long working hours and limited spare time have been identified as one of the most influential factors in the growing trend to substitute a fast, cereal based, breakfast for the traditional breakfast. Consumers prefer branded products with a preference for Kellogg’s due to its well established name which to them translates into quality, trust and reliability. This emphasises the need for breakfast cereal companies to reinforce investment in branding whilst their marketing strategy should reflect societal changes in order to satisfy consumer needs, wants and desires, enabling them to take a share of the market.

Furthermore, due to innovations in media and technology, the most effective promotional tool is advertising. The results suggest that, because of advertising, consumer behaviour in relation to the food industry has seen a change towards healthier consumption as consumers’ concerns about their health have increased in comparison to past decades. With regard to Kellogg’s, respondents said that they prefer to purchase the brand as it is linked to a healthy lifestyle, nutrients and vitamins. Bahavi and Kapsak also argue that, due to the increasing importance attributed by consumers to health and functional foods it is important that food producers pay ample attention to the nutritional value of food products because these factors are crucial in influencing consumer decision-making on the food products that they purchase. Therefore, the marketing strategies of breakfast cereal companies which are linked to the above elements achieve high sales.

As far as the marketing communication strategy is concerned, the findings suggest that there is a strong relationship between change in consumption patterns, consumer behaviour, and sub-cultures which could have an influence on international marketing strategies for companies which aim to succeed in foreign markets. As people in different countries tend to exhibit different behaviours, attitudes and consumption patterns, marketers should learn to distinguish between Thailand and cultural diversity.
cultures in order to launch the right products to people and receive positive feedback from their consumers.

**Limitations and Opportunities for Further Research**

The research was undertaken in the capital, Bangkok, and therefore the findings might be different in rural areas where the pace of life is slower and the effects of the new economic trends are not so visible. Therefore future research might see a comparison between urban and rural areas in order to identify ways that marketing can be used in order to penetrate untapped markets.

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