

An Analysis of Food Product Marketing Strategies in American and Chinese  
Companies from the Perspective of Consumer Culture Theory

by

Robert J. Sander

A PROJECT

submitted to

Oregon State University

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Honors Baccalaureate of Science in Marketing  
(Honors Scholar)

Presented June 4, 2013  
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## AN ABSTRACT OF THE THESIS OF

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Today's marketing researchers provide incredible depth of information which explains much consumption behavior in the marketplace. Research into consumer behavior, especially the family of research related to consumer culture theory, provides theory on which cultural phenomena motivate consumers to exhibit the patterns they do in the marketplace. This study uses theories of consumer behavior as a framework to analyze interviews conducted with American and Chinese executives in the food industry. Using Consumer culture theory as a theoretical lens, I extrapolate common branding tactics American and Chinese firms use to influence consumers within their target markets. The themes regarding successful business strategies presented in this study support several existing theories of consumer behavior research, including theories of the creation of consumer positions and cultural basis of branding

**Key Words:** Consumer culture, consumer positions, Chinese culture, American culture, consumer culture theory, Branding, consumer behavior

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I understand that my project will become part of the permanent collection of Oregon State University, University Honors College. My signature below authorizes release of my project to any reader upon request.

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Robert J. Sander, Author

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## Dedication

This thesis is dedicated first to God, next, to my loving mother, Kathy Sander, my dedicated father, Matthew Sander, my brilliant sister, Lauren Sander, and my beautiful girlfriend, Kristine Cerri. I would also like to dedicate this thesis to my fraternity brothers in Lambda Chi Alpha, Alpha Lambda chapter Oregon State University. Without the love and support from all these people, I would not have had the strength to accomplish all that I have. I love you all.

# **An Analysis of Food Product Marketing Strategies in American and Chinese Companies from the Perspective of Consumer Culture Theory**

## **1. Introduction**

Contemporary marketing research focuses in part on the way a consumer's own identity motivates their patterns and reasons for consumption (Arnould and Thompson 2005, Arnould and Cayla 2008, Cayla and Eckhardt 2008). For years, as Diana Crane explains, researchers believed that consumers were cogs in industry driven marketing machines and did not take an active role when responding to marketing messages, but around the 1980's, as research on consumer behavior became more elaborate and effective, researchers began to show evidence that consumers were making purchases based on their own personal identities and cultural backgrounds (Crane 2010). Consumer cultures are important to consumers because they make up a system of "commercially produced images, texts, and objects that groups use... to make collective sense of their environments" (Arnould and Thompson 2005). It is important to recognize the switch from a drone-like idea of a consumer in academic research to an organic, ever changing one because it allows market researchers to better understand consumption, which in turn will help industry target their markets more effectively.

In a world where the economic landscape is always changing, companies around the globe are building strategies they believe will help them sustain growth and allow them to prosper into the future. Advancements in consumer behavior have helped companies uncover new and improved strategies to better interact with consumers who

base their consumption behaviors on which products will affirm their self-made consumer identities. Recently, industry has put more importance on meeting consumer needs and customer service as opposed to focusing solely on internal company mechanisms. Dominic Biggi used the term “inside-out” approach to describe the shifting of importance from internal focuses to the focus his and other companies now place on consumers when developing new products (Biggi 2011).

In 2005, Eric Arnould and Craig Thompson coined the term “consumer culture theory” in an attempt to unify a stream of consumer behavior research under one banner (Arnould&Thompson 2005). Belief in the pre-1980 idea of consumers as drones to mass marketing and popular culture is all but extinct, but current efforts into consumer culture theory and other areas of consumer behavior do not typically investigate successful strategies being implemented in the industry that illustrate their theories. Inspired by Arnould and Thompson’s article in the *Journal of Consumer Research*, my endeavor seeks to use an existing framework of theoretical literature based on consumer culture theory to analyze live interviews conducted both in China and the United States with executives in the food industry. This theoretical framework along with the interview analysis will help us understand how firms influence the marketplace to create consumer positions that consumers can choose to emulate (Arnould and Thompson 2005).

## 2. Conceptual Development

Companies must have an accurate view of the consumers they are intending to target with their products (Arnould and Cayla 2008). Only through an understanding of a consumer's culture and identity can companies begin to brand products in ways that will be meaningful to their target audience. Brands are significant in this discussion because branding "is a specific form of communication, which tells stories in a context of products and services, addresses people as consumers, and promises to fulfill unmet desires and needs" (Arnould and Cayla 2008). These stories allow firms, especially in the food industry, to speak to consumers in effective ways to let them know how their products will meet their individual needs or desires.

The following describes several relevant fields of consumer behavior research and their possible implications to firm side branding and product positions. I will talk about ways firms currently go about creating consumer positions and influencing purchasing, and I will also discuss how theories on consumer positions, consumer culture, and branding, among others, are important to understanding consumer motives and what drives consumption patterns in the market place. These theories will form the basis of the conceptual framework that will be used when analyzing the businesses practices of companies involved in the interview process.

## **Consumer Culture Theory**

I will discuss several areas of consumer culture theory that will help lay the groundwork for the conceptual framework of this study.

A consumer's creation of his/her own identity and how it relates to the way they perceive the world around them is the first important area of consumer culture theory (CCT) to understand. The consumer's cultural environment is one of the main influences on the identity creating process. Consumer culture refers to practices that certain groups adopt in a manner that allows them to be defined by identifiable values, beliefs, and behaviors (Arnould and Thompson 2005). How strongly a consumer relates to standing beliefs and values in their culture will in turn shape their identity. Marketers must seek to understand the various consumer cultures that exist in a given marketplace and realize that consumers may develop culturally based relationships to each marketing message they encounter.

Under this context, consumer cultures can be viewed as fluid and capable of change on a day to day basis. Because consumers are always searching for ways to better define themselves or their own image, they are constantly receptive to new media and judge messages and products based on whether or not it is something that will affirm or damage their self-image (Arnould and Thompson 2005; Cayla and Eckhardt. 2008). By studying how consumer cultures form, researchers will be able to explain more accurately how consumers actively rework and amalgamate marketing messages to make them meaningful in their lives (Arnould and Thompson 2005; Arnould and Cayla 2008).

Consumer positions are important to our discussion because they help consumers “pursue personally edifying goals... by enacting and personalizing cultural scripts that align their identities with the structural imperatives of a consumer-driven global economy” (Arnould and Thompson 2005). Some consumer culture theorists champion the belief that firms, through branding and marketing messages, are capable of creating and influencing the consumer positions that consumers can choose to emulate, while others believe that although firms have the ability to influence consumer positions, consumers, especially in the United States, are individually responsible for the creation of the positions they choose to inhabit (Arnould and Cayla 2008). I will provide examples to support the proposition that firms are capable of influencing and creating consumer positions in the market to the benefit of their companies (Arnould and Thompson 2005).

The growth of the global marketplace influences consumer culture theory research. Firms must understand how to market in developed marketplaces with educated consumers, but they must also market to 80% of the world’s consumers who live in emerging markets that require their own set of messages and tactics (Steenkamp and Burgess 2002). With a global marketplace saturated by marketing messages, and digital media allowing for a deeper level of audience penetration of marketing material than ever before, attempting to find out which messages will hold meaning to which consumer and why is important (Spero and Merlin 2004). The unique challenges that marketing on a global scale pose dictate that marketing scholars revise some key premises of their research and broaden the framework of their studies to better account for the cultural differences mentioned above (Arnould and Cayla 2008).

Disagreement appears in the marketing literature over what the proper way for companies to adapt to a global marketplace should be. Some scholars believe that a westernized philosophy of marketing products will not be successful in emerging markets but, Arnould and Cayla (2008) believe “branding practices themselves should be viewed as cultural.” Although there certainly are examples of products breaking cultural and national boundaries due to the fact that they fill universal needs, many scholars believe that companies must adjust their products to different cultural forms to achieve product success (Cayla 2006). “Cultural forms” are a way of interpreting and organizing the world and can take the shape of songs, movies, or advertisements that capture the way a culture should look, behave, and think. This will differ from culture to culture because each one faces different social, economic, and political climates (Arnould and Cayla 2008; Cayla and Eckhardt 2008; Steenkamp and Burgess 2002). This is significant because people in different cultures will interpret marketing messages differently based on these cultural forms, thus leading to varying levels of marketing success in different regions.

The difference between individualist and collectivist societies often appears when scholars discuss marketing to different cultural groups. Geert Hofstede popularized this distinction in 1980, and his work shows how different cultures value varying degrees of individualism or collectivism (Hofstede 1980). The United States, for example, puts a large emphasis on the creativity and identity of the individual and products that allow a consumer to express their individualism find success. In contrast, Chinese culture values collectivism and products that help the common good. Jan Steenkamp and Steven Burgess (2002) believe successful firms are marked by their ability to adapt marketing

messages effectively across cultures, and this endeavor aims to uncover how firms do this.

The next important area of CCT is the study of branding and a brand's ability to communicate to consumers. Brands are important because they help consumers feel as if they are a part of a community greater than their immediate surroundings. With the importance of consumer positions explained above, brands enable firms to communicate the benefits of their products to consumers that influence the way they shape and affirm their identities and the way they relate messages to their consumer cultures. Consumers can fulfill unmet needs and gaps in their consumer identities by associating with certain brand positions that firms create (McAlexander and Koenig 2002; Arnould and Cayla 2008). In the end, consumer cultures are co-created by firms and consumers. Theory suggests that brands can be successful if they are positioned to offer valuable cultural connections to consumers. Specific brand cultures are a mechanism that enhances a firm's ability to market to cultures on a case by case basis (Arnould and Cayla 2008).

Companies help consumers form relationships with brands when consumers can draw a connection to the brand and the greater community to which the brand relates (McAlexander and Koenig 2002). Questions remain regarding the implications that branding can have in a global context and specific strategies firms can employ to be successful outside of recognizing basic differences such as individualism or collectivism as explained above. Arnould and Cayla (2008) also state that due to cultures' transcendence of national and territorial borders, "market spaces" form that consumers and firms can fill. Firms should now figure out the spaces that products can fill in different cultural contexts and market them in those areas, as opposed to viewing markets



on national or geographic levels (Arnould and Cayla 2008; Arnould and Thompson 2005).

Exceptional branding strategies can be useful to marketers regardless of the market. Packaging and advertisements can be used to convey quality, standardization, and consistency. Arnould and Cayla (2008) discuss “ancient” brands to show that throughout history, products that were able to deliver these messages have been successful. Brands must be consistent in their position and what they offer over time to allow a relationship to develop between the product and the consumer.

Once firms are able to uncover which messages and branding strategies form the strongest bonds between their brands and different consumers, they will have a better grasp on how to market to different consumer positions in different cultures. The success that some companies have through identifying and marketing same brand cultures in different ethnic groups and subcultures is evidence against a single minded western philosophy of using a nation as the unit of analysis (Arnould and Cayla 2008) for developing marketing strategy. Researchers believe culture should not be approached from the outside in any longer. A quote from Lisa Penaloza articulates how cultural meaning can be lost in translation from academic research to marketing strategies: “In carving out the study of consumer behavior as a separate entity of inquiry independent of marketing activities, consumer researchers may be losing sight of the ways in which consumers and marketers negotiate cultural meanings in relation to each other in the marketplace” (Penaloza 2001). A cultural approach to branding should seek to unify theory on successful branding practices with real world examples. One of the goals of

this study will be to provide those examples of how effective branding affects a variety of consumers.

### **Ethnography and Folklore**

There are two more important fields of study that I will draw from when looking at the theoretical and practical sides of marketing and product positioning. The first, ethnography, is a subsection of anthropology that focuses on cultural phenomena and the meanings that cultural groups draw from various events in their daily lives. Ethnographic research methods powered much of the research that firms involved in this study conducted. Proponents of ethnography report that data collection from ethnographic based methods provide a “richer understanding of consumers than does traditional research” i.e. focus groups and surveys (Ante 2006). The data is “richer” because in depth study of consumers’ daily lives and consumptive patterns can help ethnographers understand the latent motives behind consumer behaviors and patterns, latent motives being the desires that a consumer is not able to articulate through a survey or focus group (Ante 2006).

Ethnography has become commonplace in the relatively small field of applied market research because it uncovers what consumers want/are missing in their daily lives (Arnould and Thompson 2005). Large companies such as Intel have ethnographers in high level positions within the company. Ethnography is met with some resistance by many academics because the findings of ethnographic studies do not often come up with concrete examples of innovations or applications for a company’s products. Instead,

ethnographic results usually contain “flakey” (Ante 2006) generalized ideas of the needs of various consumer or cultural groups. Although generalized results are not necessarily a bad thing, some researchers believe the time and effort put in to these studies would be better spent elsewhere (Ante 2006). In a growing trend of consumer oriented companies, ethnography is not a perfect solution for thin-slicing every company’s target demographic, but it is an effective tool for firms to use to get a better understanding of how they, through their brands and product offerings, can better serve their customers (Ante 2006).

The second area of study is folklore, and in this case, folklore specifically related to food and how companies in the food industry can better cater to the needs of their customers. Folklore is important because several executives interviewed touched on local or national folklore and how it influenced their products or strategies. Around the globe, people use food as a tool to express their identity as well as a means by which cultural groups construct their own identities and formulate social boundaries (Long 2009). Some dismiss folklorists as romantics with no real basis in the academic realm in much the same way some deem ethnography as flakey (Long 2009; Ante 2006). I believe this view is sorely mistaken as a wealth of knowledge can be garnered from the different ways cultures go about structuring their group identities. Any food industry working within established brand cultures should attempt to understand the basic stories of what foods are important to a specific cultural group and how their products can capitalize on the opportunity to become part of a self-actualizing social construct (Arnould and Cayla 2008).

Folklore surrounds many traditions relating to food consumption in the United States from the origins and popularity of ice cream to the symbolism of rice and beans as a peasant meal in Latin American countries (Long2009). Even simple foods such as vanilla ice cream can hold complex cultural meaning that folklore can help to uncover. Because people define, express, and construct their identities through the consumption of food, focusing on how firms in the food industry harness these motives will provide relevant evidence towards the validity of existing theory of consumer behavior (Ante 2006).

The conceptual framework laid out by existing consumer behavior theories such as consumer culture theory and theories of global branding are important because they give us a lens through which to analyze the practices of firms in the market. They will also help firms and researchers better understand what motivates consumers. However, these theories do not address the role of firms in the creation of consumer positions and motives. This study seeks to analyze firm side branding strategy using existing theories of consumer behavior and identify practical examples of these theories. The two research questions I will address in this analysis are: 1) What are effective strategies successful firms employ to help create and influence consumer positions? And 2) In what ways do firms attempt to help consumers reinforce their own identities through marketing and product positioning? In answering these two questions, I hope to provide a better understanding of how current theory applies to the strategies employed by these firms.

### **3. Methods**

#### **Executive Interview Research Study**

A business research team from the Oregon State University College of Business conducted multisited, in person interviews with American and Chinese executives on their different business practices and strategies. The primary interviews were conducted with individuals at four American companies and two Chinese companies. Two additional American case studies were conducted at a later date over the phone. The purpose of the interviews was to garner insights into which strategies successful companies use to market and position their products. The results of the research served as a valuable resource for this study in providing data on successful and unsuccessful strategies in action.

The interview team conducted interviews in Albany, Portland, and Beaverton, Oregon as well as Shanghai, China with high level executives from each corporation. The use of a multisited study along with a range of different companies being interviewed allowed us to gather data from companies at different stages of the strategic implementation process. A total of eight interviews were conducted over a two year period using semi-structured depth interviews. The use of a semi-structured interview allowed for expansion by executives on topics they believed were important to their companies' success (Cayla and Eckhardt 2008). Interviews ranged from forty-five minutes to one and a half hours long and were conducted in English. We began by asking the executives to tell us about their career paths and any advice they might have for

students interested in the food industry. We then asked questions on market segmentation strategy, product packaging, and other topics relating to a firm's ability to target and influence its market. The appendix contains a full list of interview questions used for depth interviews and the two case studies (See Appendix A).

We used a multisited study in a range of companies in order to study the phenomena of successful implementation of consumer behavior strategies, asking questions to illuminate different stages of the process. We focused on food companies because food can be incredibly culturally based and using a culturally based type of product would help to identify effective adaptive strategies. The data from the qualitative study were then coded and reduced into themes that emerged across companies.

These interviews were conducted with a fraction of the thousands of business executives in the food industry around the globe. Thus, the findings of this research may not generalize to all American or Chinese companies. However, the themes that came out of the research are from the musings and reports of executives in high level positions in successful companies. These executives are extremely experienced in their fields, some having worked in the food industry for more than 50 years. Thus, their insights are likely to shed light on how a variety of firms can successfully address consumer cultures in their marketing.

## Company Background Information

Understanding the reasons behind why we chose to interview the companies that we did for the research project is important. The following section will give a brief introduction to each company that was included in this study. The companies as well as the individuals interviewed are presented in the table below. Each individual interviewed was asked for express permission to use their name and company in the study. Any individual that declined was given a pseudonym both for themselves and for their company.

**Table 1**  
Interviewee Characteristics

Name	Position	Company	Location	Brands worked on
Dominic Biggi	Executive Vice President	Beaverton Foods	Beaverton, Oregon	Beaver Mustard Inglehoffer
James Merryman	President	Oregon Freeze Dry	Albany, Oregon	Mountain House
Matt Saunders	Sales Manager	Big Sky Foods	Portland, Oregon	Best Foods Salad Dressing
Steve Cerri	Retail Sales Executive	NORPAC Inc.	Portland, Oregon	Grande Classics Flav R Pac Soup Supreme
Philip Mei	Vice President of International Business	Want Want Group	Shanghai, China	Rice Crackers Milk Candy Snack food
Everett Chu	Chief Financial Officer	Want Want Group	Shanghai, China	Same as Mei
Richard Chi	N/A	Ganso	Shanghai, China	Specialty Cakes and Pastries

## **American Companies**

The American companies interviewed for this project were all selected first, due to their relationships with Oregon State University, and second, due to the success and growth that these companies were seeing in the face of the financial crisis of 2008.

One of the first companies our research team interviewed was Oregon Freeze Dry founded in Albany, Oregon in 1963. The company started out freeze drying strawberries for breakfast cereal, and as James Merryman, Vice President put it, that operation was a “big failure that lasted less than six months.” Oregon Freeze Dry then began producing freeze dried ingredients for other companies such as Campbell’s Soup. A key opportunity that Oregon Freeze Dry (OFD) had to innovate that eventually helped them become one of the largest freeze driers in the world came during the Vietnam War. The United States Military contacted OFD during the Vietnam War and asked them to create better tasting freeze dried foods than what the troops were being fed at the time. “People returning from the war liked that food so much they were asking where they could buy it commercially,” says Merryman and they turned that freeze dried food brand into a retail brand called Mountain House. OFD actually created a new market called “backpack/camping” food and their Mountain House brand still holds a 75% market share in the outdoors food market that was created to meet the demands of soldiers returning home from war. Oregon Freeze Dry is now the largest diversified freeze dryer in the world due to the success of its retail brand as well as the success of its ingredient freeze drying operation that it still runs.



We interviewed Beaverton Foods next. Specializing in high quality condiments, Beaverton foods has served the Pacific Northwest's condiment needs for decades. Our team interviewed Executive Vice President Dominic Biggi about the business practices that have helped Beaverton Foods to thrive and expand into the global marketplace. Biggi points to the financial crisis of 2008 as one of the main reasons their company sustains its impressive growth. Biggi claims that "people are staying home" and that their most important customers are consumers focused on the quality of the products they are purchasing. Because less people are eating out, this "negates the perceived price gap between products when comparing a \$2 and \$3 bottle of mustard." By targeting niche condiments markets, Beaverton Foods expanded their business while avoiding direct competition from companies such as French's and Grey Poupon.

Steve Cerri, a director of retail sales from NORPAC Foods, Inc., was another executive interviewed for this project. NORPAC is a farming cooperative that began in 1924 between farms in Oregon. That cooperative has grown to other farms in the northwest and is now a nationally recognized cooperative. They were pioneers in several fields relating to the retail sales of fruits and vegetables and are especially known for their packaging and distribution of frozen vegetables which has become an industry standard. NORPAC sells its products internationally, and its product line includes frozen vegetables, stir fry vegetables, and frozen soup. They have found wide success due to their products' ability to provide quick and healthy meal options for their consumers. NORPAC's success with different cultural and demographic groups, from children to the Latin American community makes them a valuable company to analyze. The fact that NORPAC's frozen vegetables are "Fresher than Fresh" is a key message that they

transmit to their consumers. Their frozen vegetables are proven to carry more nutrients than produce bought fresh from the shelf. Studying how NORPAC convinces consumers of this fact through marketing and packaging will help us understand how companies are able to educate and communicate to their target markets.

The last American company that we will use to draw examples from to answer our research questions is Big Sky Foods. We interviewed Matt Saunders, a sales manager for Big Sky Foods and former executive at Best Foods, to tell about Big Sky's sales tactics. Big Sky Foods has been around for nearly 130 years in the United States and owns a successful chain of grocery stores across the country. Matt Saunders had several useful insights from both his time at Big Sky and at Best Foods. Big Sky utilizes a very important strategy in the grocer world known as a tiered branding strategy and they have used this tool with great success in their stores. By focusing on emerging consumer groups such as frugal consumers that demand more for less and consumers that purchase organic foods, Big Sky has been able to stay on the cutting edge of innovation in marketing and promotion to these emerging groups.

### **Chinese Companies**

The first company that we interviewed and spent the most time with in China was Want Want group in Shanghai, China. We interviewed Vice President of international Business Philip Mei, as well as Chief Financial officer Everett Chu. Want Want was founded in 2007 in Taiwan and has achieved global success due to its production of rice crackers and flavored milk drinks. Want Want is the largest producer of rice crackers in

China and the second largest in the world in a product category that originated in Japan. Want Want also produces a variety of other snack foods, similar to Nabisco, and a variety of beverages from tea drinks to coffee flavored energy drinks. Want Want has products on the shelves of grocers in over 50 countries as well as several stores that Want Want is partnered with in the western United States. Phillip Mei claims that the Want Want brand is one of the most recognizable among Chinese citizens across the globe.

Richard Chi from Ganso was the last executive interviewed. Ganso is a special occasion cake shop located in Shanghai, China. The company allows customers to design, purchase, and deliver cakes online which is extremely popular for Chinese citizens living around the world. Ganso also operates many brick and mortar stores across mainland China where patrons can purchase special occasion cakes and pastries.

## **Analysis**

We filmed each of the primary interviews in the main data set in order to analyze them further. We broke down each video into individual segments relating to the question being asked and answered. We then cataloged the videos along with the time stamps of when each new interview question was asked into an excel spreadsheet with each executive getting their own separate sheet. We uploaded the videos to a website where all the members of our team could quickly and easily access the videos for further observation. Alison Vogt of the research team also transcribed a number of the interviews. I conducted the two case study interviews over the phone and recorded the audio. (See Appendix A for complete list of interview questions) I analyzed each

interview question in order to find common themes between corporate strategies. I listened to each interview enough times to fully code and note important themes and strategies from each executive. After I listened to each interview and took notes on themes and links to existing theory, I compared each interview to pull out specific threads that supported work on existing consumer behavior theory as well as looked for practices that could not be explained with existing theory and noted those as well. These notes form the base of the findings to follow.

## **4. Findings**

In trying to find answers to our research questions, the research team decided to approach firms in the food industry from condiment producers to multinational snack food companies. We chose a range of companies and products to research because we wanted to find as many different examples of businesses practices and strategies as possible. The questions of “What are effective strategies successful firms employ to help create and influence consumer positions?” and “In what ways do firms attempt to help consumers reinforce their own identities through marketing and product positioning?” guided my research and analysis. I analyzed the data from the perspective of consumer culture theory to find common themes among these interviews, and to identify examples of consumer behavior concepts in the firm’s marketing strategies.

### **Positive Affirmation of Existing Consumer Positions**

Affirmation of existing consumer positions was the first major theme identified through analysis of different corporate strategies. Although consumers are constantly exposed to new marketing materials and making their own personal meanings and relations to ads, long term marketing messages and carefully constructed brand messages can speak to established consumer positions over decades (Arnould and Cayla 2008). I identified two specific examples of marketing strategies employed by the executives interviewed that use either loyal consumer bases or existing cultural relationships to certain products to launch and maintain successful product lines.

The first example is a case Matt Saunders worked on during his time at Best Foods. Lucy Long explains how “nostalgia and folklore surrounds the consumption of food not only in the United States but globally” (Long 2010 p. 1), and Matt Saunders expounds upon this point and describes the nostalgia people feel towards products they consumed in their youth “When I was at Best Foods, it was easy to market Best Foods mayonnaise because it’s what kids grew up with in the pantry. Mom bought best foods mayo so I’m going to buy it too” (Saunders2013). He also believes that new and growing companies strive to install a sense of nostalgia into their brands in the same way Best Foods has. Best Foods capitalized on the nostalgia found in their loyal customers to expand upon its major product offering when it introduced Best Foods Salad Dressing to the market a number of years ago.

Best Foods faced an interesting challenge when attempting to enter this market. Kraft, one of Best Foods biggest competitors, was already firmly entrenched in the salad dressing business. Taking on a large, multinational competitor head to head seems daunting to many companies, but armed with a loyal following of Best Foods consumers, they decided to undertake the endeavor. Best Foods conducted six years of research and product testing on their new salad dressing line and decided that the use of nostalgic imagery and the Best Foods name would help carry them into this new product category. Best Foods used its relationship with grocers around the country to secure prime shelving in the marketplaces; they advertised directly in stores with retailers; they released the product in January and ramped up advertising and high value coupons, up to one dollar, in March, and prepared their product for a summer launch. Best Foods used TV commercials featuring families enjoying Best Foods salad dressing at summer gatherings.

Family imagery drew upon the nostalgia Best Foods customers feel towards their products and the TV spots successfully affirmed an American consumer position that puts a large emphasis on the importance of family. Best Food's salad dressing brand appealed to families so much that Mr. Saunders said they took market share from Kraft by turning long time Kraft customers into new Best Foods consumers desiring to associate with their brand. Matt Saunders's team effectively used folklore such as a family picnic to affirm the family focused consumer position. These ads appealed to consumers' nostalgic relationships to food and family and in doing so created a new successful line for their company.

The second example of a company affirming existing consumer positions is Want Want and their global success in the very old rice cracker industry. How could a company established as recently as 2007 come to be the largest producer of rice crackers in China and the second largest producer in the world? Want Want uses a few culture specific tactics that enable them to find success in this saturated market. First, Want Want uses the success of their other brands from flavored milk drinks to candy foods to attract customers who already value their brands. Asian consumers value large companies because they believe large industries are symbols of stability and success (Cayla and Eckhardt 2008). There is a history of tainted products from some Chinese firms from toys with lead paint to baby formula that includes harmful chemicals. Want Want's size and success with other brands translates to their rice crackers. Want Want's brands affirm the Asian consumer position's need to consume brands that are safe and in their eyes, high quality.

Next, they market their rice crackers in a way that speaks to an Asian consumer that values explicit, factual marketing messages. The simple packaging is a no nonsense way to communicate the quality, or safety, and value of the product (Steenkamp and Burgess 2002; Arnould and Cayla 2008). The third tactic Want Want uses is continuous product innovation. Due to competition from other global producers of rice crackers, Want Want has implemented new product innovation to keep Asian consumers interested in their offerings. Mr. Mei explains the need for continued innovation in the following quote:

“Our product itself is a superior product. It’s a thinner, crunchier product etc... and after three years we have the brown rice crackers and last year Kraft introduced its own version of the brown rice cracker. So what do we do next? Ok let’s go organic! So we introduced our product with organic rice. So we have organic, brown rice, instead of only simple brown rice and so the saga continues. I think this is a game. Not like you play your computer game but this is a real business situation but this is a game.”

By staying innovative in a well-established consumer group, firms use a consumer’s natural curiosity about new products to fight direct competition. Want Want’s ability to offer a rice cracker of superior quality, in simple, plain packaging, while simultaneously introducing product innovation and expansion has allowed them to gain a 75% market share in an industry that already had entrenched and competitive firms. Want Want convinced consumers inhabiting an existing consumer position surrounding rice crackers in Asian markets that Want Want rice crackers would fulfill their cultural desire to purchase a quality rice cracker that is safe to eat. Want Want has positioned itself into top of mind awareness category for a product that is a staple of the Asian consumers’ diet.



Best Foods and Want Want provide two distinct strategies that other firms can implement to appeal to existing consumer positions in the marketplace. Best Foods found success by utilizing brand nostalgia and folklore surrounding Best Food's products to affirm the existing loyal consumer position's desire to purchase Best Foods salad dressing. The second strategy was Want Want's attempt to break into the rice cracker business and the ways they successfully appealed to an existing consumer position in Asia. There is a cultural form in Asia that says a large company will produce high quality, safe to consume products. Want Want's size leads consumers to associate their brands with stability and quality which are major prerequisites Asian consumers consider when deciding which brands to consume. Want Want's simple and elegant packaging also caters to an Asian consumer position that prefers fact based messages and marketing. These are two examples of how companies can affirm consumer positions and why affirmation leads to brand success

### **Cultivation of Emerging Positions**

A firm's ability to cultivate and market to new-to-the-world and growing consumer positions is another theme identified through analysis of our research. Companies found success by focusing on new consumer positions and actively tapping into emerging positions. What follows are three examples of how firms responded to growth in different consumer positions.

With this first example we will revisit Phillip Mei at the Want Want Group as well as James Merryman of Oregon Freeze Dry, and look at two of their important

product categories. The first product discussed is Mr. Bond, a coffee energy drink produced by Want Want and distributed in China. Mr. Bond is branded to a growing consumer position in Asian markets that desire products associated with American culture. This seems to fly in the face of Arnould and Cayla's (2008) argument that western marketing tactics will not be able to develop strong cultural connections in Asian markets. The success of the Mr. Bond coffee drink is worth studying because of the relationship and folklore that Asian cultures have with tea consumption. Tea houses located on street corners in China the way Americans expect to find Starbucks in the United States. A coffee based drink having success in China seems very out of place, and initially the product failed. Want Want did not give up on Mr. Bond and through ethnographic research done on Chinese consumers, Want Want found that many young Chinese adults desire to associate with westernized products. Want Want rebranded Mr. Bond with the understanding that it could fill the young Chinese population's desire to emulate American culture. Mr. Mei explains the new branding strategy and popularity of the beverage in this quote:

“On the [coffee] can, it says ‘I am young. I am coffee’. It really sends you a message as the target consumer that I am young and therefore I should drink coffee. In this case, the target consumer group takes this as I am young and that I should drink coffee instead of tea. What we are trying to project is that tea is an old, traditional Chinese drink that is for old people. If you are young and energetic then you should drink coffee, not tea.”

Mr. Mei is helping to expand a westernized Chinese consumer position characterized by young adult and teenage Chinese who listen to American music, play American video games, and possess an active desire to distance themselves from Chinese tradition that they believe is outdated and unnecessary. I will call this the *energetic consumer*. Mr.

Bond is branded specifically to this position to provide them with a westernized brand that will help them meet their desire to break away from Chinese culture. Mr. Mei advocates for the importance of developing relationships with new consumer groups and Want Want's use of ethnographic research to uncover latent Chinese motives to associate with American culture exemplifies a way of building those relationships (Arnould and Thompson 2005).

To bolster this example, James Merryman echoes Mr. Mei with an example specific to Oregon Freeze Dry. This example also helps counteract the idea that westernized marketing will fail in Asia, and shows a growing demand for western products in Asia. When asked about doing business internationally, Mr. Merryman mentioned that Oregon Freeze Dry has exported its products to China for thirty-five years. He says that only recently have companies that contract Oregon Freeze Dry asked for a new twist on their product offerings. Here's what he said about their products going overseas:

“We have been exporting our Mountain House products since 1978 so we are familiar with that. What happened was they [foreign partners] only wanted 2 of our products to be specifically developed for them [Asian tastes]. We flew in some chefs from Japan and had them here for a month. They developed some products specifically for their taste products. The rest of them they actually wanted to be US products, be marketed as a US product, and that's actually part of the marketing scheme... The people who are contacting us from China are doing much the same. They want to sell to the Chinese middle class and they believe marketing it as a US made product with a US flavor profile is part of their marketing plan. People who buy it will be able to say 'I can afford to buy products made in the United States. It is not a local product and I am purposely buying something from the US.' They are looking for that mystique and stuff.”

Through market research, Oregon Freeze Dry identified a consumer position in Asia that also wants to associate with westernized products, but this consumer position wants

western products for a different reason than Want Want's *energetic* position. The position that OFD identified is different from Want Want's because this consumer position is characterized by middle class Chinese consumers who wish to show off their wealth and success by purchasing westernized products. This position believes they can show their worth to their peers by purchasing products with "Mystique," as Mr. Merryman puts it, and the Mountain House brand is a way for them to fulfill their desire to purchase western products. I will call this the *mystique consumer* position.

The successful branding of western products provides evidence to support a growing trend of Asian consumer positions that have a need to feel connected to a sphere larger than their immediate environment, and westernized brands are helping to make that connection for different reasons. Mr. Merryman and Mr. Mei provide us with excellent illustrations of how the global marketplace, through the growth and popularity of westernized brands, can provide new opportunities for a company's products. A patient firm can position their products and brands to influence the development and growth of consumer positions in the market place, and ethnographic research techniques can uncover even more latent consumer motives that firms can attempt to develop. By conducting their own market research on developing consumer positions and cultural symbolism, Want Want and Oregon Freeze Dry were able to create two successful products that catered to two separate consumer positions that attempt to associate with American lifestyles through consumption.

The final example details how Big Sky responded to a new consumer position that emerged after the financial crisis of 2008. The consumer position is an evolved form of a frugal consumer. To start off, I will define what a frugal consumer is and how their

purchasing patterns differ from consumptive behaviors prior to 2008. To quote Miriam Pepper, Tim Jackson, and David Uzzell, “frugal consumer behavior (frugality) is defined as the limiting of expenditures on consumer goods and services, and is characterized by both restraint in acquiring possessions and resourcefulness in using them” (Pepper Jackson and Uzzell 2009).

Marketers believe that the frugal consumer position, although not brand new, will appeal to a new demographic of Americans age 18-25 that were scared by the financial crisis. Before the recession, this demographic defined themselves by their consumption patterns and a more is more mentality permeated their ranks (Spero and Stone 2004). They expected products they bought to be high quality and typically bought nationally branded products such as Nike without much regard for price (Saunders). What emerged was a consumer position characterized by young adults who learned to adopt frugal consumption behaviors, such as price sensitivity, while still maintaining traits they possessed pre-2008. They now want to receive the quality and value they have come to expect from national brands while paying less for them (Pepper Jackson and Uzzell 2009). This consumer is excited by finding the best deals and they will reward companies with their patronage if the firm delivers the value and quality they seek. This new frugal consumer position is important because they are not expected to revert to their previous consumption behaviors, and with the age range of this group, they will be around for a long time (Horizons 2009). With such a complex consumer position that is demanding less for more with an aversion to spending money, firms have to be creative with marketing messages aimed at this group.

The use of a tiered branding strategy has been successful at reaching wide range of consumers that now claim frugal purchasing behaviors. Matt Saunders had a lot of key insights on how this strategy is implemented within Big Sky Foods to meet the demands of the price conscious consumer. The top tier of their products, or the premium tier, targets the older consumers in the frugal consumer position who purchased nationally branded products, but due to economic setbacks, must better manage their household income. This consumer may be used to a comfortable lifestyle and does not want to sacrifice any of the luxuries of their old life while still spending less money. Big Sky started massive marketing and couponing campaigns, powered by their own customer loyalty program, to communicate the high quality and great value customers will receive from purchasing their products.

Matt Saunders uses ice cream as an example of how Big Sky competes with nationally branded products on the premium level. He talks about how their packaging is as elegant and sophisticated as a national premium brand such as Dryers, and how the ingredient quality matches or exceeds national brands. Big Sky experiences success in their premium brand category not just because their packaging and product equals national brands, but due to coupon incentives and a firm control over their pricing structure, they offer their premium brands at a lower price point than nationally branded products such as Dryers. This allows the frugal consumer to purchase products that affirm their desire for quality while simultaneously meeting the condition that the products be less expensive. Mr. Saunders was especially excited about the success of their premium brands for two reasons. First, their premium brands are right on point with meeting the “value per dollar marker” (Saunders 2013) that the new frugal consumer has in mind, and

the second is Mr. Saunders's belief that if the economy returns to pre-2008 levels, they will have successfully converted purchasers of nationally branded products into loyal Big Sky customers that appreciate the quality and value Big Sky offers.

The middle and third level of a multi-tiered branding strategy include the local product and the value brand. Mr. Saunders said that each of their retail chains across the country utilizes local products and ingredients in their stores to promote a sense of unity and interest in the respective communities. The local product falls between the premium tier and the value brand in price, marketing attention, as well as quality and packaging. Local brands gain the attention of consumers by offering acceptable alternatives to premium products. While the products might not contain the quality or value of a premium national brand, consumers can feel good about purchasing a brand that comes from their immediate environment and therefore can help alleviate some of the pressure frugal consumers may feel to pinch every penny (Arnould and Cayla 2008; Saunders 2013). This middle tier offers an attractive, lower priced alternative to premium brands which allows the consumer to justify spending money, thereby meeting the conditions of their frugal consumer position (Saunders 2013).

The third tier, the value brand, is vitally important to the younger demographic that makes up the frugal consumer position. Although the younger and less well-off consumers cannot generally afford the premium brands Big Sky offers, they also expect value from their purchases much like the older and more affluent consumers that inhabit the same position. This group prides itself on finding the best deals on electronics online, to bargain shop for the best outfits, and buying their groceries in bulk at WinCo or Costco (Horizons 2009). Again, Big Sky is incredibly successfully targeting and maintaining

patronage from this consumer group. Their products and marketing messages convince the younger frugal consumers they are spending their money wisely by purchasing Big Sky products. Big Sky helps them draw this connection by putting their trusted Big Sky name on products that compete at the value product level. Mr. Saunders says that by putting their name on cheaper product offerings, while still maintaining their emphasis on quality, frugal consumers feel the vindication they crave by finding great value in Big Sky products. The three tiered branding strategy employed by Big Sky Foods has overwhelmingly successful based on Big Sky Foods quarterly numbers following the recession. They achieved their goal to, as Mr. Saunders puts it, “keep the shopper in the store” (Saunders 2010) by meeting the various demands that frugal consumers make regardless of where they fall on the demographic spectrum that makes up the consumer position. Catering to the frugal consumer position by adjusting their branding approach helped Big Sky to enhance the loyalty and relationships that the company shares with its consumers.

Oregon Freeze Dry provides our final example through their ability to meet the needs of consumers troubled by the global financial crisis and other natural events taking place across the globe. More specifically, Mr. Merryman defines a niche “prepper” consumer position that their Mountain House brand serves:

“Coming into this crisis it has put everyone into a very unsure period. On top of that we have earthquakes and tsunamis and freaks and storms and Egypt and Libya and all of these different things going on. There is a lot of turmoil in the world and along with the financial crisis going down. One of our segments is food storage; being prepared for something to happen. It was usually limited to those in China but now its people in Montana and Idaho who keep a million rounds of ammo and a bunker. These people bought emergency food but now it’s every day normal people like us who just want to be prepared. They are now called “preppers” those who are just being prepared for whatever may happen.”



The prepper position Mr. Merryman describes is characterized by forward thinking consumers who want to prepare themselves and their families to face disasters. They believe the best way to prepare themselves for disaster is to stockpile munitions, tools, food, and any other product that will help them survive after any major disaster. OFD realized the market for disaster preparedness supplies exists around the world in different cultures, and capitalized on the opportunity to position their Mountain House freeze dry meal options as a perfect brand to provide peace of mind to preppers around the globe. Oregon Freeze Dry has quadrupled sales of their Mountain House brand by tapping into consumers' desires to prepare for the worst. Oregon Freeze Dry has successfully addressed the consumer position related to disaster preparedness and is seeing excellent sales numbers as a result.

In conclusion, Want Want and OFD recognized two consumer positions in Asia that seek to identify with westernized culture through product consumption. Ethnographic research provided the companies with information on what motives drive these positions and how their product offerings can benefit these positions. Next, Big Sky Foods' tiered branding strategy addressed a range of concerns that the evolving frugal consumer position represents. The tiered branding strategy enables consumers to purchase quality Big Sky products in order to satisfy their basic consumption desires as well as their new desire to pay low prices for quality. Finally, OFD offers peace of mind to the nervous prepper consumer position by offering a food product that can be stored in case of disasters. Observed behavior can help explain consumptive patterns and cultivation of new and growing consumer positions can be an effective strategy.

### **Altering Existing Consumer Beliefs in Order to Associate a Brand with a Consumer Position**

A firm's ability to alter established consumer beliefs towards existing products through branding, specifically packaging and marketing messages, in order to associate their brand with an existing consumer position also emerged as a common theme. The two firms addressed here faced challenges from certain market segments, and decided to reeducate their target consumers through packaging and marketing rather than changing their product offerings. Since consumers "actively rework and transform marketing messages" to mold and create their own consumer positions (Arnould and Thompson 2005 p. 869), it should be possible for firms to create marketing messages that influence the brands associated with a particular consumer position.

The first example of reeducation through branding and packaging comes from Steve Cerri and NORPAC Inc. with their Grande Classic line of frozen vegetables. Mr. Cerri acknowledged that when NORPAC first created their frozen vegetable line, consumers were put off by the idea of a frozen vegetable. He spoke of consumers in two existing consumer positions that NORPAC wanted to attract with their frozen vegetables. The first consumer position is characterized by health conscious consumers who are active outdoors and eat healthy, possibly even organic foods. I will call this consumer position the *healthy* consumer. The second position Mr. Cerri described is characterized by mothers who hold similar family values to the consumer position that Best Foods targeted earlier. These moms want to buy quality products that are also healthy for their kids and family. I will refer to this consumer position as the *Mom* position. Now that I have defined the consumer positions with which NORPAC wanted to associate their

products, I will discuss the existing beliefs these consumer positions had regarding frozen vegetables that NORPAC wanted to change.

The *healthy* and *mom* consumer both questioned the nutritional content of frozen vegetables. They did not believe that a frozen vegetable could be as good for them as the fresh produce that they prefer to buy. Furthermore, when these consumers did purchase frozen vegetables, poor cooking instructions on the packaging caused them to overcook their vegetables. Mr. Cerri said consumers equated the rubbery, poor tasting, overcooked vegetables with poor quality rather than a failure on the consumer's part to cook the vegetables properly. The apparent nutritional deficiency of frozen vegetables coupled with the idea that NORPAC frozen vegetable were poor quality led to a consumer belief that frozen vegetables were a substandard product. NORPAC realized that cultural beliefs about frozen vegetables were not going to afford them the growth and profit margins that they desired, so they sought to reeducate their audience. After several years of mall intercept interviews and focus groups, NORPAC had a much better understanding of how to brand their products in a way that would be attractive to the *healthy* and *mom* consumer.

The first task was convincing mothers and the healthy consumer that NORPAC frozen vegetables are actually more nutritious than fresh produce. Citing scientific research, Mr. Cerri claims vegetables frozen two hours after they are plucked from the field, carry more nutritional value than fresh produce which lose nutritional value every second after they are picked. To showcase these scientific facts, NORPAC adopted the tagline "Fresher than Fresh" for all of its Grande Classic line of products in order to communicate the health benefits of frozen vegetables to health conscious consumers.

They also put a comparative display of nutritional facts on each package showcasing the nutritional benefits of frozen vegetables over fresh vegetables.

NORPAC then changed several things about the packaging and preparation of its vegetables in order to address concerns about the quality of the vegetables. NORPAC changed the cut of the vegetables from a small, diced, petit style vegetable that were easy to overcook, to a large chunk cut of vegetable which resembles a fresh cut vegetable and ends up being more crisp and fresh tasting after cooking. The large cut vegetables would look would subconsciously counter the cultural belief that fresh vegetables are healthier than frozen vegetables. They also upgraded the package by putting a viewing window on the front of the package so consumers could see the product inside. In addition, they changed the bag so that it would stand up on its own on the shelf. Mr. Cerri said market testing showed consumers perceived the stand alone bag as higher quality than other frozen vegetables that lay flat. The quality appearance of the packaging helped counteract consumer beliefs, especially in the mom position, that frozen vegetables are a low quality alternative to fresh vegetables.

The final change made to the packaging includes taglines on the back of Grande Classic products reading “U.S. Grown” and “Grown in Your Own Backyard.” These taglines helped build loyalty and local associations in the minds of the mom and healthy consumer and enabled them to view NORPAC as a friendly neighbor doing its best to provide quality, homegrown products for their customers. These neighborhood/local messages appealed to the *mom* position and the *healthy*. Mr. Cerri said “We [Grande Classic] were successful in rebranding our frozen vegetables as another bag of mushy vegetables on the shelf, to a high quality, nutritious, time saving meal supplement worthy

of our target consumers hard earned dollars.” NORPAC successfully rebranded its Grande Classic line. They changed existing cultural beliefs that frozen vegetables are a substandard vegetable option into a belief that Grande Classic vegetables are something a mother can feel proud about serving her children. Counteracting cultural beliefs about frozen vegetables led consumers to include Grande Classic in a category of products that affirm their consumer identity as either a healthy consumer that desires nutritious food, or a mom trying to purchase quality products for their family. NORPAC turned Grande Classic vegetables from a misunderstood product to a brand that moms and healthy consumers now covet.

Mr. Mei and Everett Chu of Want Want Group provide us with our second example of a company’s attempt to influence consumer beliefs and identity through branding. We discussed a tea drink produced and distributed in China. Want Want is targeting a consumer position represented by young, active, health conscious Chinese females with this beverage. Traditionally in China, tea is consumed as a hot beverage that consumers brew on their own which can be time consuming. Mr. Mei also mentions that the Chinese often add sugar to their tea to help cut the bitter taste associated with green tea. Want Want uses several branding and packaging tactics to broadcast messages relating to the convenience the drink offers as well as the positive associations to femininity that the product represents. First, I will discuss the packaging innovation that represents convenience. According to Me. Mei, Want Want’s drink is innovative because it is a cold tea beverage that comes in a unique squeeze bottle style. The squeeze bottle is designed for ease of use by the active Chinese female. The squeeze bottle format and cold

presentation are designed to save the Chinese female time in her busy and to show that it is not necessary to brew your own hot tea multiple times a day.

Want Want also conveys attractive ideas about femininity with the tea drink through flavor choices, prominent placing of nutritional facts, and the shape of the bottle. Mr. Mei talked about how the drink comes in several “feminine” (Mr. Mei 2011) flavors ranging from lilac to jasmine. In Chinese culture, jasmine and lilac are overtly feminine flavors and Mr. Mei says not many men will purchase them. Flavor choice is an obvious way for Want Want to appeal to feminine tastes. Mr. Mei then pointed out two interesting features of the packaging that might normally go unnoticed to the untrained eye. First, the bottles are slimmer around the middle which Mr. Mei says is meant to imply to the young female consumer position that that if they wish to appear feminine, they need to be slim. This is a clear attempt by Want Want to influence the female consumer’s identity by including thinness as a trait she should relate to if she wants to inhabit the young female position. Second, the nutritional information on the packaging talks about how the tea is low in sugar and therefore a healthier option than normal tea. Nutritional information pointing out the benefits of drinking Want Want’s tea is another way Want Want attempts to draw relationships between their products and the young female consumer position described above. Want Want’s popular tea beverage is a good example of how brands can influence cultural beliefs, and in this case, beliefs about femininity.

Again, as with all of the products and strategies being discussed, the success and growth of Want Want’s cold tea beverage is a sign that effectively educating consumers about how products align with the cultural values that consumers incorporate into their identities, tend to have success in the marketplace whether it is in Shanghai, China, or

Portland, Oregon. NORPAC was able to successfully counter strong cultural beliefs towards frozen vegetables with a rebranding strategy that effectively communicated the benefits of frozen vegetables to their target consumers. They created a strong brand that the healthy and mom consumer desired to purchase. The strategy of reeducating consumers through branding in order to alter existing consumer beliefs is an example of how firms associate their products with desirable consumer positions.

### **What Happens When Brands and Products Fail to Relate to Consumer Positions**

I believe showing where firms falter in regards to marketing strategy will provide a more complete analysis of marketing forces in industry. By evaluating what happens when strategy goes wrong, we will gain insight into what companies can do in the future to avoid making similar mistakes.

NORPAC's line of pre-sauced frozen vegetables exemplified two failures I identified across firms. The first failure stems from a firm limiting the options of consumer positions that value creativity. The second failure occurs when firms send marketing messages that are diametrically opposed. Regarding the first theme, Steve Cerri claims limiting their consumer's options was a major mistake. He said that "a consumer doesn't want to be married to a sauce." Mr. Cerri also said that consumers liked being creative when cooking NORPAC frozen vegetables and the sauced variety limited what they could do with the product whether it was to stir fry the vegetables or add them to a stew. By selling sauced vegetables, NORPAC hampered the creativeness of a consumer position very similar to our healthy consumer from earlier that enjoys the

flexibility and fun they can have cooking the vegetables in a variety of ways. On the surface, NORPAC offering sauced vegetables does not seem to represent a monumental misunderstanding of consumer behaviors, but when coupled with the next issue Mr. Cerri points out, NORPAC's sauced vegetables "never really stood a chance."

NORPAC committed a second error when they confused consumers about the nature of their product. NORPAC worked extremely hard to change the cultural beliefs surrounding their frozen vegetable products. They successfully communicated the nutritional value and quality of their product through the Grande Classic line to the health conscious consumer position. Now, not only were consumers forced to pick a sauce for their vegetables, but the sauces were high in sodium and high in fat. NORPAC crossed marketing messages with their sauced vegetables and confused customers that previously recognized their brand as a healthy vegetable option. Confusing customers with your product message creates problems because consumers are constantly analyzing and attributing meanings to the different marketing messages. When the healthy consumer sees an advertisement telling them the benefits of frozen vegetables over fresh produce, and then sees nutritional information on the packaging that shows how unhealthy sauced vegetables are, the resulting confusion will cause them to disassociate the NORPAC brand with healthy products they are compelled to purchase. Confusing members of a consumer position such as the healthy consumer can lead them to attribute negative symbolism with your products or brands which will hinder the success of a firm's other brands in the future (Arnould and Thompson 2005). NORPAC has since rectified their mistake by switching pre sauced vegetables with lightly seasoned frozen vegetables that come with a hint of flavor, such as dill, that still allow consumers to modify their



products as they desire. NORPAC failed to realize that limiting their consumer's options and offering unhealthy pre sauced vegetables would ultimately damage the image of their brand in the eyes of the healthy consumer interested in healthy, quality vegetables. Potentially turning away an entire consumer position that makes up a significant portion of a company's target market can cripple a firm's brands.

The second failed strategy I analyzed was the tendency for a firm to not make strong connections between new products and existing consumer positions. Want Want's initial branding of its coffee drink Mr. Bond, and Best foods attempt at introducing a dry dip mix to the marketplace exemplified the failure. Mr. Bond initially failed in the Chinese marketplace due to Want Want's inability to properly brand the product. Want Want faced an uphill battle from the beginning as tea has been the dominant caffeinated beverage of choice for centuries in China. Want Want marketed Mr. Bond to the Chinese masses and there was no existing cultural context or relationship to coffee that the average Chinese consumer could connect with. As you could see in the success story above, Want Want eventually figured out, through ethnographic research methods, that the energetic consumer position desires to associate with Americanized products. Mr. Bond lacked any sort of branding or marketing initially to target this segment. Once Want Want changed the slogan on the can to "I'm young. I'm coffee" and added a westernized image to the can, the product sold extremely well to the young adult consumer segment. Want Want's ability to recognize the initial lack of connection to any particular consumer position enabled them to reevaluate the product and find a successful market space for Mr. Bond.

Best Foods provides another example of what happens when branding and marketing lack clear messages and connections to their target consumers. It would appear Best Foods marketing department is adept at launching new products based on their earlier success, but they failed to duplicate the demand they created in the loyal Best Foods consumer position when launching a new dry dip mix. Like the salad dressing, Best Foods was entering a market dominated by a large national corporation, this time it was Hidden Valley. Mr. Saunders explains that a big part of the problem was a lack of communication between the marketing and sales departments at Best Foods. Rather than producing marketing materials that would educate loyal Best Foods customers on the new product extension, the dry dip mix was rushed into the marketplace where Best Foods assumed loyal customers would pick up the product. Loyal customers did purchase the dry dip mix originally, but due to their strong existing brand relationships between Best Foods and mayonnaise, they were confused on whether or not the mix was supposed to be combined with mayonnaise. It was not. The dry dip mix was also launched at a similar price to Hidden Valley which would not be a large problem if Best Foods successfully communicated the value of their new product. They have a loyal customer base and partnerships with retail stores around the country that would have afforded them prime shelf space to compete with Hidden Valley the same way they competed with Kraft. Instead, Best Foods failed to form similar nostalgic and loyal consumer bonds with the new product. Best Foods was left with a competitor that dominated the dry dip mix industry with their own set of loyal consumers, a product that lacked relationships to Best Foods consumers, and not enough differentiation in their product, which is necessary to entice consumers to switch brands. If that were not enough to sink the product, Best

Foods also confused their own loyal consumer base with the dry dip mix that Mr. Saunders says many of their loyal consumers were off-put by what they viewed as a substandard product from one of their most trusted brands. Best Foods dry dip mix failed due to a lack of product differentiation and the inability to create similar nostalgic brand relationships with Best Foods consumers that helped their salad dressing line to succeed.

To sum up the themes related to failure, there are two problems a product may encounter that can lead to failure in the market place. The first is to cross marketing messages in a way that contradicts the value a firm attempts to communicate to consumers inhabiting certain consumer positions. NORPAC exemplified what can happen when a firm broadcasts diametrically opposed messages relating to the health benefits their products supposedly offer. The contradiction they conveyed damaged the positive association NORPAC worked so hard to create between their Grande Classic brand and the healthy consumer position. The second is failure is to confuse your consumer base with products that do not appeal to a specific consumer positions in the market place. Want Want sold its coffee beverage with a bland marketing scheme not directed at any specific consumer base within China. Due to tea's long standing dominance the product faltered. Want Want realized, after intense market research, that the energetic position coveted Americanized products. Want Want then branded their coffee drink as an American product that would appeal to the sub culture of Chinese teenagers and adults that wanted to associate with American culture. Best Foods committed the last gaff by failing to position their new dry dip mix to an existing consumer base of Best Foods customers who already desired associations with Best Foods products due to nostalgic relationships with Best Foods brands. These errors stem

from poor understanding of how important consumer positions are to the success of products. All three examples stand as warnings to companies in the future on why they should always keep consumer positions and cultures at the forefront of their market strategies.

## 5. Conclusion

### Summary

Existing research into the field of consumer culture theory broadened the depth and understanding of consumer behavior and related fields. As academics better understand the drive and motive behind consumptive patterns and behaviors in consumers, useful theories on how managers can play off these motives should be created. Through research on a variety of fields from the motives of frugal consumers to creating brands in a global marketplace to the study of folklore surrounding food I created a conceptual framework of existing theory that was the inspiration for our interview process. The interview questions helped collect data that allowed me to assess the varying degrees of success firms can have when attempting to actively influence consumer positions and consumer identity creating activities in the marketplace.

Using existing theories on consumer behavior, I analyzed the primary interviews and later case studies and looked for common themes between the companies. Although the firms had a variety of product offerings and corporate strategies, I synthesized several common themes that led to success and related them back to theories of consumer behavior. Through my own research and analysis, I provided examples of how theories on consumer behavior are consistent with successful marketing strategies firms are implementing in the market place. I will now summarize the findings of the research and analysis again.

The companies analyzed used three important strategies that, in my opinion, validate much of the research being done into consumer behavior. The first strategy is the use of positive affirmation of existing consumer positions. A firm's ability to influence consumer positions to include specific products into the consumer's identity creation processes was successful for several of the executives interviewed.

The second strategy used by nearly all of the firms interviewed was an emphasis on the cultivation of emerging markets and consumer positions. By first recognizing new positions, and then catering to the needs of fledging consumer positions, firms have the power to mold and transform groups by adapting their marketing messages to speak directly to the desires of new consumer types (Steenkamp and Burgess 2002).

The third strategy involves a firm's ability to alter existing consumer beliefs through branding and packaging. Firms can influence and alter existing beliefs in order to position their products to fill market spaces that were previously closed, or to promote new beliefs that will foster connections between a firm's products and their target consumers. This strategy was consistent with existing theory on a firm's ability to influence cultural beliefs (Arnould and Cayla 2008; Arnould and Thompson 2005; Cayla and Eckhardt 2008).

I also identified two pitfalls that companies should avoid when creating new branding and marketing strategies. The first is to not send mixed marketing messages as it leads to confusion among consumers and can damage a brand's association with consumer positions. Firms also ran into trouble when they failed to create strong ties between their new brands and existing consumer positions. Failure to establish strong

relationships between brands and established consumer positions even led some consumers to resent the other brand offerings of the firms in question. These two pitfalls are consistent with existing theory on consumer behavior because they illustrate what can happen if firms do not take consumer positions and cultural influences into account when they create new brands or plan new market strategies.

### **Contribution**

My contributions to consumer research are the following. First, by interviewing successful executives on their business practices with the mindset of relating any findings back to existing theories on consumer behavior, I was able to come up with several effective strategies employed by successful firms (Arnould and Thompson 2005). These examples act as support for existing theories on consumer behavior and help provide validity for consumer behavior as a field of study.

Second, I was able to identify two pitfalls that were common to product failure across the companies interviewed. These too, are evidence that show what happens when firms ignore important theories relating to the communication of products and brands to consumers (Arnould and Cayla 2008).

## **Limitations**

There are obvious limitations to the type of qualitative study conducted here. Even though sample size is less important to the validity of a qualitative study as opposed to an empirical one due to a qualitative studies focus on themes and theory, interviewing a handful of executives in American and Chinese companies does not allow me to make definitive statements about business strategy in Asia and the United States.

I was also limited by the resources, both time and money, that any college undergraduate would face when undertaking research of this type. I would like to spend two more years interviewing as many companies as I could in China and the United States in order to synthesize a more complete image of successful strategies employed by successful firms. Alas, I analyzed the data at my disposal with as much detail and scrutiny as I could to ensure as accurate reporting as I could.

Another issue that a qualitative study of this nature encounters is response bias in the interview process. This bias can come from a number of places whether it be the interviewer, myself, asking leading questions, accidental incorrect reporting of important factual statements made by executives, or false reporting of information in order for the executives to look better on paper. By selecting successful executives in major companies, our hope is that the interviews were conducted with men and women of integrity. There is no way to tell whether or not an interviewee is lying so we must trust that their reporting is truthful. By interviewing executives that were comfortable enough talking about major failures in their companies, one would hope that the discussion on successful strategies would end up being factual retelling of actual strategies employed.



### **Possibility of Future Research**

There are several avenues this study could pursue in the future. Future studies could focus on existing theory, and with more time and resources, identify strategies that are successful outside of existing theory on consumer behavior. These unidentified strategies could lead to new areas of study in consumer behavior and help to create new theory on what motivates and drives consumer behavior (Arnould and Cayla 2008). Also, further work could go into the study of why products failure as the two examples identified here actually help to validate and strengthen certain existing theories on consumer behavior such as the ability of firms to influence consumer positions.

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## **Appendix A**

## List of Primary Interview Questions

The following is a list of all interview questions presented to the executives in their interview session. Please note that only answers to questions in the Marketing section were used for the analysis of this paper.

### Core Questions:

1. How did you choose your career path?
  - a. What were some of the biggest obstacles you had to face along the way?
2. What do you know now that you wish you would have known when you started working?
3. What advice would you give to students looking to enter into the food industry?
4. What are some of the challenges you face by being in the food industry?
5. What challenges do you face by taking part in international business with China?

### Marketing:

1. Who do you see as your most important customers?
2. Who do you see as your biggest competition?
  - a. How do you position yourself in comparison to them?
3. How has your industry, and as a result your marketing strategy, changed since the global financial crisis of 2008?
4. We know that you do business in many foreign markets. Why?
  - a. How do you alter your marketing strategy to accommodate for these foreign markets?
5. How does the government influence the way your business interacts with customers through marketing and advertising?

### Legal System

1. Risk management: What steps does your company take to help manage the risk of running a food business?
2. What are the legal issues you most often encounter?
3. If a legal dispute arises between your company and a foreign customer, which country's laws are used in regards to the dispute?
4. When a legal dispute arises, does your company prefer to use certain forms of mediation or arbitration rather than a public trial?
  - a. Would you prefer settlement out of court than potential bad press from a public trial?
5. Being a food industry, What guidelines are you legally required to follow when making your product?
  - a. Do these guidelines differ in the U.S. vs China?
6. What are some issues that you work with government regulation agencies to deal with? (Of both foreign and domestic governments in China/America)

### **Management/Human Resources:**

\*These questions are referring to employees in higher level or management positions, not factory workers.

1. What methods do you use to hire applicants for upper-level positions?
2. What qualifications and characteristics do you look for in an upper-level employee?
3. How do new upper-level employees gain the skills necessary to perform at optimal levels?
4. What role does individual performance play in your organization? Team performance?
  - a. Which do you see as being more important? Why?
  - b. How do you evaluate that performance?
5. How is the manager and employee relationship set up? (Information sharing, delegation of responsibility)
  - a. Do employees participate in decision making?
6. How do you motivate your upper-level personnel? (ex: performance based pay)
  - a. Do you use different methods for different individuals?
7. How do you make employee promotion decisions?
8. What are 1 or 2 of the most important values in your company?
  - a. How do you encourage your management team and employees to share your company's values?

### **Labor Economics:**

1. What determines your employees' wages?
2. What strategies do you have to retain high-level/talented personnel?
3. How will the on-going debates and potential changes in health insurance policy affect that of your company?
4. Would you please describe the safety standards by which your company abides to protect your employees in the work place?
5. What is the women ratio in your company? Would you please evaluate the diversity in the work place in terms of gender, races, age, academic backgrounds, etc?
6. If we have not previously mentioned employees' benefits, would you give us more details on the fringe benefits that your company provides for employees?

## List of Case Study Interview Questions

### Research Questions:

What are effective strategies successful firms employ to influence consumer positions?

In what ways do firms attempt to help consumers reinforce their own identities through marketing and product positioning?

### Interview Questions

1. Could you tell me about a successful product you have had and a few reasons that you believe led it to be successful?
  - a. Was this product successful internationally?
  - b. What about the product and the marketing strategies that you used that led it to be successful across cultures?
  - c. Did this product have mass appeal or was it filling a cultural niche?
2. What characteristics define your key market segments for this product/brand?
  - a. Describe some of their wants, needs, and lifestyle characteristics. How do they see themselves when they use this product?
3. What strategies have you used that you believe have been particularly appealing to this customer?
  - a. Did you attempt to appeal directly to how they already saw themselves or did you try to develop a new way of thinking/feeling about themselves?  
How?
4. How do you believe marketing can tie into the culture of your desired customer?
5. In what ways do your products or brands allow customers to fit into the cultures you identified above?
6. What specifically do you alter about your marketing strategy to accommodate foreign markets as opposed to domestic?
7. Could you tell me about a time you may have had a product be less than successful and what factors you believed led to the product being less than successful?
8. Why were your chosen strategies ineffective?
  - a. How did you alter your product or marketing of that product to help turn it around, or what was the deciding factor in eliminating that offering?
9. What product features or qualities would you like to see your company add in the future to better attract your target customers?