



Kellogg's for Health or Convenience: Perspective of Indian consumers

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ABSTRACT: This paper shows perspective of Indian consumers. It is explained with example. The Indian psychology and eating habits have not let it acquire a 'favoured' status in the hearts and minds of Indian consumers. Indian consumers are aware of the health-related aspects associated with the brand, and also acknowledge that convenience is a major factor in consumer decision-making about Kellogg's purchase. However, 'good taste' still rules the Indian eating sphere, and this especially holds true for the younger consumers. Kellogg's enjoys an overall good image in the minds on Indian, who rank t high in the market of ready-to eat food products. But in order to click to the Indian taste-buds Kellogg's further needs to Indianize its products

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1. Introduction

Kellogg's is known as the 'Worlds' Best Cereal Player'. The Kellogg's company has been a leading producer of cereals for more than 100 years. With the notion that better breakfasts brighten each day, Mr. W.K. Kellogg started the cereal brand Kellogg's which offer goodness of grains. The company tries to make a positive impact on the people by offering them different ways to start with their breakfasts. The company functions in various countries in the world namely the Americas, Europe, Asia Pacific, the Africa, and the Middle East.

Over a period of time, it has become a major player in the global market for cereals and cereal-based food products, with more than 20 plants in 18 countries across the world with annual sales of approximately US \$6 billion. It started as a breakfast cereal but is not only a breakfast food now, and has added a variety of snacks to its product line. Kellogg's customer base comprises of individual as well as institutional consumers. Kellogg's product line comprises of 'Simply Wholesome' products which are good for health, such as Muesli, Special K and All-Bran.

They have a range of products for children such as Chocos, Frosties which parents also approve as healthy breakfast options for their children. With the inclusion of new products in its range, the target customer base of Kellogg's has increased tremendously from children to youngsters to middle and old age consumers. The company offers different brands such as listed in Figure 1.

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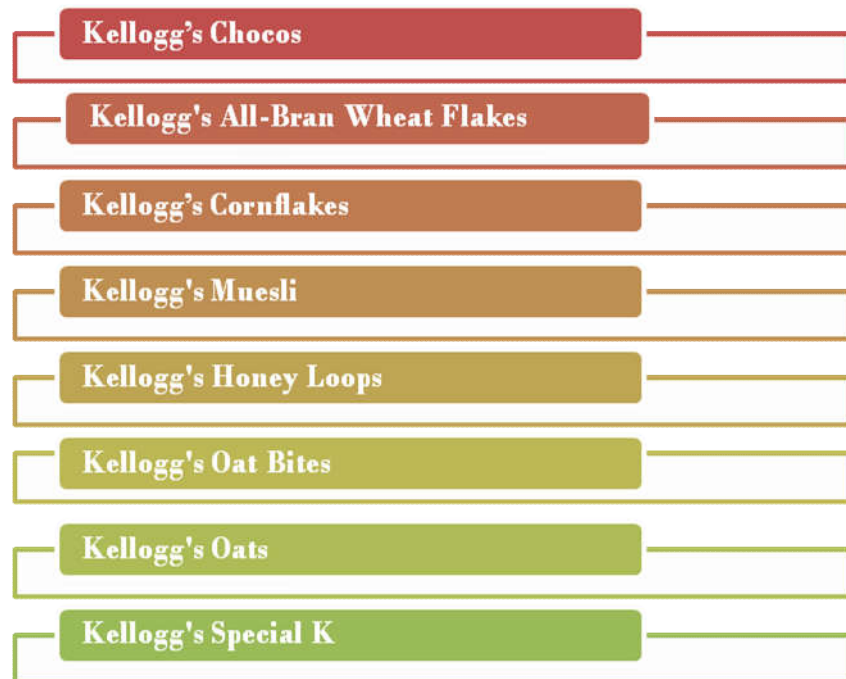


Figure 1. Product range of Kellogg's available in India

Kellogg's Chocos is the great breakfast cereal option for children. Chocos is now made with whole grain, provides fibre and is fortified with 11 essential vitamins and minerals. Kellogg's All-Bran Wheat Flakes is made with whole grain, is high in fibre and has 8 essential vitamins and iron. Kellogg's Cornflakes is nourishing, wholesome breakfast made from real natural corn, with iron and 8 essential vitamins. Kellogg's Honey Loops are crunchy multi grain cereal dipped in honey. Kellogg's Muesli is a combination of multiple grains and dried-fruits or nuts. Kellogg's Oat Bites is a nutritious and delicious breakfast cereal to start a day. Kellogg's Oats is a wonder grain with soluble fibre and a perfect choice for healthy lifestyle. Kellogg's Special K is delicious crunchier flakes which is 98% fat free and a source of fibre. Each of these brands holds their own competitive market.

Company's objectives are to

1. Remain a global cereal leader,
2. Become a global snacks player,
3. Focus on frozen food,
4. Increase focus on emerging markets.

The company believes in nourishing people by offering them healthy and nutritious foods. They try to make it transparent for the consumers as well for stakeholders by making them know about their food, the place from which raw ingredients come from, who grows them and who makes them. They assure that everyone eating Kellogg's cereals and snacks get enough nutrients for the day.

A wide variety of demographic groups are now Kellogg's customers. The company's brands enjoy an established position in the market. The six key consumer segments targeted by Kellogg's comprise of -the 'Tasty Start' 'Simply Wholesome' 'Shape Management' 'Mum Approved' 'Kid Preferred' and 'Inner Health'.

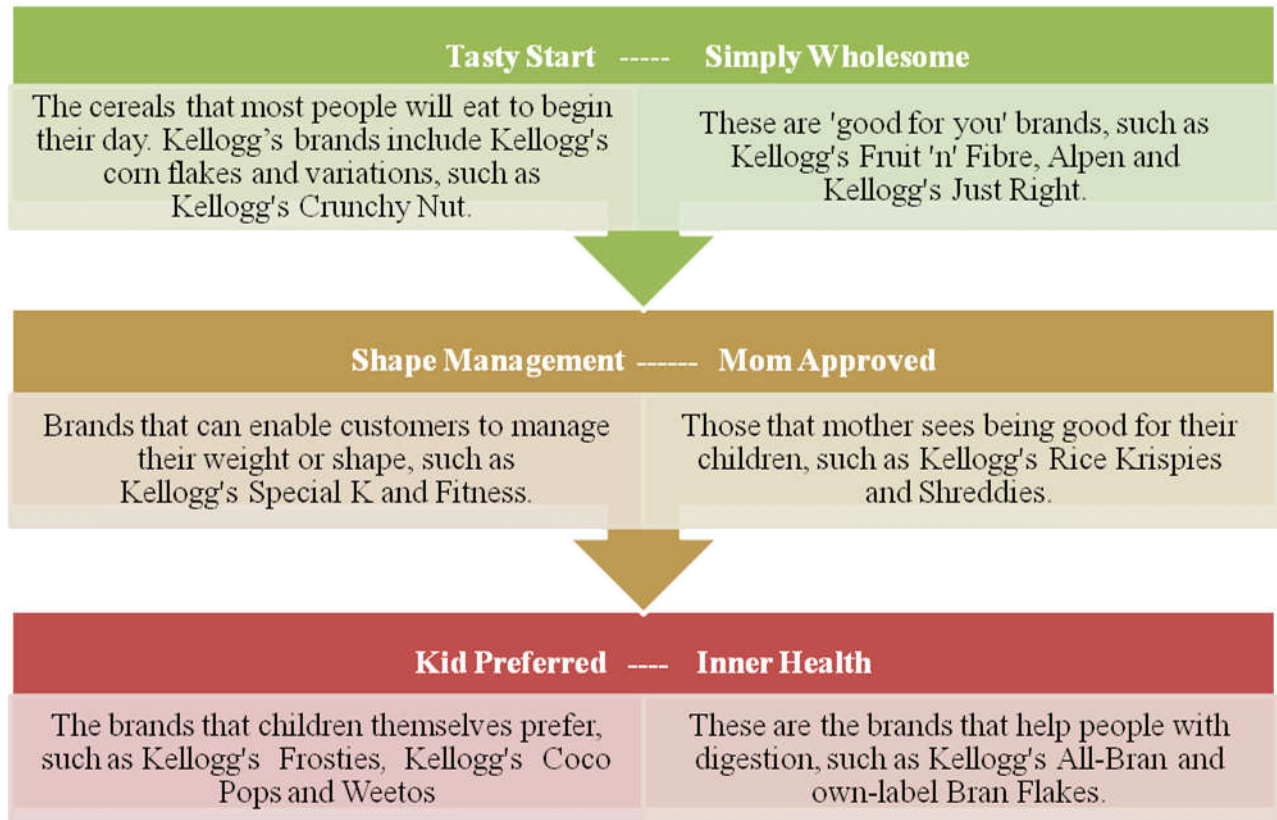


Figure 2. Key consumer segments of Kellogg's

2. Kellogg's in India

Kellogg's entered the Indian 3000- ton cereal market in 1994. The game plan was to position itself on the health platform, highlighting the nutritional values of the brand. Kellogg India Ltd. was the wholly owned Indian subsidiary of the Kellogg Company.

But, the Indian ready-to-eat-cereal market, clearly, posed several challenges. The Indian sub-continent found the whole concept of eating breakfast cereal a new one. Most of the house-holds were accustomed to traditional Indian breakfast menu items. The company had a strong direct competition from traditional regional breakfast that was easily available at much lower prices. The major challenge was to promote not only its product, but also promote the idea of eating cereals in breakfast.

As a cultural practice in almost all the regions of India, consumption of processed food has not been an acceptable practice. And, even when Indian households became open for the trial of cereals in breakfast, another major challenge that was faced by the company was the feedback of Indian consumers that the Kellogg's breakfast is not as 'filling' as the Indian breakfast. The 'heavy', 'fulfilling' and 'complete' Indian breakfast posed as a big hurdle in the acceptance of Kellogg's in India. Moreover, Indian consumers complained of the bland taste that cereal had in comparison to the hot, spicy and flavorful Indian dishes. Indian breakfast menu provided a large variety and continued to be the favourite of Indian consumers. Indian consumers were

less calorie conscious and thus the concept of a 'healthy, low-calorie' breakfast was not was alluring to Indian consumers.

Thus the major challenges that Kellogg's faced in Indian market were-

1. Easy availability of low-priced traditional breakfast,
2. Low awareness about processed foods and
3. Price sensitive customers

3. Kellogg's strategy and positioning for Indian market

In order to satiate the unique requirement of the Indian consumers, Kellogg's modified its strategies and product emphasis. The company worked on strategies related to -

- Prices reduction
- Introduction of different sizes of retail packs
- Repositioning of the products as 'tasty nutritious food'
- Indianizing the products by modifying the taste
- Promotional activities like Kellogg's health week and free samples distribution to school students and housewives.
- Projecting the brands image to be 'fun-filled' brands and not only emphasizing on 'nutritional value'.

New products and new flavours were introduced to suit the Indian taste-buds. The promotional campaigns were Indianized, showing Indian celebrities consuming Kellogg's for health, energy and fitness. Alternative consumption styles for Kellogg's products, different occasions, times of the day, and accompaniments such as curds, honey, pistachio and bananas were promoted to the Indian consumers. The initial focus of the health brand changed to become a 'fun-and-taste' offering for a wide range of Indian consumer segments. Kellogg's is now perceived as not only a cereal brand but a snack brand by the Indian consumers.

4. Objectives of the research

The research was conducted with the objective of unveiling the perspectives of Indian consumers towards the international cereal and snack brand Kellogg's by identifying the image that Kellogg's has been able to create in the minds of Indian consumers. Further, the research aimed to find the reasons why Indian consumers buy Kellogg's products. The specific objectives are listed below:

To unveil the perspective of Indian consumers towards Kellogg's

To find the reasons why Indian consumer buy Kellogg's products

5. Methodology

Qualitative methodology was adopted for the research. Qualitative enquiry is the necessary means of eliciting evidence from diverse individuals, population groups, or contexts. It focuses on the phenomenon of social world and is a form of social inquiry to understand looks at how individuals make sense of their experiences and the world in which they live (Liamputtong, 2013).

Structured in-depth interviews were conducted with representatives of different consumer segments. In-depth interviews depict a qualitative research technique which involves conducting intensive individual interviews with a small number of respondents to explore their perspectives on a particular idea, program or situation (Boyce and Neale, 2006).

Respondents selected as interviewees comprised of –

Parents having children aged below 14 years,

Children aged 5-14 years,

Single /Unmarried working professionals, and

Experts from the field of medicine, psychology and diet.

Table 1 provides the respondent details.

Table 1. Respondents' details

Respondent	Status	Gender	Age	Occupation
1	Parent	Female	35	Home maker
2	Parent	Male	40	Businessman
3	Parent	Female	36	IT professional
4	Parent & Expert	Female	37	Doctor
5	Expert	Male	29	Psychologist
6	Parent & Expert	Female	32	Dietician
7	Child	Male	12	School student
8	Child	Male	9	School student
9	Child	Female	13	School student

Interviews with respondents included the following questions -

Do you consider yourself a health conscious person?

Is Kellogg's a healthy breakfast option according to you?

Do you think that the acceptability of ready-to-eat products is increasing among Indian consumers?

Do you buy Kellogg's for the health benefits promised by the brand?

Do you buy Kellogg's because of the convenience factor?

Do you buy Kellogg's because it is a trendy & stylish food option with a smart personality

Do you buy Kellogg's due to the influence of advertisements?

Do you buy Kellogg's under social influences –family, friends, peers, reference groups?

Do you buy Kellogg's due to the brand name?

Do you think Kellogg's is an over-priced food item?

Do you think Kellogg's can be a substitute for freshly-cooked home food?

Rank Kellogg's on a scale of 5 for your overall liking of it as a healthy snack.

For the analysis of the interviews, Repertory Grid Technique (RGT) was employed. The repertory grid is a technique for identifying the ways that a person interprets or gives meaning to his/her experience. It is a technique used for eliciting personal constructs, implying - what people think about a given situation, event or topic (Fransella, Bell, & Bannister, 2004). There are 4 main components of the Repertory Grid, (i) The topic, (ii) The elements, (iii) The constructs, and (iv) the ratings.

The 4 main components of the repertory grid for the current research are explained below:

The Topic: Indian consumers' perspective towards Kellogg's

Elements: 9 respondents from different demographic characteristics

Constructs: The above mentioned series of 12 statements to gather information required in the research

Ratings: Five-point response scale, with 1 representing 'Strongly Disagree' and 5 representing 'Strongly Agree'

Interview transcripts were prepared and responses obtained were coded on the five-point scale. The Repertory Grid constructed on the basis of interview analysis is shown as Figure 1. The 12 constructs are given on the vertical header axis. The 9 elements (respondents) are shown on the horizontal header axis, and the responses are given in the grid matrix.

Table 2. Repertory Grid for Indian consumers' perspective towards Kellogg's Responses of elements depicted on five point scale for the respective construct

	1	2	3	4	5	6	7	8	9	
Health conscious	4	3	4	3	4	5	3	2	2	Not health conscious
Healthy option	4	3	3	3	4	5	3	4	3	Not a healthy option
Ready-to-eat products acceptable	3	2	1	3	4	4	4	3	5	Ready-to-eat products not acceptable
Kellogg's for health	3	4	3	3	4	5	2	3	2	Kellogg's not for health
Kellogg's for convenience	3	3	4	4	4	4	2	2	1	Kellogg's not for convenience
Kellogg's for style	4	2	2	3	3	2	2	3	2	Kellogg's not for style
Kellogg's due to ads	3	4	3	2	3	2	4	3	4	Kellogg's not due to ads
Kellogg's due to social influence	4	4	3	4	3	3	4	4	2	Kellogg's not due to social influence
Kellogg's for brand name	4	3	3	2	3	3	4	4	4	Kellogg's not for brand name
Kellogg's over-priced	5	4	3	4	5	4	2	3	3	Kellogg's not over-priced
Kellogg's substitute for freshly-cooked home food	1	2	1	2	2	2	3	2	2	Kellogg's not a substitute for freshly-cooked home food
Kellogg's ranks good	4	3	4	3	3	4	3	4	4	Kellogg's ranks poor

6. Findings

It is clear from the analysis that Kellogg's is a well-known cereal and snack product in Indian market. Consumers of different demographic profile are aware of Kellogg's as a health brand, however this understanding may be limited amongst the younger consumers of Kellogg's, i.e., the children. Indian consumers perceive the brand to be over-priced and feel that prices of such food products that are promoted to be eaten

almost daily, should be more friendly to the consumers. There is a significant influence of advertisements on the purchase of Kellogg's products.

Consumers in all age groups get influenced by Kellogg's communications through its ad campaigns, especially featuring physically fit celebrities. Another factor that determines Kellogg's purchase by Indian consumers is the influence of social groups such as family members, friends, peers and reference groups. The respondents had an average awareness of ready-to-eat food products in Indian markets and have mixed responses for the consumption of Kellogg's for health reasons and convenience factors. A significant agreement across respondents was that Kellogg's products cannot be considered as substitutes for freshly-cooked home food. Indian consumers, irrespective of their demographic constitution, prefer the Indian home-cooked fresh food with variety of flavours and options.

Conclusion

Today, the company is the best seller of cereal food and snacks. Although, it has established its position in Indian market, yet, the Indian psychology and eating habits have not let it acquire a 'favoured' status in the hearts and minds of Indian consumers. Indian consumers are aware of the health-related aspects associated with the brand, and also acknowledge that convenience is a major factor in consumer decision-making about Kellogg's purchase. However, 'good taste' still rules the Indian eating sphere, and this especially holds true for the younger consumers. Kellogg's enjoys an overall good image in the minds of Indian, who rank it high in the market of ready-to eat food products. But in order to click to the Indian taste-buds Kellogg's further needs to Indianize its products and provide the variety that Indian consumers are accustomed of.

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