

Comparative Study of Strategy Management and Performance Consumers- Taiwan, China and Thailand

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Abstract

The topic of brand management is considered as a quite crucial marketing management strategy and measure by the business and academic circles. In particular, strategic brand management has become a subject that enterprises attach great importance to. In order to strengthen its brand equity, Pokphand, a case company, has directly sold meat to consumers with its brand in the retail market in recent years. However, whether its strategic brand management measures can win consumers' loyalty is a topic of great concern to the management authorities. In addition, there is another important question for the case company. Concerning Pokphand is a multinational enterprise, what are the different effects of Pokphand's strategic brand management measures in different regions due to different consumer habits? In order to explore these two research questions, this study makes a comparative study with consumers in Taiwan, China and Thailand. The results are as follows. First, Pokphand's strategic brand management will significantly affect customer loyalty. Second, brand awareness has no positive effect. Third, there are similarities and differences in consumer views among Taiwan, China and Thailand.

Keywords

Strategic Brand Management; Customer Loyalty Degree; Cultural Difference.

1. Introduction

The Charoen Pokphand Group is a Thai conglomerate based in Bangkok. It is Thailand's largest private company. The company describes itself as having eight business lines covering 13 business groups. As of 2020, the group has investments in 21 countries.

In addition, facing the future internationalization trend, Taiwan Pokphand Group believes that crisis is a turnaround. The worse the environment, the more opportunities there are to turn disadvantages into turnaround. It has adopted exquisite business strategies, improved the product turnover rate again, accelerated the integration of marketing channels and implemented the intensive cultivation of the brand in recent years. It is hoped to move forward towards the goal of becoming the top brand of Taiwan through agricultural refinement and brand management, combined with the resources of the Group. Brand management is not easy. How to establish and effectively implement strategic brand management that breaks away from the traditional sales methods and marketing methods has become an important marketing strategy and measure relied on by enterprises all over the world.

Can the strategic brand management measures of the case company win the loyalty of consumers? Considering consumer habits vary from place to place, what are the different effects of Pokphand's strategic brand management measures in different regions?

Therefore, in order to demonstrate and explore our questions, we take Taiwan, China and Thailand consumers as samples to analyze and explore with the quantitative research method. The findings are

expected to provide a reference for the livestock industry or other enterprises for brand strategy management in the future. At the same time, it is helpful to the relevant research in the fields of strategy management and customer satisfaction for international brands.

This study takes chicken as the research object which has no differences in ethnic diet and religious beliefs. Consumers in various countries and races take chicken as the source of animal protein.

2. Literature Review

Chicken plays a very significant role in Chinese traditional diet. In current society, "eating more plain boiled pork" has gradually become the main concept of health preservation for many people, and chicken is in line with the main demand of this wave of healthy diet trend.

However, due to the change of population structure and the reduction of family population in recent years, the early whole chicken purchase has been less in line with the needs of families with small population. In addition, the population of eaters eating out is gradually increasing. Fast food operators and convenience stores mostly cook with white broilers, whose economic value has been agreed with by an increasing number of people. Accordingly, white broilers gradually sell well.

The topic of brand management is considered as a very vital marketing management strategy and measure by the business and academic circles. In particular, strategic brand management has become a subject that enterprises attach great importance to. However, brand management is not easy, so how to establish and effectively implement strategic brand management that breaks away from the traditional sales methods and marketing methods has become an important marketing strategy and measure relied on by enterprises all over the world.[1.2.3] (1)Brand awareness; (2) Brand perception; (3)Brand Association; (4)Brand loyalty.

There are four dimensions in strategic brand management including brand awareness, brand perception, brand association and brand loyalty. The brand loyalty of customers depends on the operation of enterprises so that their relationships can be established and strengthened. Brand loyalty change to customer relationship management. In other words, to measure whether a company's strategic brand management is qualified or not, it is feasible to start from the four aspects of strategic brand management. [4].

(1) Brand awareness: It is defined as the degree to which consumers know about the brand, which reflects the scope or breadth of brand influence. To measure consumers' brand awareness of Pokphand, consumers' recognition of Pokphand should be considered in the following items: I often hear about Pokphand, I know Pokphand has a lot of products, Pokphand has a good reputation, relatives and friends may recommend Pokphand, I have seen Pokphand related products on the Internet.

(2) Brand perception: Since quality perception can be divided into those for products and those for services, it is further described as follows: A. Quality perception: It must depend on consumers' recognition of Pokphand in the following items: "good taste", "international quality assurance", "sanitation and reliability", "quality superior to other brands", "product integrity", "competitive price" and "high popularity in meat stores". B. Quality perception: consumers' recognition of the following items: "salespersons have professional knowledge" and "properly handle customer complaints".

(3) Brand association: It is defined as consumers' perception of anything associated with brand memory. It is a series of collections of consumers' thoughts, feelings and expectations for the brand, which can reflect the brand's characteristics or product cognition, including feeling, experience, evaluation, brand positioning, etc. These may establish a brand image for consumers, which will affect consumers' purchase decisions. The recognition of the following items: "excellent quality", "fair price", "international enterprise", "excellent breeding technology", "accurate inspection", "conscientious enterprise" and "caring for consumers".

(4) Customer relationship management: It refers to the activities that companies and enterprises strive to continuously improve their relationship with customers, such as paying attention to customer opinions, caring about customers, providing additional information, constantly exploring customer

needs, etc. Customer relationship management is to establish a non-trading relationship with customers beyond the trading relationship through interactive communication. The purpose is to promote customers' good impression and evaluation of the enterprise's products, services and the enterprise itself, and improve the popularity of the enterprise and its products in the market. There is some recognition of the following items: "efforts to improve customer repurchase rate", "efforts to improve customer satisfaction", "efforts to explore customer needs", "efforts to educate consumers" and "carefully develop the main user group".

3. Methodology

Build the research hypothesis into a research framework, as shown in Figure 1.

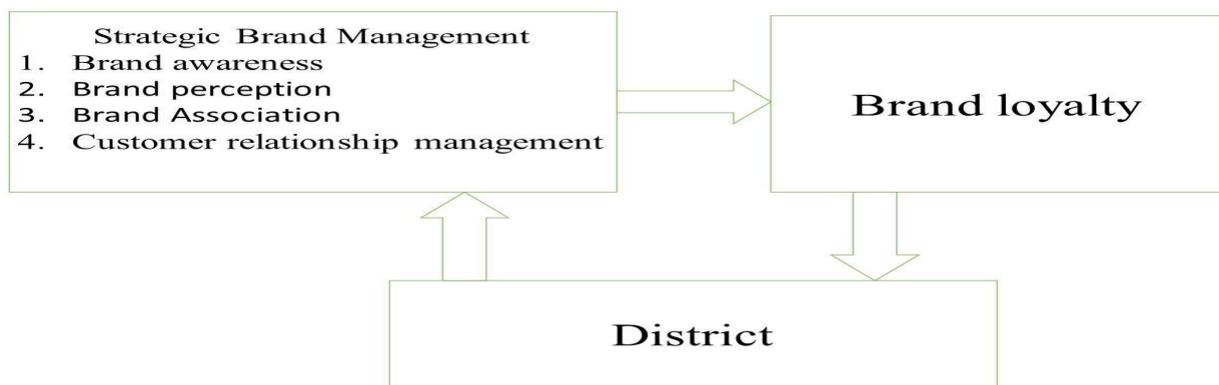


Figure 1. research framework

Independent variable: Brand strategy management refers to "how Pokphand consumers feel about Pokphand's strategic brand management practices". 26 measurement items are designed. There are 5 questions in the management of "brand awareness", such as "I often hear about Pokphand brand", "I know a lot of Pokphand products", "Pokphand has a good reputation", etc. There are 9 questions in the management of "quality perception", such as "good taste", "international quality assurance", "better quality than other brands", etc. There are 7 questions in the management of "brand association", such as "excellent quality", "fair price", "good feeding technology", etc. There are 5 questions in the management of "customer relationship management", such as "making efforts to improve customer repurchase rate", "making efforts to improve customer satisfaction", "being able to operate attentively the main user groups", etc. This questionnaire is measured by Liker's 5-point scale. Each question is divided into five grades from "very agree" 5 to "very disagree" 1. The higher the score, the more the respondents agree.

Dependent variable: customer loyalty, referring that "customers are willing to continue to buy the product or service and recommend others". Design 5 items, such as: "I will continue to buy Pokphand meat products", "I will buy more Pokphand products", "I will recommend relatives and friends to buy Pokphand meat products", "Even if the price increases, I will still buy Pokphand meat products", "Even if there are other good brands, I will still buy Pokphand meat products", etc. The questionnaire is measured by Liker's 5-point scale. Each question is divided into five levels from "very agree" 5 to "very disagree" 1.

Sample and data collection methods: Take the consumers of Taiwan, China and Thailand of Pokphand as the main research objects, and conduct questionnaire survey on unspecified consumers in supermarkets respectively. 260 questionnaires for Taiwan, 100 questionnaires for mainland China and 200 questionnaires for Thailand.

Data Analysis: The statistical analysis methods used include Reliability Analysis, validity analysis, Factor analysis, Descriptive Statistics, Related analysis, Analysis of variance and regression analysis seven ways to analyze.

4. Empirical Analysis

Analysis of reliability & validity: In this study, the head of the marketing department of an enterprise was asked to revise the questionnaire to obtain expert validity; The construction validity of the measurement tool is obtained by factor analysis. The criterion of factor extraction is based on the suggestions of Hair Jr., Black, Babin, and Anderson(2010), and the factor load is greater than 0.50. Among the self-variable items of strategic brand management, the original questionnaire had 26 questions in total. After a factor analysis, the questions were not deleted, and the total explanatory variation was 70.236%. As for the item according to the variable (customer loyalty), after a factor analysis, there was no deletion of the item, and the total explained variation was 79.1%. According to the reliability analysis results of Taiwan, China and Thailand, the reliability value (Cronbach's α) is above 0.7.

Sample Profile(Taiwan+China+Thailand, n=560):

- 1) Sex: There are 249 males, accounting for 44.5% of the total; 311 females, accounting for 55.5% of the total.
- 2) Age: 26-40 years old accounted for the highest proportion of 47.1%, followed by 19-25 years old accounted for 26.8%; 41 years old and above accounted for 20.5%; 16-18 years old accounted for 5.5%.
- 3) Educational level: The highest proportion of universities is 41.6%, followed by high school vocational accounted for 32.7%; junior high school accounted for 12.5%; master's degree or above accounted for 9.8%; elementary school accounted for 3.4%.
- 4) Occupation: The service industry accounts for the highest proportion of 45.5%, followed by manufacturing for 15.5%; military, public education, 14.1%, homemaker, 12.5%, and students 12.3%.
- 5) Annual salary USD: Among the proportion of annual income, the highest proportion of 8,001~11,000 is 38.8%, followed by 11,001~20,000 with 26.1%; Under 8,000 for 24.8%; Over 20,001 for 10.4%.

Descriptive statistics and correlation analysis are shown in Table 1. In descriptive statistics, the highest average is brand association; The highest standard deviation is brand awareness, and the relationship between the variables is significant pairwise correlation.

Table 1. Descriptive statistics and correlation analysis

	Arithmetic mean	Standard Deviation	Brand awareness	Brand perception	Brand Association	Customer relationship management	Brand loyalty
Brand awareness	3.3375	0.8246	(0.885)				
Brand perception	3.3734	0.672	0.747**	(0.931)			
Brand Association	3.4549	0.7151	0.666**	0.784**	(0.929)		
Customer relationship management	3.3171	0.6765	0.654**	0.760**	0.740**	(0.889)	
Brand loyalty	3.1479	0.8091	0.599**	0.746**	0.730**	0.731**	(0.934)

* : $p < 0.05$; ** : $p < 0.01$; *** : $p < 0.001$; ():Cronbach's α

ANOVA & T-test: The results of variance analysis of demographic variables in various research variables show that there are significant differences only in cultural groups. Form Table 2, the customer loyalty of Taiwan is significantly different from that of China and Thailand; There is a

significant difference in customer loyalty between Thailand and China. These results will be treated as control variables during hypothesis testing.

Table 2. ANOVA & T-test

	Brand awareness	Brand perception	Brand Association	Customer relationship management	Brand loyalty
District 1= Taiwan 2= China 3= Thailand	1>2*** 3>2***	1>2** 3>2**	-	-	1>2*** 1>3* 3>2***
sex : 1= Male 2= Female	-	-	-	-	-
Age: 1=Under 15 2=16 to 18 3=19 to 25 4=Over 41	3>1* 3>4**	3>4**	3>4**	3>4**	-
Education 1=Primary 2=Junior 3=Senior 4=University 5=Graduate	4,5>2*** 4, 5>3**	4,5>2*** 5>3**	5>2*** 5>3** 4>2**	5>2*** 5>3* 4>2**	5>2*** 5>3** 5>4*
Occupation 1= Student 2=Service industry 3=Manufacturing industry 4= Public servant 5=Homemaker	4>1* 4>2,3,5***	4>1** 4>2,3,5***	4>1,3** 4>2,5***	4>1** 4>2,3,5**	4>1** 4>2,3,5*
Annual salary USD 1=Under 8,000 2=8,001~11,000 3=11,001~20,000 4=Over 20,001	3>1**	-	3>1**	3>1*	-

* : p < 0.05; ** : p < 0.01; *** : p < 0.001

Analysis of regression: The hypothesis is verified by regression analysis, and the demographic variables with significant differences are treated as control variables. The results of regression analysis are shown in Table 3 to verify the hypothesis.

It can be seen from model 2 in Table 3 that the VIF value of strategic brand management are all between 1 and 10, indicating that the collinearity between the variables is within the acceptable range. The impact of the four dimensions of strategic brand management on customer loyalty and the hypothesis test of adding regulatory variables on customer loyalty are described as follows:

- (1) From Table 4 model 2, strategic brand management has a significant impact on customer loyalty, $P < 0.001$, $F = 234.589$, $R^2 = 0.595$, so hypothesis 1 is valid.
- (2) Brand awareness P value < 0.001 and β value -0.016 are a significant negative impact, so hypothesis 1-1 is not tenable.
- (3) Brand perception P value < 0.001 and β value of 0.323 are significant, so hypothesis 1-2 is true.
- (4) Brand association P value < 0.001 and β value of 0.277 are significant, so hypothesis 1-3 is valid.
- (5) Customer relationship management p value < 0.001 and β value 0.299 are significant, so hypothesis 1-4 is valid.

Table 3. The results of regression analysis are

Customer loyalty				
Dependent variable	Model 1		Model 2	
Independent variable	$\beta(p)$	VIF	$\beta(p)$	VIF
District ¹	0.165(0.000)	1.231	0.053(0.063)	1.256
Age ¹	-0.03	1.475	0.035(0.261)	1.492
Education ¹	0.223	1.302	-0.027(0.364)	1.424
Occupation ¹	0.055	1.343	-0.025(0.391)	1.373
Annual salary ¹	-0.02	1.321	-0.026(0.372)	1.334
Brand awareness			-0.016(0.000)	2.45
Brand perception			0.323(0.000)	3.881
Brand Association			0.277(0.000)	3.079
Customer relationship management			0.299(0.000)	2.799
R ²	0.056		0.651	
(Adjusted R ²)	0.047		0.645	
ΔR^2	0.056		0.595	
F change	6.561***		234.589***	
Sig F change	0.00		0.00	

* : $p < 0.05$; ** : $p < 0.01$; *** : $p < 0.001$

According to Table 4, the impact of strategic brand management on customer loyalty of three different cultural groups is as follows:

- 1) For Taiwan, strategic brand management has great influence on customer loyalty, and brand association is the highest.
- 2) For China, strategic brand management has little impact on customer loyalty; brand awareness and brand perception have no significant impact.
- 3) For Thailand, strategic brand management has a significant impact on customer loyalty, but brand awareness and brand association have no significant impact.
- 4) There are differences in the views of consumers in the three places, so hypothesis 2 is tenable.

Table 4. According

District	Taiwan	China	Thailand
Independent variable	$\beta(p)$	$\beta(p)$	$\beta(p)$
Brand awareness	-1.35(0.14)	0.103(0.199)	-0.81(0.297)
Brand perception	0.253(0.00)***	0.202(0.046)	0.476(0.00)***
Brand Association	0.418(0.00)***	0.355(0.01)**	0.22(0.81)
Customer relationship management	0.327(0.00)**	0.249(0.019)*	0.482(0.00)***
R ²	0.645	0.613	0.766

*: $p < 0.05$; **: $p < 0.01$; ***: $P < 0.001$: all are treated as virtual variables

5. Conclusion

It is found in this study that Pokphand's strategic brand management has a significant impact on customer loyalty. As for all aspects of strategic brand management, it has quite successfully grasped customer loyalty in product association. However, it is less significant in brand awareness. Subsequently, advertising should be strengthened to impress consumers. In addition, through the comparison of cultural groups, it is found that the impact of strategic brand management on customer loyalty in Taiwan is better than that in Thailand where the multinational enterprise originated, but it is less significant in China. Therefore, when considering strategic brand management, the company must design according to national conditions and cultural differences. The implications and suggestions of these new findings are as follows. The overall success of strategic brand management does not mean that each organization has a significant impact on customer loyalty. This means that the effect of sub-dimension in both strategic brand management and management practice should be paid attention to, so as to have more in-depth discussion space in research and find the improvement space of strategic brand management in management practice. To compare the differences of customer loyalty between Taiwan, China and Thailand, echo that multinational enterprises need to consider local responsiveness when designing and implementing strategic brand management in foreign countries, local responsiveness should be considered. It can not be completely based on the fully standardized theoretical thinking of global integration. Therefore, when studying international marketing, it is necessary to include the variable of cultural differences; In management practice, multinational enterprises must make necessary adjustments in formulating strategic brand management according to the national conditions of various countries. This study found that although Pokphand Group is headquartered in Bangkok, Thailand, it does have Asia's largest chicken slaughtering factory and the most advanced microwave conditioning fresh food factory in Taiwan. It can be seen that the Group attaches importance to the Taiwan market. The results of the questionnaire show that there is the most significant impact on customer loyalty in strategic brand management in Taiwan. Although with vast market in China, the competition here is fierce. Pokphand Group ranks second in China's feed market, next only to Hope Group, but it has little popularity in the meat market. Wen's Group is the largest pork production supplier in China, with an annual shipment of 11 million pigs. The results of the questionnaire show that Chinese consumers are not interested in strategic brand management. The consumer education level and income of Thailand as the headquarters of Pokphand Group are lower than that of Taiwan, and its response to strategic brand management is not as good as that of Taiwan. As a result, the questionnaire results are significantly lower than that of Taiwan in terms of customer loyalty. Pokphand had better copy the vertically integrated business model in Taiwan to China. In addition to supplying feed to livestock breeding, the Group can sell meat products to the market in its own name, so as to let customers know Pokphand and gain a better understanding of Pokphand, and further introduce the strategic brand management model into China.

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