

Branding Audit and Marketing Strategy in the era of Vicious Competition: Designed based on Kellogg's company

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Abstract

The reliance on marketing strategy to upsell the products to consumers compared to the competitors is high ever before. Considering the fierce atmosphere in the consumer market, the companies are putting much effort into achieving unique methods of staying on the top list of consumer choices. Currently, various marketing activities, both small and large sectors, use technology in their development. With the rapid development of technology, marketing is not a difficult thing anymore. One of the uses of technology can be felt in the e-commerce sector. The marketing strategy with a strategic content marketing pattern will further increase the growth rate of buying interest in products offered by the Internet markets. Kellogg has been dominant in the consumer market with its brand equity, however, the novelty in marketing contemplations are highly welcomed to stay strong in an open market.

Keywords: Branding, open market, competition, consumer perception, opportunities and threats, technology, e-commerce.

Introduction.

“Kellogg’s” company, founded more than a century ago, functions in the food industry and supplies individuals with a lot of breakfast choices including cereals, snacks, and cookies/crackers. The company operates in over 180 countries worldwide. There are 54 manufacturing plants in 18 countries. A company offers a wide variety of choices of plant-based food sustaining the well-being of its consumers. Cereals obtained from plants such as corn, rice, and wheat play a major role in people’s diet.

Moreover, the company provides nutrition education for its consumers so that they can opt for what is appropriate for their health accordingly. Consumers can get information about nourishments’ content not only through on-pack labeling and website content, but also through nutrition education programs and symposiums for health being held in Australia, Canada, the U.S., and Mexico to interact with consumers.

In addition, as the population all around the world can increase to 9 billion people by 2050, the sustainable grains of the company will influence reasonably on the food industry.

Materials and Methods

To observe the company’s functions and operations regarding branding and marketing operations, more than 30 articles and websites were analyzed. Both primary and secondary research was conducted to reveal the truth about Kellogg’s and to understand their initiatives of being one of the leading companies in the consumption industry.

Branding audit**Internal branding audit**

According to Kellogg's policy, people should be at their competitive advantage. And, growth boosters of the company are winning through occasions (in pandemic times it's reduced the price), shaping growth portfolio, building world-class brands, and delivering perfect service and store, meanwhile, better days boosters are nourishing with its foods, feeding people in need and nurturing the planet.

Creating better days and a place at the table for everyone through their trusted brands is the *purpose of the company*. Kellogg's *mission* is providing and feeding families with Kellogg's commodities so that family members can prosper while its *vision* is "A good and just world where people are not just fed, but also fulfilled".

The *Unique selling proposition* of UPS is being the first company that has entered into market food and beverage segment as producing nutritious, ready-to-consume breakfast cereals among other top competitors such as General Mills, Mondelez International, Kraft Heinz, J M Smucker, Ingredion, Quaker Oats Company, Nestle, Conagra Foods, Tyson Foods, Britannia, which also offer the same value as Kellogg's.

STP of Kellogg's***Segmentation***

Demographic, geographic, psychographic, and behavioral segmentation are utilized mixed by Kellogg's to distribute its 1600 products in more than 180 countries worldwide.

Demographics:

Consumers are divided according to their gender, race, age, education, occupation, and income by the company to target the commodities to the relevant individuals. Younger generations were targeted to some products, which are offered in various types of packaging and food shapes, in addition, intriguing portfolios are provided for sale (as an option) together with a box product.

Geographic

Potential consumers may be segmented between targeted consumers within the city, region, country, and even islands by estimating the climate of distributing the commodities sufficiently. Depending upon the place, Kellogg's products are provided by cities and regions according to the needs of segmented consumers. There is a certain share of the market owning Kellogg's in the UK. Moreover, in China the company has launched a new market as it sells the same quality level as globally, however, in China for meeting the consumer needs, localized products are utilized.

Psychographic

The division of consumers is distributed according to their personality, values, opinions, lifestyle, and interests. Therefore, it offers commodities, which are full of vitamins, low salt content, and iron nutritious food, for individuals who care about their health and their diet. In addition, on the market, Kellogg's presents itself as a manufacturer of healthier and more nutritious food.

Behavioral

According to behavioral segmentation, consumers are categorized based on loyalty status, several uses, and attitudes to obtain a competitive production. As the company has a limited time to sell its

certain products, some sort of discounts and specific offers are provided for the realization of products, which will be bringing beneficial offers to consumers, by receiving which the purchasing value will be increased and repeated. According to loyalty status, new Kellogg's factory-based cereals saturate the natural and vegetarian food market. Reducing sugar products offers better choices for consumers.

Targeting

Kellogg's utilizes a differentiated target market strategy for its customers.

- Tasty start- targets the people who start their day by consuming breakfast (e.g. Kellogg's Corn Flakes);
- Wholesome-offers lots of good brands to its consumers(e.g. Kashi Muesli);
- Kid Preferred and Mom Approved-targets children (e.g. Frosties) and parents(e.g. Raisin Wheats);
- Inner health- targets customers with health problems(e.g. All-Bran);
- Shape management- targets people who are concerned about diet or are health-conscious (e.g. Special K).

By differentiating products, Kellogg's creates specific advertisement and marketing strategies to target definite groups of people to analyze the best sales. Moreover, most customers of Kellogg's consume its commodities during breakfast, but the company inspires people to consume them during other parts of the day as snacks.

Positioning

The most enormous grain company utilizes commodities or benefits based on strategic positioning to demonstrate the advantages of their commodities to potential consumers by being dietary and nutritious. It has positioned itself as a brand that is fighting against famine by offering low-fat consisting food. Kellogg's positions itself as committing corporate social responsibility, which means the company considers not only its products, but also people, communities, and the planet. (ccreport.kelloggcompany.com, n.d.)

External branding audit and Customer experience (the following paragraphs will cover 5Cs: Consumers, Content, Community, Competitors, Conversion)

Logo:

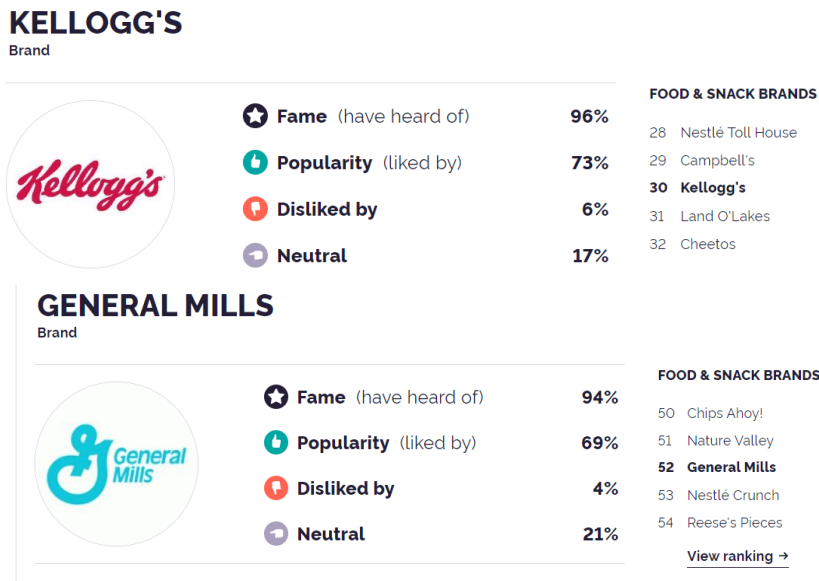


Kellogg's is considered the first trademark with a personal touch. Firstly, Will Keith Kellogg has personally signed the products with his signature to differentiate Kellogg's Corn Flakes from other similar products. It continues for years unless the owners of the company decided to accelerate the production process with a logo, which was designed with a stylized inscription as "Kellogg's".

In 1916, the lettering font is changed by designers, and after a while, in 1955, the color resulting logo turned in deep red. In 2012, because of the huge rebranding, the design of the logo is entrusted to the designers of Interbrand Ferris Crane and Andrew Y. Ames. As a result, the logo of “Kellogg’s” is repainted with scarlet and added the slogan “Let’s Make Today Great”.

Consumers

Brand Perception:



The data illustrates that the fame of Kellogg’s slightly differs by 2% compared to one of the top competitors General Mills. It can be visible the rate of competition is quite high by the number of likes by consumers, Kellogg’s popularity is 73%, whereas, General Mills is 69. Despite this strong competition, Kellogg’s ranking of food and snack brands takes 30th place leaving behind its competitor in 52nd place.

Kellogg's



General Mills

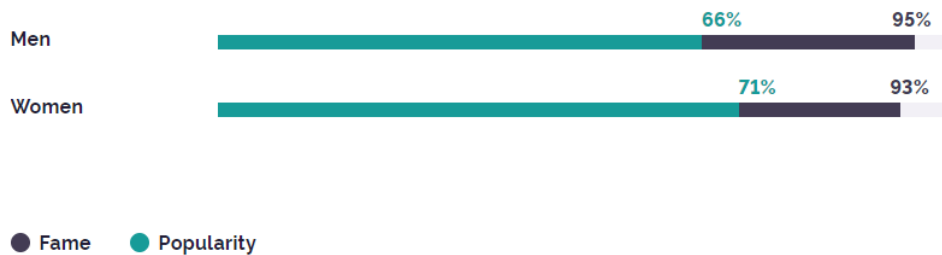


The data illustrates that the fame of General Mills is reasonably high among Gen X and Baby Boomer compared to Kellogg's. However, Kellogg's takes its positioning in being liked and consumed by both Millennials and Baby Boomer by 69% and 82% respectively except consumption among Gen X which gives its position to General Mills.

Kellogg's



General Mills



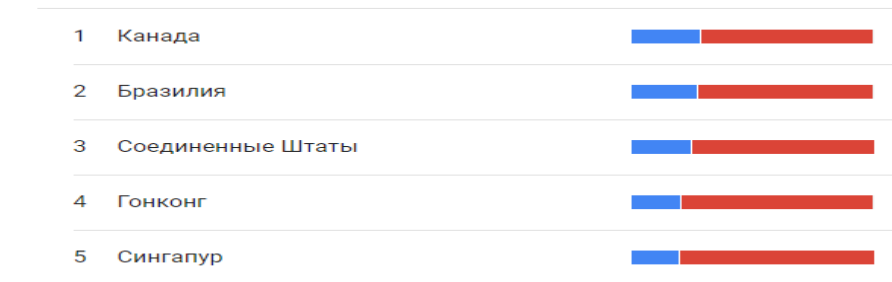
There are two trends Kellogg's and General Mills, which highlight fame and popularity between men and women in percentages.

Kellogg's trends show that there is a small difference between percentages of men and women in fame which makes up 96% and 97% respectively, while, popularity percentages consist of 69% and 76% respectively.

If to compare the percentages of General Mills with Kellogg's, the fame of General Mills between men and women makes up 95% and 93% respectively, which is slightly lesser than in Kellogg's highlights, whilst, the popularity of General Mills makes up 66% and 71% respectively.

Popularity







The popularity of Kellogg's on average is 72%, whereas General Mills is 12%. Though Kellogg's fluctuates at the rate of popularity it exceeds its competitor by 6 times. By sorting in level interest in following regions (Canada, Brazil, the U.S., Hong Kong, and Singapore) Kellogg's takes the dominating role in size of 71%, 72%, 75%, 79% and 80% exceeding its competitor twice.

Content:


Video content:




Kellogg's Nigeria Advert
82 тыс. просмотров • 3 года назад

 Kellogg's Nigeria


Kellogg's has recently launched its factory in Nigeria. Introducing the new variants in brand packaging through this TV ...




Miel Pops launch in Russia
8,8 млн просмотров • 11 лет назад

 kellogsrussia

СКАЧАЙ РИНГТОН на сайте или просто по ссылке <http://miel-pops.ru/downloadringtone.php> Kellogg's Miel Pops brand launch ...



Kellogg's Vitamin C Battle: Strawberry Corn Flakes VS Froot Loops 40s
12 млн просмотров • 8 месяцев назад

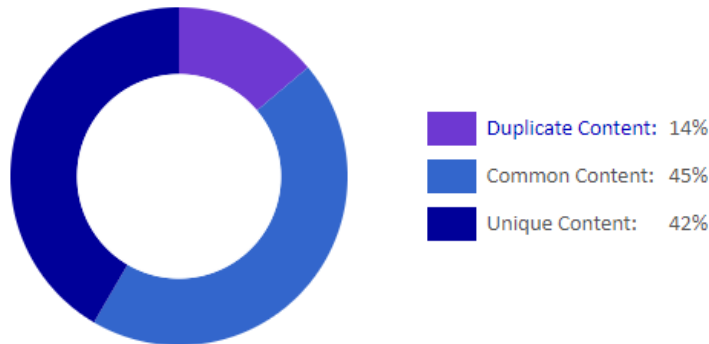
 Kellogg'sSEA

Kellogg's Strawberry Corn Flakes or Froot Loops have as much Vitamin C as ONE FRUIT SERVING*! Get your Kellogg's tasty ...

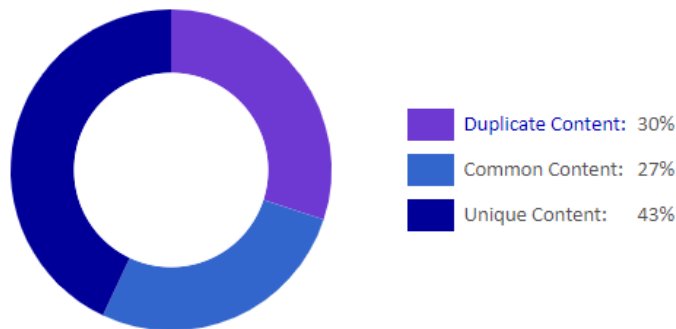
The video content of Kellogg's brand is represented mostly by children, families, and celebrities in different countries. There are several video channels of different countries on YouTube that promotes their commercials in different locations and languages. Some of them have reached the peak of viewers, moreover, if video investment is in the first place, it can be helpful to think like a broadcaster in terms of series content and scheduling to generate recurring views.

Content quality:

Kellogg's



General Mills



The data indicate that duplicate content is 14%, which means Kellogg's is doing quite well controlling its website content in comparison with one of its competitors, General Mills. There is a dramatic difference between duplicate and unique content, which illustrates Kellogg's is seeking uniqueness and controls its website's duplicate content. Meanwhile, the unique and common contents of Kellogg's are balanced in comparison with General Mills.

Community

Reviews

Employees:

<https://www.glassdoor.com/Reviews/Kellogg-Comp...>

Kellogg Company Reviews | Glassdoor

Good pay, decent benefits, & iconic brands. ... Shrinking business, reorganizing & restructuring every 18 months to 2 years. Leadership is starting to manage for ...

★★★★★ Рейтинг: 3,8 · 2 635 голосов

Вы посетили эту страницу 14.11.21.

General Mills Reviews | Glassdoor

General Mills Reviews · 5.0 Work/Life Balance Culture & Values · 5.0 Current Employee, more than 1 year. **Company review** · 4.0 Current Employee. Nice company.

★★★★★ Рейтинг: 4,1 · 3 219 голосов

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Consumers:

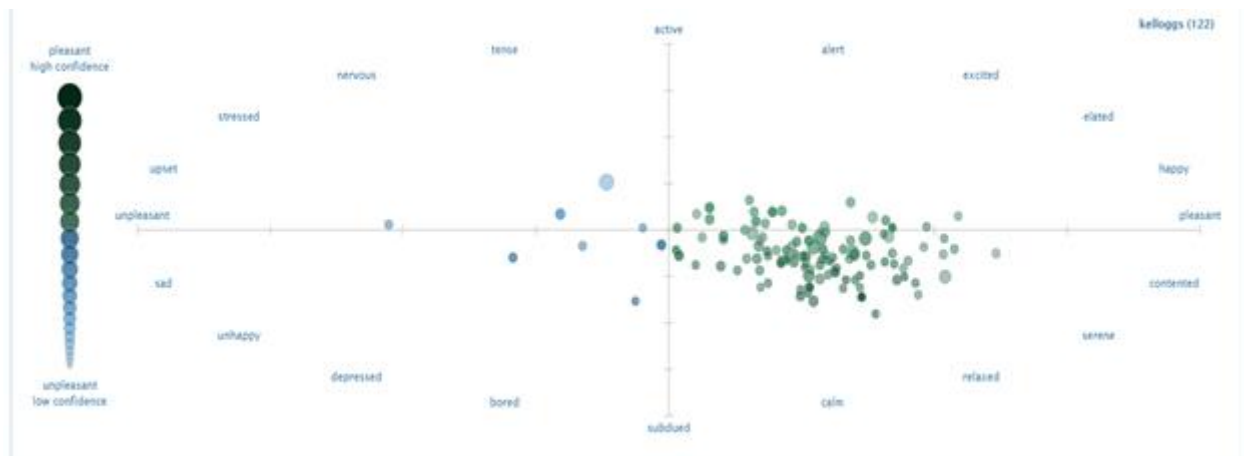
<https://www.consumeraffairs.com> > ... > Перейти эту страницу
Top 337 Kellogg's Reviews - ConsumerAffairs.com
 The cereal is described as mainly 'puffed' grains. However the density and hardness of the grains makes it very unpleasant to eat - and a danger to the teeth.
 ★★★★★ Peilmer: 3,8 · 337 отзывы

<https://www.comparably.com> > Brands
General Mills Inc. NPS & Customer Reviews - Brands
 General Mills Inc.'s product quality score is a 4.2 out of 5 as rated by its users and customers.
 Reviewers from the Tech industry rated General Mills Inc.'s ...

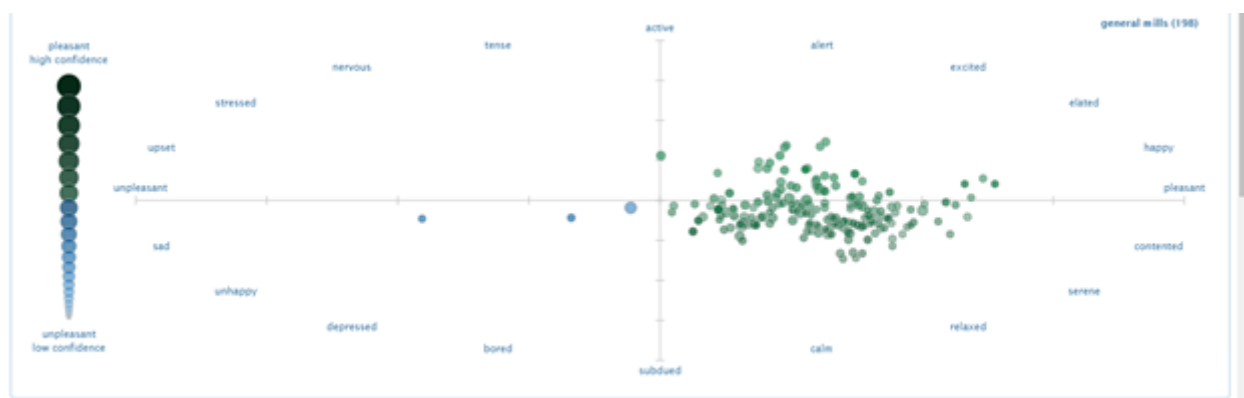
Kellogg's gives its position to its competitor in terms of both employee and customer reviews. According to Kellogg's employee reviews, it's 3.8 points out of 5 conceding for General Mills which is 4.1. Meanwhile, the rate of Kellogg's consumer reviews is 3.8 out of 5, whilst, its competitor's 4.2. As a result of the review, several items should be changed in Kellogg's policy.

Sentiment

Kellogg's



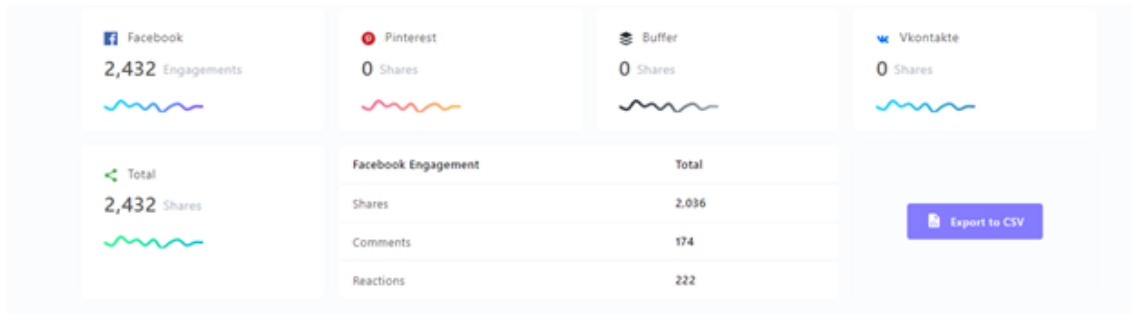
General Mills



Sentiments define feelings among the Twitter community. According to the data, Kellogg's Twitter community is not confident as General Mills' one. Moreover, the rate of negative feelings of Kellogg's also exceeds its competitor, which means some changes should be done.

Social shares:

Kellogg's



General Mills



Share counts indicate how many likes and how many shares the company wants across different platforms. In comparison with its biggest competitor General Mills, Kellogg's is doing quite well on Social media the engagement rate of which is 2432 exceeding almost 1500 points.

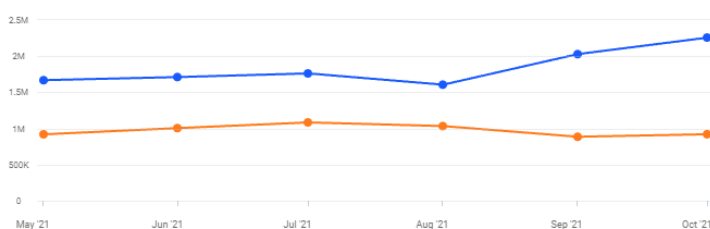
Competitors

Industry Ranking

Global Rank	Country Rank	Category Rank
Worldwide	United States	Food and Drink > Food and Drink
generalmills.com ▲ 33,838	generalmills.com ▲ 6,739	generalmills.com ▲ 24
kelloggs.com ▲ 59,179	kelloggs.com ▲ 21,075	kelloggs.com ▲ 89

Total Visits

On desktop & mobile web, in the last 6 months



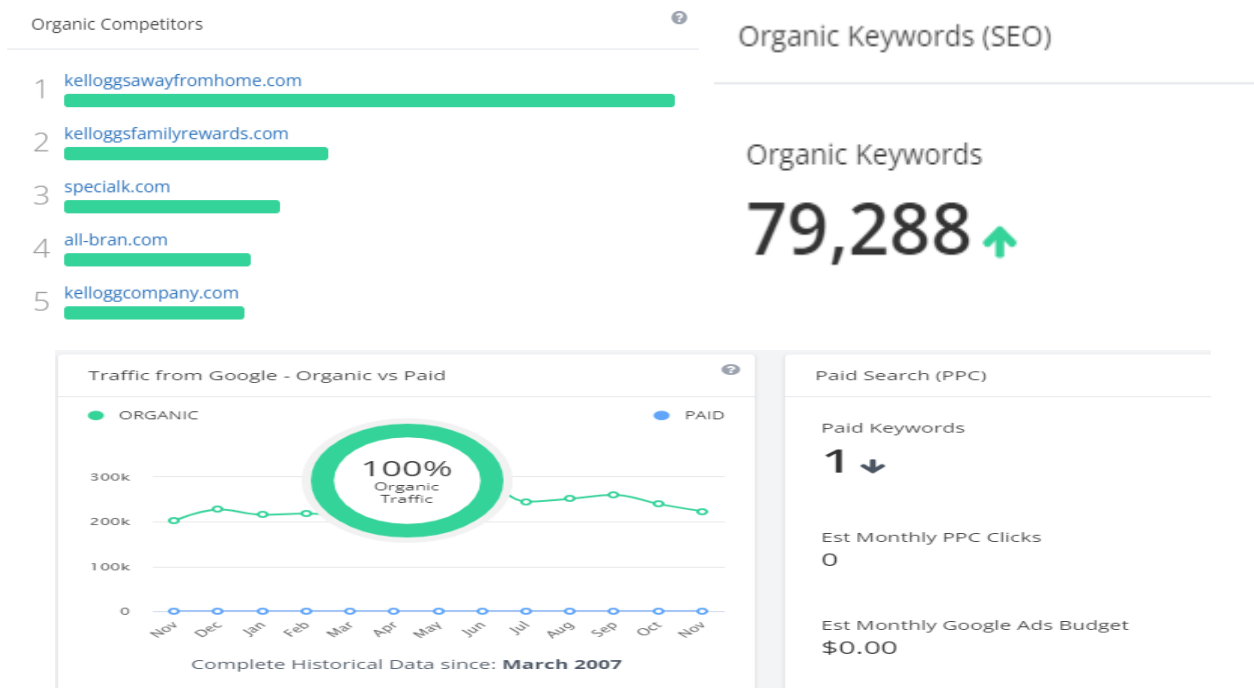
Engagement

Total Visits	2.26M	919.92K
Avg. Visit Duration	00:01:32	00:02:28
Pages per Visit	1.72	3.04
Bounce Rate	70.71%	66.70%

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According to the ranking, Kellogg's concedes to its competitor, General Mills, being in 89th place in food and beverages industry as well as in terms of total visits of pages. However, pages per visit and average visit duration are reasonably positive which means consumers are engaged in searching for what they want or perhaps dealing with e-commerce and spending more time. In comparison with General Mills, Kellogg's bounce rate slightly positive, however, the amount of it quite conservative which means consumer leaving the website abruptly because of site speed or other factors.

Competitive search



The data indicates that there are not any paid competitors, however, there is huge competition within the websites of Kellogg's different brands in terms of search. According to these rankings, kelloggsawayfromhome.com takes the leading position among other organic competitors whereas kelloggcompany.com positions in the last place.

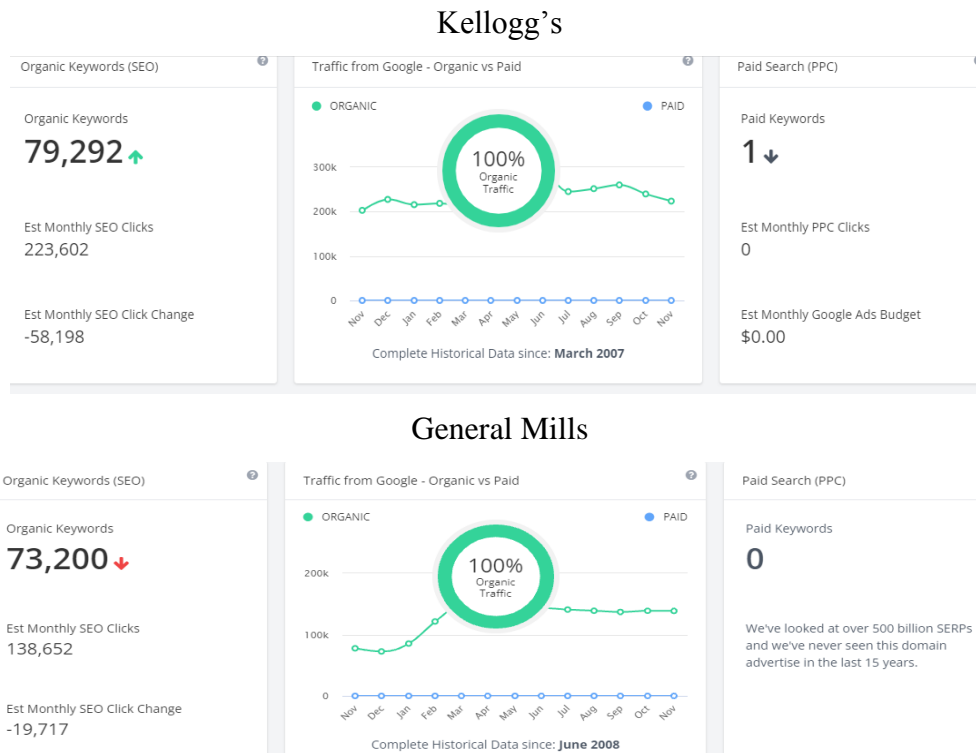
Keyword Competition



The data indicates the overlap for shared organic keywords. “kelloggs.com” is dominating and intersects Kellogg’s other competing brand’s websites both kelloggsrewards.com and kelloggsawayfromhome.com.

Conversions

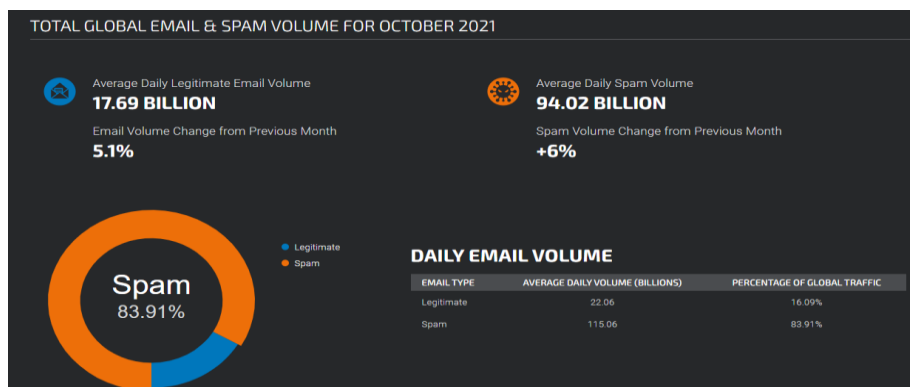
SEO overview



The rate of traffic from Google which is generated according to the ranking algorithms of a search engine is 100% organic traffic on both Kellogg’s and General Mills, which means there are no paid placements by advertisers. However, it is visible that the organic data of Kellogg’s slightly decreased in terms of SEO clicks to -58,198, whilst, General Mills one’s decreased to -19717. Despite this, Kellogg’s dominates in SEO clicks compared to General Mills.

Email-reputation

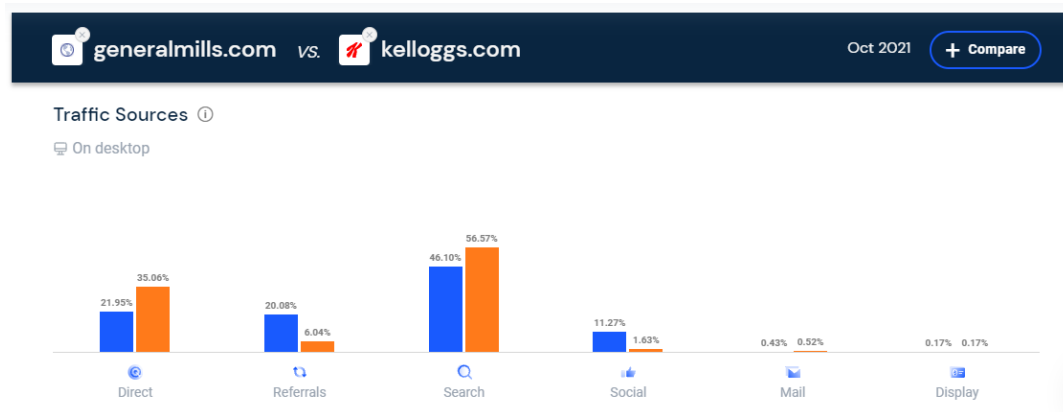
Kellogg’s



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According to the data, Kellogg's sends spam all around the world 83.91% by spam, overreacting to legitimate emails which are own accounts of Kellogg's. Email volume change has increased to 5.1%, meanwhile, spam volume change to +6% since the previous month which means the brand's name is mentioned and advertised in greater size.

Traffic sources



Traffic sources of both competing companies General Mills and Kellogg's are concentrated on Search followed by direct sources. Kelloggs outstrip in both these mentioned before categories, however, General Mills takes dominating place in referrals and social. There are some chance in improving referral system, however that will be venture for Kellogg's which is focused on search and direct sources and doing quite well.

Marketing mix for Kellogg's

Price

Kellogg's sells its products at the right price taking into account the following aspects in market targeting: price availability, cost of production, consumer behavioral changes, etc. The company endorses the strategy of the market not exceeding the price of competitors by offering qualitative commodities, meanwhile, utilizes the discounted offers to make some flexibilities in price to compete with other companies.

Place

To understand customers' needs and wants, Kellogg's uses a sales channel as a sales member of commodities and directs the distribution system to supermarket sales, brokers, and distribution systems. As well as it has created e-commerce sale product to get commodities available everywhere.

Product

There is a wide range of different products in Kellogg's portfolio that are nutritious and full of vitamin elements to meet consumers' needs and wants. Moreover, Kellogg's is persistently regulating and updating its products to supply its consumers with healthy food.

Promotion

To promote its products, Kellogg's expands its brand awareness both via advertisements on TV and by creating an internet brand profile. Furthermore, it utilizes prizes in cereal boxes to target children.

Main methods of Market Research

The company utilizes online surveys/questionnaires and product tests to retain customer satisfaction. Due to this, it can obtain lots of feedback, consequently, involving new strategies and adjusting products.

However, there are some pros and cons of these two types of research to retain customer satisfaction. An online survey can be advantageous to get data from software effortlessly and get a response from different places all around the world. Nevertheless, an accurate survey should be designed and there can be a limited number of questions.

Meanwhile, product tests can be beneficial to get feedback to enhance product quality. As well as it can realize how receptive individuals are to commodities before launching them to the market. Yet, there are different people and their opinions can be different. In addition, it consumes lots of time.

SWOT analysis:

Strengths:

1. **Worldwide presence.** Of snack food companies of the world, Kellogg's owns the second place after PepsiCo in the nomination "world largest snack food companies", moreover 18 countries have manufacturing plants, while, in more than 180 countries, its commodities are marketed.
2. **Strategic Acquisition.** Kellogg's has purchased different types of companies over the years that help to get an optimization to utilize the resources. In 2001, Keebler was owned by Kellogg's Company, which is the largest acquisition. It has also acquired the following brands, such as Morningstar Farms, Kashi divisions, and subsidiaries.
3. **High Awareness.** Even though Kellogg's is the largest cereal maker by sales in the world. In addition, it is an official sponsor of the U.S. Olympic and Paralympic Teams.
4. **Marketing Initiatives.** Kellogg's has taken the position of a company that fights "hunger" by offering its breakfast cereals and gaining access to part of the customers' wallets. The initiative with Walmart, the Master Brand television campaign, and others "Fighting Hunger" plays an important role in the establishment of Kellogg's as a global brand.

Weaknesses:

1. **Questionable marketing campaigns.** It is witnessed a mismatch between the marketing message and Kellogg's products which leads to negative word-of-mouth. As well as the sugar content of products is criticized by food bloggers for consisting of high fructose corn syrup.
2. **Slow innovation.** Even though the market is saturated by local, national, and international brands, Kellogg's is not able to capture developing markets because of the slow innovation process.

Opportunities:

1. **Market penetration.** To increase sales, Kellogg's penetrates its products in the further current market and targets new developing markets.
2. **Changing lifestyle.** As time has become one of the issues of individuals, consumers can opt easy to prepare food, put down their hunger and save time.

3. Targeting Restaurants and Hotels. A plethora of fast-moving consumer goods (FMCG) and food industry companies expand their business through restaurant and hotel chains. Consequently, there is an opportunity for Kellogg's to extend its business through thoughtful strategic actions.

Threats:

- 1. Intense competition.** Inter and Intra industries are the main competitors of the company. Moreover, foods which ready for consumption, local food joints, and public catering in nearness also diminish the consumption and growth of Kellogg's industry.
- 2. Regulations of Governments.** Government restrictions related to product composition utilized in Kellogg's cereal production can be an obstacle to growth.
- 3. Changing lifestyle.** As the time of office employees for having something to eat is limited, they are ready to take away outlets to save their time.

Kellogg's company Porter Five forces and industry analysis

Threats of new entrants:

According to the latest foreseeing research, the Global Breakfast Cereal Market will reach \$ 60.60 billion by 2027. Because of COVID-19 new private players have entered into market by offering better value, updated and innovative options for consumers causing a new challenge for Kellogg's and increasing the level of threats.

Bargaining Power of suppliers:

To maintain the production process, it collaborates with different suppliers. Kellogg's purchases main ingredients such as wheat, oats, rice, cocoa, soybeans, etc. in the U.S. in terms of short-term requirements. However, when it's witnessed price fluctuations, supply levels, and other factors the company obtains needed items from the open market, in case of continuous price rises or government regulations it imports both raw materials and packaging from other countries rather than manufactured ones. Consequently, Kellogg's manages to control its suppliers which means the power of suppliers is not high.

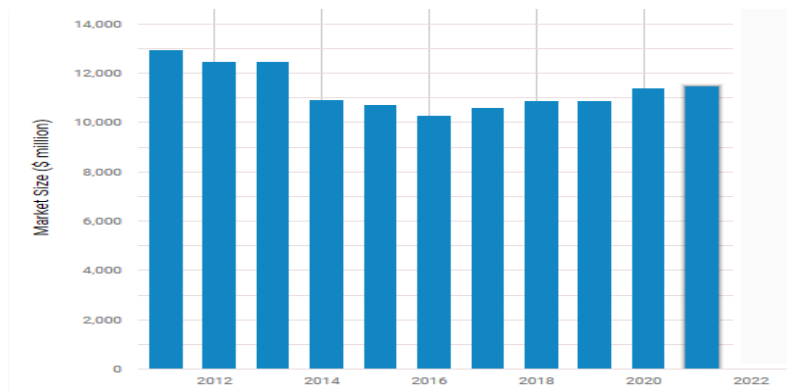
Bargaining power of buyers

There are lots of competitors of Kellogg's such as General Mills, Mondelez International, Kraft Heinz, J M Smucker, Ingredion, Quaker Oats Company, Nestle, Conagra Foods, Tyson Foods, Britannia, etc., which offer the same ready-to-consume, healthy and quick food to customers. There are more chances for the customer to prefer Kellogg's competitors in case of high prices or other factors. Therefore, the bargaining power of buyers is strong which makes Kellogg's offer discounts to them. However, Kellogg's can suppress the bargaining power by innovating updated unique products which its competitors don't have.

Threats of Substitute Products and Services

Because of strong competitors such as Green Mills, Nestle, J M Smucker, etc. which offer the same value as Kellogg's. There are high threats of substitutes among ready-to-consume commodities of Kellogg's as well as cheaper substitutes can be found. Although Kellogg's takes a position focused on nutritious dietary food as well as the company makes its products available via e-commerce sites and e-markets such as Wal-Mart, Tesco, big bazaar, etc.

Rivalry among the Existing Competitors



According to the latest data on cereal breakfast production in the U.S. market size, there is a growth in the size of 0.7% in 2021 compared to the previous year. As for annualized market from 2016 to 2021, size growth equals 2.2%, which means there is a plethora of competition between existing markets.

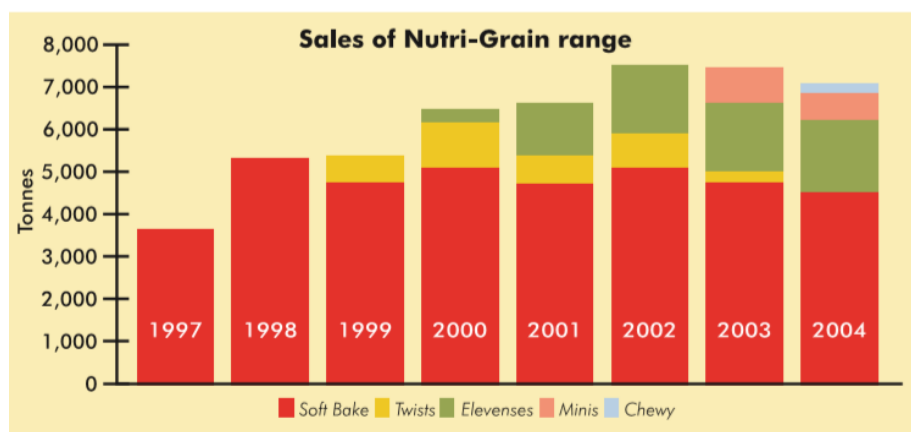
Customer analysis:

Kellogg's distributes its commodities through B2C and B2B strategies according to which urban and metro city residents are targeted.

Recently, it has launched a B2B e-commerce, which indicates the level of market growth and information about its channel of suppliers.

Product life cycle:

Each product has its own life, birth, development, growing older, and death. Some commodities such as Kellogg's Corn Flakes, have kept their possession for a long time. Other products may have undergone competition or diminishing in market share, eventually, have disappeared or relaunched. There is an example of Nutri-Grain of Kellogg's, the 5 stages of lifecycle (i.e. launch, growth, maturity, saturation, increase or decline) which is discussed in the following paragraphs.



Nutri-Grain had features of portability and comfortability for the individuals who missed their breakfast and purposed to supply with healthy food. However, it encountered the following stages:

1. **Launch.** When it is firstly launched in 1997, it did well gaining circa 50% share of the growing cereal bar market in two following years.

2. **Growth.** The sales of Nutri-Grain constantly increased due to promotion and gained popularity. It retained growth in sales till 2002, simultaneously, expanding the product with new developments of flavor and format. The market position accurately changed from a missed breakfast to an all-day healthy snack.
3. **Maturity.** Successful launching of the production of Nutri-Grain attracted new competitors that started to offer their products to the consumer. Instead of the time being of maximized profitability, it encountered internal and external competitors, such as brands from Kellogg's itself (All Bran bars) and other manufacturers (Alpen bars) which offered the same benefits as Nutri-Grain did. The company maintained supporting the enhancement of the brand, although some products such as Minis and Twists underwent in a crowded market. Despite the fact, that Elevenses succeed in the market, it was not enough to offset overall sales.
4. **Saturation.** When the market was full of other, better, cheaper competitors' products and kept growing at the rate of 15%, by mid-2004, it encountered a decline in sales.
5. **Decline.** Kellogg's started losing its position and declined in the market so the decision should have been made to withdraw or extend its life.

Ansoff's matrix

New	<p>Product development</p> <p>The company utilizes the base of existing products to grow others. In this case, within the range of Nutri Grain, the following products such as Elevenses, Minis, and Twists are introduced</p> <p style="text-align: center;"><i>Medium risk</i></p>	<p>Product diversification</p> <p>The company seeks to create and enhance new products ranges such as when Nutri-Grain first launched</p> <p style="text-align: center;"><i>High risk</i></p>
Products	<p>Market penetration</p> <p>The company tries to take a larger existing market share which can involve product relaunch or increased brand awareness</p> <p style="text-align: center;"><i>Low risk</i></p>	<p>Market development</p> <p>The company finds and creates new markets by expanding into different markets or by targeting new parts of the market</p> <p style="text-align: center;"><i>Medium risk</i></p>
Existing	Existing	New
	Markets	

By developing the extension strategy for the product Kellogg's utilizes both market-orientated and product-orientated possibilities according to the tool of Ansoff's matrix.

Reasons of decline:

According to research, there were the following issues in decline of market sales:

- The brand's message was not enough towards its competitors, individuals were not impressed by the product to opt for it over the competitors' one.
- Other products such as Minis took the focus from the core product.
- The products Nutri-Grain and Elvenses which were more than 80% of sales but were not enough promoted and got a small proportion of the budget for advertising.
- Instead of indicating the value of the content and strength of its products, it took the promotional strategy of discounted pricing.

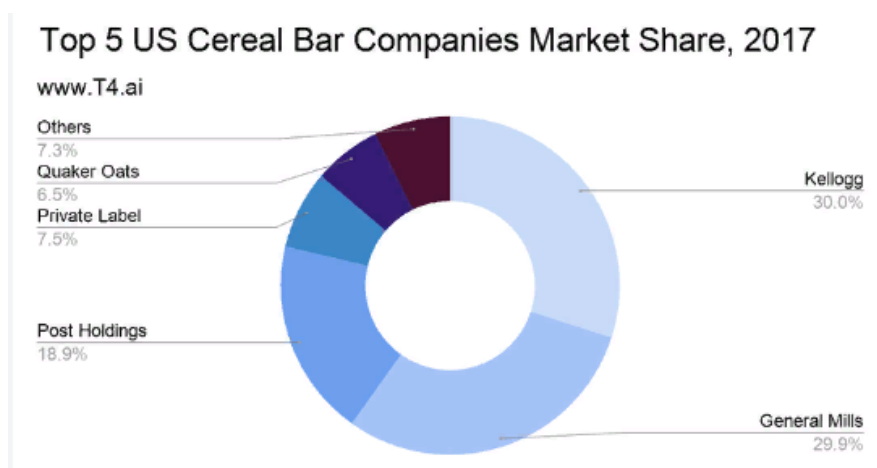
Implementing the extension strategy for Nutri-Grain

In 2005, having realized the issues, Kellogg's relaunched and rebranded its products.

- Nutri-Grain became the unique product that is baked, consisting of 2 benefits: healthy grain was soft that gritty as well as eating process could remind indulgent foods such as cakes and biscuits.
- The unique selling point is the concentration on the brand, and Nutri-Grain is needed to be soft-baked.
- For the people who would like to consume healthy snacks, simultaneously, delicious ones, it targeted them by offering according to their desire.
- Kellogg's decided to focus investment on core commodities such as Soft Bake Bars and Elvenses, which maintained the growth holding 61% of Soft Bake bar sales.
- New packaging and pricing were introduced. (https://courseweb.glendale.edu/poorna/IB/kelloggs_13_full.pdf, n.d.)

Kellogg's current performance

Market share:



The pie chart indicates the Top competitors of Kellogg's in 2017. Kellogg's market share equals 30% exceeding its domain competitor, which is striving with Kellogg's for being the first all around the world, by 0.1%. The competition among these two companies is relatively high.

Meanwhile, other competitors such as Post Holdings, Private Label, Quaker Oats, and Others share the market in size of 18.9%, 7.5%, 6.5%, and 7.3% respectively.

Profitability



The trend indicates that revenue has increased by 9.53% per annum, whilst, gross profit has diminished to 17.99%. The decline occurred since Kellogg's didn't resume its profitability because of the acquisition of Pringles in 2012. As well as it affected the Stock market resulting in the stagnation of Total equities at \$2.7 billion which indicated that changes should be done to the improvement of sales.

Financials >



Evaluation of Brand's customers

As the revenue of Kellogg's has increased, the rate of earnings increased proportionally after the deduction of taxes, labor cost, utilities, etc. After the decline, Kellogg's started recovering.

Kellogg's commodities are well-known among consumer, ranging from children to the elderly. The following paragraphs explain the reason for bringing the brand in line with the preferences of the target market.

Starting with the older generation, 40 years old and older, who tend to suffer from lack of energy, health problems, and insufficient mobility. Therefore, for the older generation, offering ready-to-eat products as well as complete nutritional ingredients can be the best option for promotion among them.

As for the younger generation, who are 25+ and office workers, in their workplaces, a ready-to-eat product can save them time, as it is easy to prepare.

As for children, Kellogg's strives to offer an additional prize to its products, which may cause curiosity of children to purchase repeatedly, simultaneously, being healthy and contributing to their growth.

When it comes to consumers who care about their health and nutrition, particularly among women, Kellogg's products can one of the best offerings for them.

Future potential opportunities

1. **Sustainability.** Kellogg's represents itself as a sustainable company providing healthy organic foods in markets, if this feature can be more modified, it can be the best competitive advantage. Since sustainability programs are expected to be trendy and profitable in the future.
2. **Referrals.** By providing referrals to its consumers Kellogg's can gain lots of profit and customers by giving an exact amount of commerce of a purchased product back. Consumers can be interested in getting money back as a prize like children do when they purchase a product with a toy.
3. **Baby food industry.** As Kellogg's provides different types of nutritious food for its consumer. It can enter the baby food industry with its nourishment, as the rate of birth rate is increasing daily.

Future potential threats

1. **Strong competition.** The number of companies manufacturing cereal breakfasts is rising annually, which means Kellogg's can encounter intense competition if the necessary actions are not taken.
2. **Shortage of raw materials.** Because of overpopulation, the demand for food is increasing, resulting in no availability of raw materials to manufacture and causing a high power bargain of suppliers.
3. **Over manufacturing of products.** Kellogg's may lose its quality owing to overproduction with intentions to supply its consumers more. As well as, oversaturating the markets with different types of products can lead to confusion of consumers not knowing what to buy.

Conclusion

Kellogg's is considered one of the dominating companies which manufacture different types of snacks, breakfasts, and ready-to-eat meals making its consumers well-fed and healthy. Furthermore, Kellogg's organizes nutritional education for its consumer and offers products according to their preferences. Because consumers are their competitive advantage according to their policy.

Kellogg's targets all groups of people and categorize them by mixing demographic, geographic, psychographic, and behavioral segmentations. As well as it penetrates new types of products into the market, in case of failure by utilizing different types of marketing tools Kellogg's eliminates them.

Having USP as the first cereal breakfast launcher company gives a lot of advantages in terms of not only in global markets but also in the management of the SEO system, which helps to overcome its competitors and get more profit.

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