

## Heritage and culture key for Thai confectioners to compete with western brands

January 31 2023



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Traditional confectionary in Thailand is getting crowded out of the market by major western brands; but a new study suggests local manufacturers can fight back by using their country's local heritage and



culture to gain competitive advantage.

"Food is an important part of any country's culture, identity and economy," explained Dr. Hiroko Oe, Principal Academic in Marketing at Bournemouth University, who led the study. "However, in recent years we have seen people in Asian countries increasingly drawn to western foods which are overpowering the local markets."

"It is not just happening in the confectionary <u>market</u>. Big-budget marketing campaigns by <u>major corporations</u> for <u>breakfast cereals</u> has led to a decline in the traditional Thai breakfast experience." She continued.

For this new study, Dr. Oe and her team carried out in depth interviews with consumers and retail managers in Thailand. She then designed survey which was completed by around 400 people, asking about their attitude towards western and <u>local products</u>, and the factors that influence their purchasing decisions.

The results have been published in the journal <u>Sustainability</u>.

"We found that the iconic appearances of big city stores and restaurants that sell western foods are very well suited to today's Instagram and Tik Tok culture," said Dr. Oe. "This makes them extremely appealing to Thai youngsters who like to share images of their food and stories of their evenings out."

By contrast, local products in Thailand are mostly made by small family businesses and sold in more modest settings, such as on street markets, without eye-catching packaging and logos.

Despite these challenges, Dr. Oe's study found that youngsters in Thailand do still enjoy local confectionary as well as the western brands—and that local products have strong emotional value to them.



"Young Thai's are proud of their traditions and history, and that applies to their <u>traditional foods</u> too," Dr. Oe explained.

The research team point out that by listening to the voices of youngsters about what they want, there is a strong opportunity for small, traditional confectionary businesses to gain competitive advantage and fight back against the major players in the market.

"They really have to think about what they have and how they can make the most of it," said Dr. Oe. "They don't need to make major changes to their business models but small innovations to combine tradition and modernity can make a difference. We have found that the unique identity and culture of Thailand is often taken for granted by local businesses when they should be using this as their strength."

Dr. Oe and the team liken their recommendations to approaches to revive traditional confectionary products in the UK which have been very successful. Nostalgic sweet shops are very common on high streets, alongside the bigger retailers. Likewise, independent tea shops selling cakes and cream teas are very popular with locals and overseas tourists, co-existing with the big coffee shop franchises.

The new study found that when people in Thailand decide to purchase a certain product, they are very likely to go ahead with the purchase and not change their mind. And word of mouth is very powerful in the communities too. Local producers can use these findings, and the loyalty to their national culture to build and maintain a loyal following for their products.

"As one example of changes traditional sellers can consider, we found that youngsters associate western foods with social settings—groups of friends sitting and chatting in coffee shops. However, when it comes to local confectionary, they tend to simply purchase and take away.



"For cities and towns with character, a cute store selling traditional sweets and cakes is an asset to the community. A space where local residents and tourists can gather and enjoy the same sweets. With such potential, there are many ways to utilize and develop traditional sweets," Dr. Oe concluded.

The research team hope to expand their research to cover a wider variety of different markets. In the meantime, they hope that the findings of this study will lead to the development of marketing strategies to ensure the sustainability of traditional confectionery in the Thai sweets market.

**More information:** Hiroko Oe et al, Personal and Emotional Values Embedded in Thai-Consumers' Perceptions: Key Factors for the Sustainability of Traditional Confectionery Businesses, *Sustainability* (2023). DOI: 10.3390/su15021548

## Provided by Bournemouth University

Citation: Heritage and culture key for Thai confectioners to compete with western brands (2023, January 31) retrieved 25 April 2024 from <a href="https://phys.org/news/2023-01-heritage-culture-key-thai-confectioners.html">https://phys.org/news/2023-01-heritage-culture-key-thai-confectioners.html</a>

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