

# Executive Briefing

## Analysis of Kellogg Company

Presented by The Breakfast Club

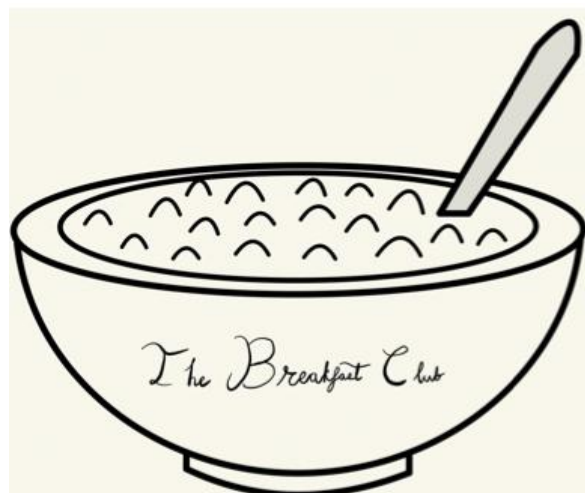
Presented to Professor Peggy Hedges

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The Breakfast Club is a research team dedicated to investigating Kellogg Company (Kellogg's) operations through the utilisation of the University of Calgary's online Business Library and cogeneration of knowledge between its members. We have set out to determine whether Kellogg's is a suitable employer for a business school graduate. The findings are presented below.

Kellogg's is an American multinational food producing firm specializing in ready-to-eat cereals and convenience foods. The company was founded by W.K. Kellogg in 1906 (Britannica, 2023). It offers a diverse range of products including but not limited to crackers, crisps, toaster pastries and veggie noodles. (Craft, 2023). It markets its products under several well known brands such as Kellogg's, Rice Krispies, Frosties and Pop Tarts. In the financial year 2022, Kellogg's generated \$1.64 billion in revenue (Nils-Gerit, 2023). The company's products are manufactured and marketed in over 180 countries. Kellogg's is an international business that has been around for a long time that has always been in the food industry which is under the constant scrutinization of influencers, celebrities, news personalities, and activists due to its correlation with sensitive topics such as weight loss and health. Predominant social trends of nutritious eating have dramatically affected Kellogg's in the past. One instance of this occurred in 2014, when Kellogg's faced a 7.7% decline in sales for their Special K. cereal after facing backlash for promoting the cutting of calories (Choi, 2015). With an increasing world population comes an increase in consumers who are not afraid to speak up about unhealthy products and false advertisements. It is due to this social demographic change that Kellogg's must be increasingly conscientious of their goods and marketing tactics. Kellogg's should not only worry about the changing social demographic because they are also currently under some controversies related to its Labour Rights and Customers impacts, as is any large corporation that operates in foreign countries. As testimony to Kellogg's comparatively ethical behavior, only 23.8% of news stories about Kellogg's are negative (Bureau van Dijk, n.d.), while the positive stories shout praises on things such as how they helped save the Canadian goose in 1927 (Feldkamp, 2023). Employees of Kellogg's believe that the corporate culture at Kellogg's could be improved. Generally, employees find their pay and benefits to be acceptable as well as having good colleagues but have complained about management and find that they are not always supportive and also complaints were made regarding long work hours and poor work organization leading to stress

for employees. (Glassdoor, 2023). Although, pay and benefits are good because they are bound by a contract and when the contract renewal was happening in 2021, employees had to go on a strike before managing to negotiate an acceptable contract. (The Associated Press, 2021). Moreover, Kellogg's has a presence on the social media platforms of Instagram and Twitter. They use these platforms mainly to advertise their products and to create interest for new products. On Instagram and Twitter, they add posts and tweets about offers, campaigns as well as general product advertisements. (Kellogg's, n.d. a; Kellogg's, n.d. b) These platforms have been very effective because so many people use them which allows Kellogg's to reach a wide global consumer base at low costs and also allows for direct customer feedback. (Joseph, 2019; Parisi, 2017). Kellogg's not only has a presence on social media but is also beginning to use AI to assist them in the decision making process and finding inefficiencies within the company which also helps them determine what products the market favors which in turn results in the best alternatives to create more options for customers. (Wiggers K, 2021) Kellogg's has also decided to implement a new type of QR code called NaviLens on their boxes, and using the NaviLens app, the codes can be picked up from far and will then read out the name as well as product information such as size. This helps make finding products easier for visually impaired shoppers. (Packaging Gateway, 2022; Kellogg's, n.d.). In addition to that, on the marketing side, Kellogg's uses multiple marketing strategies to try and influence individuals to buy their products. They target families with children and health conscious people. The main marketing message that Kellogg's wants to get across to the potential buyers, is that Kellogg's products are convenient, tasty, and nutritious options. There is a wide variety of marketing strategies that Kellogg's uses to entice customers, including product development, competitive pricing, and using all sorts of distribution channels to ensure the products are easily accessible to consumers.

In conclusion, Kellogg's strong market presence makes it a viable option for a business school graduate, including the positives of the firm such as commitment to employee growth. These attributes make it a sustainable employer. Choosing Kellogg's means opting for personal and professional development within a globally recognized organization. Hence, we confidently conclude that Kellogg's is a rewarding choice for business school graduates.

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