

Working Paper Upload to D2L by Monday Oct. 2 (not for marks)

GO TO THIS LINK to help answer the following points (business library bullet points)

<https://libguides.ucalgary.ca/c.php?g=255227&p=3019831>

Other helpful links:

- <https://en.wikipedia.org/wiki/Kellogg%27s>
- <https://www.sec.gov/Archives/edgar/data/55067/000119312511047372/dex2101.htm>
- <https://www.sec.gov/Archives/edgar/data/55067/000119312512085976/d279714dex2101.htm>
- <https://my.ibisworld.com/ca/en/industry/44511ca/at-a-glance>
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Please put a link to your reference right beside/under your paragraph so that we can cite it later in our executive briefing. If you copy and paste directly from a website make sure we know to rephrase it later (highlight it or something).

Company overview: W.K. Kellogg founded Kellogg's, known formally as the Kellogg Company, in 1906. Today, the headquarters of the company are in Battle Creek, Michigan, USA. The reason Kellogg created his company was to help people have a healthier and more nutritious breakfast. The portfolio of Kellogg started as only a breakfast company with their main product being the cereal corn flakes but has expanded beyond breakfast over the years. Kellogg's operates mainly in the food industry and has several competitors within the industry due to the industry being so large. Some major competitors in this industry include General Mills and Nestlé.

-[Business Overview - Kellogg Company \(kelloggs.com\)](https://www.kelloggs.com)

-<https://www.britannica.com/topic/Kellogg-Company#:~:text=Kellogg%2C%20who%20together%20had%20developed,Creek%20Toasted%20Corn%20Flake%20Company.>

Primary products or services:

Its principal products are snacks, which includes crackers, savory snacks, toaster pastries, cereal bars, granola bars and bites, and convenience foods, which include ready-to-eat cereals, frozen waffles, veggie foods and noodles. The Company's snacks brands are marketed under brands, such as Kellogg's, Cheez-It, Pringles, Austin, Parati and RXBAR. Its cereals and cereal bars are generally marketed under Kellogg's name, with some under the Kashi & Bear Naked brands. (MSCI ESG Direct)

Primary stakeholders: The *Better Days Promise* is a key element of Kellogg's *Deploy for Balanced Growth* strategy, which includes consideration of the varying sustainability-related preferences, needs, and desires of the company's multiple stakeholder groups — employees, customers, consumers, investors, and the communities in which the company is based and operates.

<https://www.thomsonreuters.com/en-us/posts/news-and-media/esg-case-study-kelloggs/#:~:text=The%20Better%20Days%20Promise%20is,the%20communities%20in%20which%20the>

Community relations and ethical behaviour:

Kellogg's is currently under many controversies related to its Labour Rights and Customers impacts. It faces significant concerns related to Collective Bargaining and Union. (MSCI ESG Direct)

Impacts:

The food industry is one that is under constant scrutinization by influencers, celebrities, news personalities, and activists due to its correlation with sensitive topics such as weight loss and health. Social trends related to such topics have dramatically affected Kellogg's in the past. For example, in the fourth quarter of 2014, Kellogg's faced a 7.7% decline in sales of their Special K., a cereal line released by Kellogg's to promote healthier eating through the incorporation of more protein, less sugar, and whole grains. The reason Kellogg's faced this decline in sales is due to a rising social trend of body positivity and nutritious eating at the time, and the Special K cereal commercials faced backlash for promoting the cutting of calories. Following such impacts from social trends, Kellogg's has since been more careful to modify its marketing tactics to be more appropriate for the time period and the sensitivity of its consumers.

<https://foodinstitute.com/focus/kelloggfeb2015/>

Changing technology: Kellogg is starting to use Ai now to assist them in the decision making process and finding inefficiencies within the company. Kellogg also uses Ai to figure out what the market likes and the best new alternatives to create more options for customers. Kellogg is also using new technology on people's cereal boxes to help individuals who are blind and partially sighted. Kellogg has just recently added QR codes to some of their products which people can scan and find out information on that certain product such as allergies. Kellogg is using a new type of QR code called NaviLens which has high contrasting coloured squares on a black background so that people don't need to know exactly where the code is to scan it. This then brings up the information page and allows the information such as ingredients, allergen and recycling information to be read to the scanner of the QR code. This is important new technology because it allows blind people the ability to know the ingredients in the item they are buying and the potential allergies risks that arise from that item.

[Kellogg exec on AI uses cases, implementation, and 'culture change' | VentureBeat](#)

Corporate culture:

The corporate culture at Kellogg's is not very positive from the employees view. Recently, workers from 4 different Kellogg's production plants went on strike after the union failed to negotiate a good contract with the management. After their contract expired in 2021, the Kellogg's management intended to bring all employees to the lower tier of pay. Kellogg's has a two-tier system where a maximum of 30% of the employees can be in the lower tier and this includes lower pay and less vacation. The union wanted to bring all employees to the higher tier while management

wanted to remove the 30% limit, and bring everyone to the lower tier. This led to workers going on a strike. The union also mentioned how workers were working 12 hour shifts during COVID to cover shifts of sick co-workers, and how Kellogg's made huge profits during the pandemic and is still wanting to make pay cuts. Kellogg's even brought in temporary staff to replace the workers on strike and when no negotiation could be made, the management said they were going to permanently replace the staff on strike with the replacements. A few days after this announcement, the US government had to step in and led to an agreement between the union and management, and workers could get back to work. This shows that although Kellogg's may look like a friendly environment to work in, the reality is very different for the employees working there.

[-https://www.cnbc.com/2021/12/07/kellogg-to-replace-striking-employees-as-workers-reject-new-contract.html](https://www.cnbc.com/2021/12/07/kellogg-to-replace-striking-employees-as-workers-reject-new-contract.html)

[-https://www.forbes.com/sites/errolschweizer/2021/10/11/why-are-kelloggs-workers-on-strike/?sh=768b817d5f34](https://www.forbes.com/sites/errolschweizer/2021/10/11/why-are-kelloggs-workers-on-strike/?sh=768b817d5f34)

[-https://money.com/kellogg-brands-strike-boycott/](https://money.com/kellogg-brands-strike-boycott/)

Social media:

Their social media presents them as being a highly diverse company that puts a considerable amount of effort into human welfare. However, many trusted sources seem to disagree with this public image that they have created.

Kellogg's is a company which uses social media to its advantage. The company has a presence on Instagram and Twitter. Kellogg's uses their social media to promote new products and to show advertisement campaigns. The reason for using social media, is because with social media Kellogg's can target younger audiences who are more active on social media as well as much larger volumes of consumers as social media is global. Kellogg's uses social media in a variety of ways such as having influencers launch new products on their social media as well as using sponsorship to tease new launches and spark interest. One of these examples is when Kellogg's launched white chocolate coco-pops. Before launching this product, Kellogg's used twitter to help ignite interest in their new product. Kellogg's used some social media sponsorship to bring back a tweet from 2016 in which a consumer mentioned the idea of white chocolate coco-pops. Their idea behind this was that by bringing back this tweet, consumers would begin wondering if Kellogg's was teasing the launch of this product. This idea was quite a successful one as it generated over 16,000 interactions on twitter such as retweets, and over 2,900 likes and shares on Instagram, in comparison to their usual 200 interactions. This shows that Kellogg's managed to effectively deliver an advertisement campaign with a unique approach rather than relying solely on traditional methods such as billboards.

<https://www.marketingdive.com/ex/mobilemarketer/cms/news/social-networks/24383.html>
<https://digiday.com/media/inside-kelloggs-social-driven-strategy-to-launch-new-products/>

Skills and qualifications:

Kellogg's skills and qualifications are basically looking for who are seeking to able to learn and understand about their job quickly and they want employee to develop their career goals and the organization's goals. The company also encourages employees to see ahead to future possibilities so that they can facilitate the strategy in any situation.

The company sees the employee's failure as an opportunity for them to learn about their job.

Marketing message: Kellogg's marketing message uses multiple different strategies to try and influence customers to buy their products. Kellogg focuses on targeting families with children and health conscious people. The main goal that Kellogg wants to get across to the potential buyers of the product, is that Kellogg products are convenient, tasty, and nutritious options for breakfast, lunch, or to have as a snack. The other group the company targets is people who are very busy and need a quick, healthy and easy snack to keep them going for a bit throughout the day. Kellogg also wants people to know that their products use natural ingredients and they try to use sustainable practices. Kellogg uses a wide variety of marketing strategies to entice customers including product development, competitive pricing, and using all sorts of distribution channels to ensure the products are easily accessible to consumers. Kellogg also promotes its brand and tries to increase awareness for the products and the brand by using promotional strategies such as sponsoring events, putting toys in cereal boxes and using mascots to increase interest with kids.

[Marketing Strategies of Kellogg's: Driving Growth and Innovation \(startuptalky.com\)](https://startuptalky.com/marketing-strategies-of-kellogg-driving-growth-and-innovation/)

Presentation topics

1. Describe the industry that your company is in and identify its major competitors. How does your company set itself apart from the competition? **Thursday Sept 28**

Our company is Kellogg and it is in the food processing industry. It's major competitors include other breakfast companies such as Quaker Oats and General Mills, as well as the very large corporations that exist in the same general food market such as Pepsi, Nestle, and Heinz. Kellogg's has been recognized as one of the [world's most ethical companies in 2023](#). This sets them apart from other companies' corporate culture. The quality of products produced by Kellogg's are rated amongst the highest comparing it with other similar brands. Moreover, the company has a [strong global presence](#) and their products are marketed in more than 80 countries, making it a reputable brand. Kellogg's is known by everybody because the brand has a high brand recall due to [effective advertising](#) via social media, online ads, print ads, and TV commercials.

2. How have economic trends influenced your company's product offerings over the past five years? Discuss in terms of the 4 Ps.
3. Has your company taken advantage of new technological advances? Provide two examples how it has or has not.

4. Companies try to attract the best talents (e.g. fit with organizational culture, creativity, analytical, technical, team skills, etc.). What are two primary talents your company is seeking?
5. How do current social trends influence the operations of your company? Provide two examples of changes the company has made because of social trends (within recent history).

There have been two large and important social trends in recent history that have had a large effect on the operations of Kellogg. The first being the health and wellness trend, and the second is the push for sustainability and human rights protection. As Kellogg is a part of the food processing industry, it is fairly clear how this trend has had an effect on it. With recent mandates from WHO that change the amount of information that companies must present on their food labels, Kellogg has had to make a conscious effort to make their product appeal to this current generation that has more knowledge of health and wellness than any generation prior. With nearly all information about food products required to be presented on both the food item and online, it is more important than ever for Kellogg to make an effort to make their product less harmful for the human body. They have especially pushed for this goal through the adaptation of their breakfast cereals, especially Vector and Special K, that are marketed as healthy.

The second trend is the push for sustainability. According to the company blog, Kellogg has been pushing for sustainability by "Protecting farmers and worker rights, combatting forced and child labor, and ensuring a safe and healthy workplace for all." This effort appears to be fruitful as they have placed 13th in the Know the chain global rights benchmark and 14th in the Corporate Human Rights Benchmark across industries. Both of these achievements testify of not only the effort Kellogg has put into sustainability and human rights protection, but also the results of these efforts and the actual difference they are making in their workplace and the world.

6. All companies must adapt to changes in the external and internal environments to remain a viable business. Discuss some of the future opportunities your company has identified for continued success.