

A Study of the Beer Market Leader, Challengers and Niche Strategies

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Abstract—Successful companies study their competitors as closely as they do their customers. Analyzing and evaluating competition helps management decide where to compete and how to position against the competition in each market margin. The changing patterns of global competition require continuous analysis of competing forces. Business and marketing strategies need to take advantage of opportunities and to avoid threats. Market leaders and competitors cannot fulfill their executive role unless customer needs and desires are understood and satisfied.

Keywords—Beer, Market Leader, Challenger, Niche.

I. INTRODUCTION

IN 1991, as beer consumption was rising, a policy by the government sector encouraged liberalization of development in production efficiency and increase in product quality. Permission was granted to establish new breweries. This resulted in an increase of entrepreneurs entering the beer business.

Entrepreneurs who entered were Carlsberg Brewery Company, a producer of Carlsberg beer; Thai Asia Pacific Brewery Company, a producer of Heineken and Thai Beer (1991) Company, a producer of Chang beer. This began serious competition in beer market.

At that time imported beers were mainly from Europe and USA with limited local consumption. Brewery operating groups from abroad entered into Thailand and caused an escalation in the competition for sales.

By 1993 Carlsberg Beer Company had entered into the beer business producing locally produced Carlsberg beer. It was not a success. The company then introduced Chang beer into the market. Increasingly severe and fierce competition between Singha and Chang resulted. All companies in the industry had to re-evaluate price changes, distribution, promotional intensity and new-product introductions.

While trying to expand its market size, the dominant company must continuously defend its current business against rival attacks. Companies that occupy second, third and lower ranks in a business are often called runner-up, or trailing, firms. An alternative to being a follower in a large

market is to be a leader in a smaller market, or niche. Smaller firms normally avoid competing with larger firms by targeting small markets of little or no interest to the larger firms.

“Market leaders, challengers and niche strategies” of the beer industry in Thailand has been an interesting study. Businessmen and business universities both in Thailand and abroad will be interested in such a study as many of the principles could be successfully applied to other industries.

II. PURPOSE OF THE STUDY

The purpose of this study is to analyze the market leader, challengers, and niches strategies of breweries in Thailand.

III. SCOPE OF THE STUDY

The study addresses the defense strategies of alcoholic beverages in Thailand among market leaders, challengers and niches before liquor liberalization in 2000.

IV. METHODOLOGY

Data collection was a qualitative approach. This approach took the form of in-depth interviews of the key people and experts in alcohol beverage business. The primary data is gathering from direct answers to specific questions. The secondary data was gathered from textbooks, journals, dissertations, newspapers, newsletters, seminars etc.

V. DEFINITION OF TERM

Beer is a beverage that has some alcoholic strength obtained from fermentation of drained water from boiling of barley, malt and/or rice of other species and/or sugar, hop flowers and pure water having alcoholic strength below 15 degrees.

VI. FINDINGS

Boon Rawd Brewery Company was a company that is the acknowledged market leader for a long time due to a legal monopoly and the company has the largest market share in beer market. Therefore, Boon Rawd Company was a dominant company and normally gains the most when the total market expands. Singha beer stood to gain because it sold over 90% of the country's beer consumption. This induced new beer companies to join the market.

A new era of beer market in Thailand began when Carlsberg beer was being produced for distribution in 1993. In the first period of entering into beer market, measures to

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establish a lower price level of Carlsberg beer were employed. In this regard, one part of the reason was for an opening of the market for introduction of new products. Later, after entering products into the market for a period, price strategy was adjusted by Carlsberg with stress on creating a product image instead and the level of groups of beer consumers was being re-evaluated. In the primary stage when Carlsberg entered into the market it could not be too influential to Singha beer sales. The key factors were Thailand's long history with Singha and their support of a locally produced beer. The loyalty of consumers toward Singha beer was high. For Carlsberg, its image looked like an imported beer. Its competitors should be beers from abroad like Heineken, Budweiser and Kloster beer.

It can be concluded that a chance for new entrepreneurs in ability to compete successfully in the market depended on the capacity to substantially reduce firstly a loyalty of consumers toward products. In order to solve this challenge, Chang beer, a product of Thai Beer (1991) Company, belonging to the same entrepreneur of Carlsberg beer was thus being produced to launch into the market in 1995 with an image as a local beer having a concentrated taste which was corresponding to the demand of Thai consumers and was distributed at a lower price than that of general beers.

In the primary stage, budget for advertising and public relations including a variety of casting lot arrangements was for Chang beer to enable it enter into the market rapidly. Chang beer was reasonably successful at an early stage. As economic conditions were extremely depressed and the purchasing power of people diminished consequently, selling at a low price of Chang beer played a more important role in the beer market. This took advantage over other competitors resulting in a reduced sales volume of Singha beer. As a result of this new marketing war, both groups re-evaluated current sales and return strategies to increase market share.

This resulted in Singha Corporation Co. Ltd (under Boon Rawd) creating a new beer named Leo and in the following year Super Leo (1998 and 1999) in a successful strategy to regain some market share of Thai Beer's (Carlsberg) Chang. In addition Boon Rawd diversified and introduced new non-alcoholic drinks such as water, soda and fruit juices to the market. In the current situation, the beer marketing war has many areas of energetic competition. A big camp like Singha which had occupied a major marketing share for more than 60 years sent in "Leo" to shake the throne of "Chang". This in turn, caused the competition to be even more belligerent. The fighting between Singha beer as market leader and the competitor like Chang beer was very interesting to study. How Chang beer became a new market leader? The developing strategies of challengers and niche?

A structure of marketing in the beer production industry is similar to that of general industry, namely, it consists of market leader, challenger, follower and niches (Figure 1) as following details:

Market Leader 40%	Challenger 30%	Follower 20%	Niche 10%
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Fig. 1 Market Share of Market Leader, Challenger, Follower, and Niches

In comparison of sales volume of overall beers of all producing companies in 1999, Thai Beer (1991) Company was the market leader and Boon Rawd Brewery Company was the market challenger, having a market share of 57.96% and 34.81% respectively. For other companies, they were Thai Asia Pacific Brewery Company, Carlsberg (Thailand) Brewery Company and Thai Amarit Brewery Company, which are market niches (Table1).

TABLE I
MARKET LEADER, CHALLENGER AND NICHES (1999)

Companies	Brand	Production (Million Liters)	Percentage (%)	Market Structure
Thai Beer (1991) Company	Chang	607.5	57.96	Leader
Boon Rawd Brewery Company	Singha Leo	364.9	34.81	Challenger
Thai Asia Pacific Brewery Company	Heineken Amstel	45.3	4.33	Niche
Carlsberg Brewery (Thailand) Company	Carlsberg	17.4	1.66	Niche
Thai Amarit Brewery Company	Kloster Black Tiger Amarit Beck's Brew Max	13.1	1.24	Niche
Total		1,048.2	100.0	

The strategies of the market leader are aimed at maintaining market dominance and creating defensive techniques against future competitive strikes.

MARKET LEADER STRATEGIES

Defense strategies are employed by the market leader to avoid a reduction in their market share.

By 1999, Chang beer had emerged as the market leader with 57.96% of market share. This share was well ahead of Singha, now relegated to challenger. Thai Beer (1991) Company with Chang as the leading brand, therefore, had to try to maintain its market share carefully, as Singha beer was still a highly competitive opponent.

Defense strategies to be employed are detailed below.

1. Position defense. The market leader, forward thinking, planned in an extension of marketing to take necessary corrective action immediately.

Thai Beer (1991) Company (Chang), was required to have a market share of 10% of the overall beer value of 30 billion baht by 1996 and, in the future, it planned to occupy an increasing market share.

A strategy used by the market leader was local liquor selling with a beer plus method, that made Chang beer able to dump would be sold per 100 baht, particularly in areas where there was high completion, its price would be five bottles per

100 baht, while Singha beer reduced its price to two bottles per

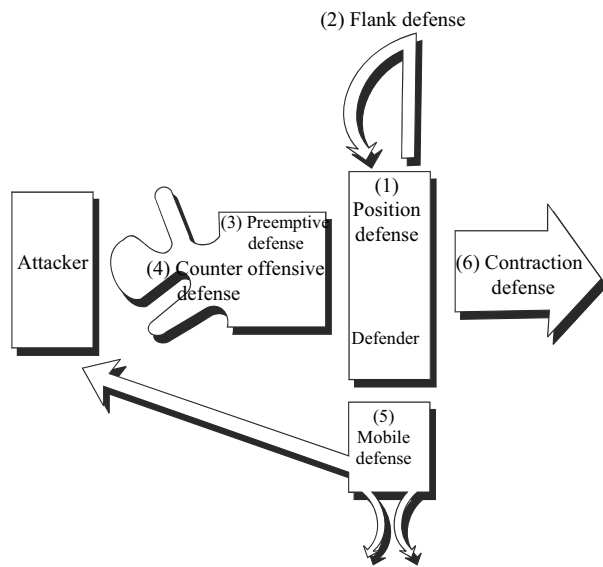


Fig. 2 Defense Strategies

and Leo beer three bottles per 100 baht.

An economic factor enabled Chang beer to step upwards to be the market leader. In the economic crisis in the middle of 1997, a large number of people were discharged from their jobs and their salaries and wages were reduced. Consumer purchasing power was diminished and their behavior changed, by turning to have a favorite in drinking Chang beer with a cheaper price. Their strategy worked. By the end of 2000, Chang beer had a market share of as much as 60%.

2. Flank defense. The market leader had to protect its market share from the in surge of competitors, by getting rid of weak points completely.

Chang beer's original weak points, when it was launched for distribution, were that its brand was new and had no reputation. As part of their brand building strategy Chang was entered into the International Beer Contest in Australia in July 1998 as a lager beer, without limitation of alcohol content. A gold medal was awarded in this category. Chang beer was then upgraded from the lower market to the upper market.

Complementing strategies were: (1) increasing channels of distribution in deluxe food shops; (2) conducting continuous aggressive advertising campaigns (1998-2000 approximately 121.7 million baht, 255.8 million baht and 318.1 million baht invested respectively), and (3) emphasizing the esteem of the gold medal award for quality and taste. This has resulted in a pride by Thai consumers and foreigners alike that Chang beer is of a universal standard and high quality.

3. Preemptive defense. The market leader must cement the solidity of its marketing. A requirement is the construction of a strong wall to prevent competition, and devising an aggressive defense by attacking a competitor prior to being challenged. The market leader used a protective strategy to

intercept the intrusion of the market challenger.

When Boon Rawd Brewery Company produced Leo beer and launched it in June 1998, a variety of strategies were used by the market leader to challenge this: (1) the selling of local or white local liquor with a beer plus method with an increase of quantity during 1995-1997. The previous practice of one tae of white local liquor with a plus of Chang beer of three bottles to be one tae of white local liquor with a plus of increasing Chang beer to be 1-2 dozen bottles and the number of beer was continuously increased periodically; (2) conducting aggressive advertising; (3) strongly emphasizing that Chang beer had received a gold medal award with a universal quality, and (4) utilizing of marketing mix strategy.

4. Counter offensive defense. The market leader concentrated on satisfying its customer base. Improvement of product quality, sales promotions and discounts were aimed at preventing competitor's intrusion.

Thai Beer Company, now as the market leader, retaliated to the market challenger, Boon Rawd Brewery Company, to prevent it from growing by intercepting an extension of its market by the following practices: (1) reducing the price of Chang beer immediately upon the launching of Leo beer and Super Leo beer for distribution in June 1998 and December 2000 respectively. The technique used was to sell local liquor with a larger amount of beer (beer plus). (2) The use of marketing mix strategy. (3) increasing aggressive promotional and advertising campaigns promoting Chang as a beer that received a global gold medal award for high quality, and (4) in product development, the market leader enhanced product quality and production technology. Improvement in taste for the consumer utilized higher quality raw materials such as first class malt, a special strain of yeast and premium hops. Teams of international experts provided assistance in beer preparation and final quality.

5. Mobile defense. The market leader has to be aware of market movement and change at all times. It is sometimes needed to use an aggressive defense to protect a market share of its own.

Chang beer was launched in 1995. The market leader concentrated on marketing management all the time and several kinds of strategy were used, such as promotion mix strategy as follows:

For pull promotion strategy, consumer promotion strategy was used such as rebate, exchange, handing out, giving gifts and drawing lots. Consumer promotion was used consecutively for a five-year period (1996-2000), by the arrangement to deliver Chang beer crown caps for drawing lots with rewards in the value of 100 million baht annually, with a total of 500 million baht.

April 1999, music marketing programs were held in ten provinces in the Northeastern part of Thailand to extend the market in these regions.

Aggressive advertising was carried out: (1) emphasizing Chang brand as a beer that received a global gold medal award with a universal quality and (2) stimulating consumers to "try and buy".

6. Contraction defense. The market leader may fear fighting in the pattern of confrontation, because it may be defeated. The market leader will wait and seek data for an analysis of a competitor's strategies meticulously and carefully. In the case of having a chance, the market leader will attack promptly, by selecting to use an appropriate and a highly efficient strategy.

The market leader has well established channels of distribution. Passing through approximately 500 local liquor distributing agents of Sura Thip Group Company (a producer and distributor of Hongthong liquor, Sang Thip liquor, etc.) and 43 of Affair Company Group. A strong channel strategy was used by the market leader to protect its own market share against preemptive attacks by competition.

Market Challenger Strategies

Boon Rawd Brewery Company as the market challenger has a market share in a secondary order, which is a subsidiary to Chang beer. In the matter of protecting market share and making an extension of it, the market challenger has to study and analyze the market leader elaborately. Attacking the market leader is highly risky, but the market challenger has to take action to gain victory.

The technique is to: (1) assess psychological areas of weakness and (2) employ a general attack strategy. Boon Rawd Brewery Company used a general attack strategy (Figure 3):

1. Frontal attack. This is an attack at an enemy's strength.

It utilizes and combines instruments relating to marketing techniques, such as competing management confrontations (the psychological), competing by heavy advertising, arranging of sales promotion activities and the undercutting of prices. Boon Rawd Brewery Company, as the market challenger, had to keep market share and tried to extend the market by using the following strategies: (1) the use of block channel strategy by establishing Singha beer trader cycles in the number of 11 circles throughout the country, having a total of 360 agents with an issuance of regulations forbidding in selling competitors' products and establishing of penalties for those

who violated such regulations. In the case there was any violation of regulations, the right to be an agent would be deprived. An opportunity for a new appointment would not be opened. By these reasons, it caused all agents to try to keep their status in their full capacity. (2) Production of a new product (year 1998-2000), such as Leo beer, Super Leo beer, Super Lion beer and Mittweida beer would be carried out to retaliate directly. Super Lion beer and Singha Gold beer were fighting with Chang beer and Mittweida beer was fighting with Heineken and Kloster beer and so forth. Reduction of the price

of Leo beer to compete with Chang beer in 1998 enabled it to gain market share of more than 20%.

2. Flank attack. An attack on a weak point of a competitor company when a chance can be seen such as: (1) in the area of

distribution, (2) in the area of prices, and (3) in the area of

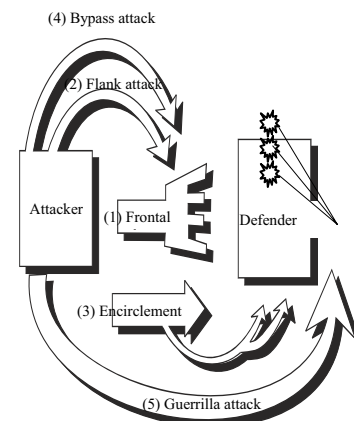


Fig. 3 Attack Strategies

products. The market challenger attacked on the weak point of products of the market leader, by using brand strategy and advertising strategy in the following ways: (1) attacked Chang beer, as a beer of a lower level compared with Singha beer that had higher brand loyalty and (2) the manner of local liquor selling with a beer plus method, as an action that destroyed the market mechanism. The purpose was to identify to consumers an ethical violation of trading practices.

3. Encirclement attack. Boon Rawd Brewery Company, as the market challenger, had to offer products for selling to consumers with granting them a chance in selecting in a variety of quality models, and prices, in order to make a response to customers' demand in every level.

Proactive and brand strategies, for example, would be used coupled with heavy advertising, marketing mix and sports marketing strategies. New products of several brands were produced by Boon Rawd Brewery Company to respond to target groups, such as Leo beer for customers who with a low income; Super Lion beer for substitution of Super Leo beer with a 6.8% alcohol content and more intense taste and Mittweida beer for customers who liked to drink foreign beer.

4. Bypass attack. This is development of sales of new products not necessarily concerned with former products, the application of new technologies, including an extension of new markets.

The market challenger used product and market expansion strategies. Boon Rawd Brewery Company produced new products, such as canned fruit juice and seasoning sauce by using mostly domestic agricultural raw materials.

Singha beer improved quality and packaging to respond to a new generation of consumer demand, and produced Super Lion and Mittweida beer as alternatives for beer consumers. They extended the market to overseas and produced a Singha can beer and a Singha Gold can beer contained in a new can in the pattern of Stay on Tap (SOT). Local pride was enhanced knowing Singha was now an international brand.

5. Guerrilla attack. This is an attack on competitors' markets by using a variety of strategies.

Boon Rawd Brewery Company, in the year 2000, advertised via television denouncing the market leader for selling local liquor with a beer plus method as a violation of liberalization ethic. The purpose was to let consumers recognize and oppose Chang beer. The market challenger used strategies to compete with the market leader, such as a discount of retail price of Leo beer to compete with Chang beer and used other strategies such as marketing mix, trade promotions and improvement of quality and packaging of Singha beer to be a modern beer of the new generation. The purpose was to promote newly developed products and to extend the market.

Market Niche Strategies

Market niches in Thailand are Thai Asia Pacific Brewery Company, Carlsberg Brewery (Thailand) Company and Thai Amarit Brewery Company and imported beer companies. Market niches applied marketing mix. Examples follow:

Product strategy. Market niches conducted research and developed products jointly with their respective parent companies. The purpose was to carry out marketing to give consumers a good impression with products that had been already developed.

C.V.S. Syndicate Company, an imported beer company, used brand image to stimulate consumers' demand. Corona beer, with a lemon wedge was aimed at discerning consumers with a high level of taste.

Price strategy. Market niches followed the policy of price setting according to the market leader.

An increase in niche prices would result in lower sales. In the case the market leader reduced price, niches would follow by reducing also to maintain customer base. The price setting policy of niches was aimed at selling more products. It is difficult to compete against the market leader and primary challenger due to their advantage of scale.

Promotion strategy. Market niches added sales volume and added market share. Similar strategies were consumer and trade promotions.

Thai Asia Pacific Brewery Company and Carlsberg Brewery (Thailand) Company used music marketing, product warranties and services as push promotion strategies. In advertising, market niches used media mix strategy.

Channel strategy. Market niches administered agents to utilize on and off premises marketing channels aimed at increasing sales volume.

Thai Asia Pacific Brewery Company arranged amusing games to entertain potential consumers. Thai Amarit Brewery Company found additional customers by giving a prepaid card (credit marketing). These are categorized as push channel strategies.

STRATEGY COMPARISON AMONG COMPANIES

Studying the marketing strategies of the leader, challenger and the niches, there were both similar and different strategies. There was, however, a relationship to each other (Table 2) as follows:

Similar Strategies

The market leader, the challenger and the niches used the same marketing mix as follows:

Product strategy. The market leader used a product strategy to improve quality and develop new products to increase sales volume. Three areas are identified below:

- The market had many companies competing.
- The improvement and the development of new products impressed consumers.
- Products now had a life cycle, satisfying the new generation of consumers.

The market leader had improved quality and received the gold medal award in the category of lager beer in the International Beer contest in Australia in July 1998. This prestigious award serves as one of the important selling points of the market leader.

TABLE II
SIMILAR AND DIFFERENT STRATEGIES

Companies	Similar Strategy	Different Strategies
Domestic Beer		
1. Thai Beer (1991) Company	Marketing mix	- Selling local liquor with beer strategy - Strong channel strategy
2. Boon Rawd Brewery Company		- Block channel strategy -Strategies in creating marketing hindrance
3. Thai Asia Pacific Brewery Company		- Music marketing
4. Carlsberg Brewery (Thailand) Company		-Product warranties and service
5. Thai Amarit Brewery Company		-Credit marketing
Imported Beer		
1. C.V.S Syndicate Company	Marketing mix	Brand image strategy
2. TIS Worldwide (1997) Company		Proactive strategy

Price strategy. As mentioned previously, market niches follow the policy of price setting according to the market leader, combined with a strategy of local liquor selling with a plus of beer had increased Chang sales.

Promotion strategy. To increase sales volume, the market leader used sales promotion strategy directly with consumers as follows:

(1) a consumer promotion strategy was used for an arrangement of program for the delivery of Chang beer crown cap pieces to draw lots, for rewards valued at 100 million baht per year, by holding drawing lot programs consecutively for five years (1996-2000), using a total expense budget in the amount of 500 million baht.

(2) a music marketing strategy was used (April 1999) by the arrangement of a country concert celebration of the gold medal Chang beer towards ten provinces in the Northeastern

part of Thailand.

Advertising. The purpose in advertising of the market leader was to emphasize a repeat of brand. A budget for advertising Chang beer in the amount of 318 million baht in 2000, was used by mainly utilizing advertising via the television medium, calculated to be 97.28% of the whole expense of advertising cost.

The advantage of advertising via television is that it is a combination of picture, sound and movement, which promotes good feelings and can be accessible to target groups. The disadvantage is that the cost of advertising is high. The market leader selected to use advertising media appropriately with target groups and used the well-known country singer named "Ad Karabao" to make a repeat of a selling point of a gold medal award Chang beer coupled with a crowd drinking Chang beer with fun. It was a medium to let consumers recognize that Chang beer is appropriate for celebrations and entertainment. This push promotion strategy helped Chang beer to be successful.

Channel strategy. The market leader had channels of distribution via local liquor distribution agents of Sura Maharas Public Company, including Sura Thip Group Company, Sang Som Company and 43 Company Group. It was regarded to be a strong channel of distribution. The market challenger had marketing mix strategy similar to the market leader, but had different objectives and targets from the market leader as follows:

Product: Quality and packaging of Singha beer were improved including carrying a product life cycle. Being the same category of product, competition is high. Consumers were pleased with this improvement and development.

The market challenger then issued new products, such as Leo beer (1998), Super Leo beer (1999), Mittweida beer (1999) and Super Lion beer (2000).

The purpose was to:

- (1) Let them be aggressive with competitors
- (2) Add alternative products to consumers
- (3) Maintain marketing share
- (4) Increase sales volume.

Packaging was upgraded for Singha beer, Singha Gold beer, Leo beer, Super Lion beer, etc to be sold in cans and to be a Stay on Tap (SOT) product. The advantages were:

- (1) It is easy to carry
- (2) It is convenient to buy
- (3) It creates satisfaction to consumers allowing them to share in the conservation of the environment.

To conclude, the purpose in using product improvement strategy was to:

- (1) Use strategies to attack the market leader;
- (2) Take into account of consumers' demand and satisfaction;
- (3) Scramble market share
- (4) Use a quality strategy.

Price. The market challenger used a price setting strategy. Its purpose was for survival. Its price was, therefore, set in a level that the business could survive in a highly

competitive situation. It was done by discounting Leo beer to three cans per 100 baht and two bottles of Singha beer per 100 baht.

Promotion. As the market challenger desired to increase sales within a short period, two strategies were used, namely:

- (1) Push promotion strategy, which a trade promotion was used with agents and shops
- (2) Pull promotion strategy by using a consumer promotion in the following manners:

The market challenger has held activities jointly with agents and shops to stimulate increased sales volume, which is conducted by using beer crown caps to deliver casting lots and by arrangement of sports marketing, such as car racing and marathons.

Advertising. Media strategy had been used by the market challenger to attack a competitor. The advertising cost in 2000 was up to 332.9 million baht, which media used was mainly television at 91.31%. The purpose in using this strategy was to:

- (1) Increase market share
- (2) Attack the competitor
- (3) Build brand awareness.

Channel. The market challenger had administered channels of distribution to distribute products to wholesalers and retailers.

Market Niche Strategies

Market niches used marketing mix strategy as the following respects:

Product. Thai Asia Pacific Brewery Company had improved and developed Heineken and Amstel beer to aim for sales and desires to be the market leader in the premium beer market. Carlsberg Brewery (Thailand) Company developed and changed the packaging of bottles, to be in a green color and sticking a black label on the bottle with the word "Cool", to constitute a selling point to make sales increase. Thai Amarit Brewery Company improved the quality of taste of Kloster beer. Its purpose was to:

- (1) Create customer satisfaction
- (2) Increase sales.

Price. Market niches set the retail price to be approximate to that of the market leader. It is a strategy of price setting that aims to boost sales or quantity of sales. Its purpose was to:

- (1) Increase sales
- (2) Maintain market share
- (3) Increase market share
- (4) Survival of the firm

Promotion. Similar methods were use as stated previously, such as conducting sales promotions at selling points, using pieces for drawing lots, rebate, exchange and providing an extra gift.

Advertising. Media mix was used, such as television, radio, newspapers and motion pictures. The purpose was to increase sales.

Channel. Mutual channels of distribution were used, such as trade centers, convenient stores, food shops, on premises

etc. To conclude, objectives in using a marketing mix strategy are different. It has been used by the market leader for protection and extension of its market share. The market challenger has used it for counter-attack and increasing market share. For market niches, they have used it for seeking revenue and increasing market share.

Different Strategies

In the different strategies of the market leader, challenger and niches, objectives were similar, namely:

- (1) Aiming for accomplishment
- (2) Increase efficiency of marketing mix
- (3) Increase sales.

The market leader used management strategy by selling local liquor with a beer plus method and using solid marketing channels. The company used a product to stimulate consumers demand by reducing prices and pushing products into marketing channels, and letting such goods stock at agents and retail shops in bulk. The price was lowered but sales increased. Again, efficiency of scale comes into play and year-end earnings were little affected.

The market challenger used a mutual alliance drawing strategy and a channel blocking strategy and had to prevent market share from increasing erosion caused by competitors. It had to find an opportunity to protect itself, by using other alternative strategies.

Market niches used music marketing as product warranties and service. Their marketing strategy takes into account consumer orientation. When a product satisfies a customer, demand and sales will increase. Importantly, in a warranty of product quality, the quality of product has to be excellent and fulfill the advertising claims. If not, the customer will consider the product unreliable.

Credit marketing is a modern selling strategy, because some groups of customers do not like to carry large amounts of cash strolling in shopping centers etc. Many products are bought by customers spontaneously, because of having a credit facility available. Market niches used this selling strategy in various marketing channels with a comprehensive scope and they obtain members or customers increasingly, due to using credit cards. The credit cards can be universal (AMEX etc) or supplied by the product company.

RELATIONSHIP AMONG MARKETING STRATEGIES

For the success of marketing management, mix strategies are vital to the market leader, the market challenger and the niches. Mix strategies consist of strategies, as above mentioned. It is a combination of several strategies to push and pull products to reach consumers rapidly, to increase sales and push forward to being a market challenger and a market leader ultimately. Mix strategies are highly efficient and they cover objectives of marketing in a broad scope, such as marketing mix of the market leader is undertaken for the purpose of:

- (1) Protection of market share

- (2) An extension of market share.

Proactive strategy is also used, for instance, selling local liquor with a beer plus method, strong channel strategy etc. This purpose is to:

- (1) Protect market share
- (2) Preemptive strikes against competitors

Mix strategies can be highly efficient.

Relationship Among Local Liquor Selling With a Beer Plus Strategy, Marketing Mix and Proactive Strategy

The market leader used push strategies to promote Chang beer to achieve maximum sales. They were able to occupy a market share of up to 60% in 2000, by using local liquor selling with a beer plus strategy to reduce substantially the price of Chang beer. This included the use of forceful advertising and marketing mix. The market leader needs to protect market share, try to extend a market and maintain being a leader, for as long as possible. Strategies, as above mentioned, have to be used in combination with defense strategies.

Relationship Between Block Channel Strategy and Marketing Mix and Finding Mutual Alliance With Kloster Beer and proactive Strategy

The market challenger Singha has made an attempt in every aspect to maintain market share of Singha beer. A pull channel strategy has been used to block marketing channels of its own agents and not to let a competitor gain market share. Also, a push channel strategy was used by developing an alliance with Kloster beer to attack the market leader. The relationship between similar and different strategies, as above mentioned, will help marketing management efficiency.

Relationship Among Music Marketing Strategy, Credit Marketing Strategy, Proactive Marketing Strategy and Marketing Mix Strategy

Strategies, as above mentioned, were used by market niches in order to boost market share and to occupy more market share, such as music marketing strategy, marketing mix strategy and proactive strategy. They were used by Thai Asia Pacific Brewery Company, as a push strategy to push Heineken beer to have sales approaching being a leader of premium beer, with a market share of 80% in 1998.

Product warranties and service strategy were used by Carlsberg Brewery (Thailand) Company, as a push promotion strategy coupled with marketing mix strategy to increase sales. The promotion was used to attract customers, as well as showing a good quality product with certification. This would lead customers to make a decision in buying more easily and rapidly.

Thai Amarit Brewery Company, the producer of Kloster beer, to increase sales, used marketing mix and proactive strategy and also credit marketing strategy, which serves as a push channel strategy

TIS Worldwide Marketing (1997) Company, as a beer importer from abroad and as a market niche, used proactive

strategy and marketing mix for marketing management to increase sales.

The successful application of similar and different strategies consists of several factors that can be described as follows:

- (1) Using mix strategies that have a logical relationship to each other and the selection of push and pull strategies applicable to current market circumstances
- (2) Using strategy progressively
- (3) Selection in the use of efficient strategies should be compatible with current economic and local situations
- (4) Strategies must be ready to deploy immediately if required. Sufficient capital and other logistical factors must be available
- (5) Product quality strategy planning concerns maintaining current high product quality and continual enhancement of quality control techniques. Improvement in life span is an example of instilling confidence in consumers as to the product's reliability. Using a product quality strategy, coupled with advertising, it increases consumer confidence that a product would be of good quality and has been continuously developed and improved.

VII. CONCLUSIONS

The rate of growth of the beer industry in Thailand is high. A quantity of production was averagely increased during the ten year period between 1990 and 2000, in the percentage of 16.2% per year. Almost the whole quantity of production is domestic consumption and exports to overseas are only 1-2 %. In addition, renowned beers are imported into Thailand in response to consumer's demands.

The future of the beer industry is still bright, since Thai society still enjoys the consumption of beer and along with a recovery of the Thai economy. Liberalization of liquor legislation in 2000 and subsequent increased competition resulted in cheaper beer and increased sales.

Competition is high. Continuous improvement in taste, packaging and service is satisfying to customers. Marketing management has realized the importance of consumer orientation.

A special feature of the beer industry is freshness. Beer is always required to be kept at a cool temperature and to be in a fresh condition. Production in the beer industry is generally mass production. The beer industry has a relationship with each other among the sectors of agriculture, economy, society, government and the international market.

In 1933, Boon Rawd Brewery Company was the first beer producer in Thailand. In 1977, Thai Amarit Brewery Company produced Kloster beer to launch onto the market. Singha beer was the market leader and Kloster beer was the market niche. In 1991, the government agreed on a policy to add a number of breweries in Thailand. In 1993, there were three new additional beer producers. They were Thai Asia Pacific Brewery Company, Carlsberg Brewery (Thailand) Company and Thai Beer (1991) Company who produced Heineken, Carlsberg and Chang beers respectively. Competition in the beer market began to rise. The competition among the five major beer producers became more intense.

In the middle of 1997, there was an economic crisis in Thailand. A large number of employees were discharged and the salaries of others, who were still employed, were reduced. In 1998, 1.4 million people were unemployed. Consumers were thrifty and reduced spending for deluxe goods, such as automobiles and imported products from abroad. However, the quantity of beer production in 1998 for distribution still increased from the previous year (1997) up to 11.8%.

The reason was that consumers still enjoyed beer consumption in an increasing quantity, even though the Thai economy had slowed down and they changed their behavior of consumption, by turning to select beer with a cheaper price. Since Chang beer's price was cheap, it was therefore popular and its sales soared, both in Bangkok and provincial areas.

Thai Beer (1991) Company, as the producer of Chang beer, used a dumping marketing strategy of product retail prices to be lower, by the method of local liquor selling with a beer plus method. In 1999, Chang beer was the market leader (Table 1) with a market share of 58%; Boon Rawd Brewery Company's (Singha beer, Leo, Super Leo, Supper Lion and Mittweida) market share fell to 35% and was now the market challenger (being the former market leader for 65 years, 1933-1998).

From a study concerning modernization of beer selling, it was found that key factors that caused Singha beer to be relegated to second place and Chang beer to be the market leader, as above mentioned, was an application of similar and different appropriate market strategies. The market leader took advantage of a competitor, by using a strategy of local liquor selling with a beer plus method, which is both a price strategy (dumping prices to be lower) and marketing channel extension strategy in a broad scope. This was coupled with the use of a marketing mix strategy, making a choice in using strategies to be compatible with a market where consumers have low purchasing power, cheaper prices, using marketing strategies steadily with high frequency and creating reliability in product quality. Additionally, having a large amount of capital and taking into account consumer patterns, promoted Chang beer to be the market leader.

Thai Asia Pacific Brewery Company is the market niche in the distribution of Heineken beer, with the maximum quantity in a premium segment. It is a success due to the management of marketing mix. The company produces and distributes Heineken beer with good quality and its taste is compatible with Thai preferences. Sales promotion activities and advertising are conducted with high frequency and steadiness. Also, the use of aggressive sports marketing to approach target groups and using of marketing channels belonging to a partner (channels of distribution belonging to Coke) comprising approximately 400,000 agents throughout Thailand have made Heineken beer the leader of the premium beer market.

To manage marketing to achieving defined goals, beer companies have to attach the importance to consumers, as the consumer is paramount. Therefore, the modernization of beer selling stresses marketing success beginning from the study of consumers' demands and ending with consumer satisfaction. Beer companies build consumer satisfaction through

marketing mix and marketing strategy to respond to consumer demand.

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