

THE CHALLENGER

2023

MAX'S





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INTRODUCTION

In light of the recent introduction of Lay's MAX, a new product offering from Lay's Thailand, the company is presented with an opportunity to enhance its marketing strategies and drive long-term success. It is crucial for Lay's Thailand to build anticipation, foster customer loyalty, and encourage repeat purchases. To achieve these objectives, the management team is eager to explore innovative marketing approaches and consumer-centric initiatives that will secure a prosperous future for Lay's MAX within the highly competitive Thai snack market. In this case study, we will delve into the strategic steps that Lay's Thailand can undertake to maximize the potential of Lay's MAX and ensure its sustained growth and market prominence.



ABOUT LAY'S

Lay's , a globally renowned brand of potato chips, has captured the hearts of consumers worldwide, including in Thailand. As a subsidiary of PepsiCo and a part of the esteemed Frito-Lay family, Lay's is synonymous with its irresistibly crispy texture and extensive range of flavors.

In Thailand, Lay's has become an integral part of households, resonating with consumers through its diverse offerings. From the timeless original flavor to beloved choices like sour cream and onion, barbecue, and even bolder options like spicy seafood, Lay's caters to a wide spectrum of local tastes. What sets Lay's apart is its commitment to crafting Thai-inspired flavors such as green curry and tom yum, showcasing an unwavering dedication to delivering unique and exciting choices that truly satisfy the Thai palate.

A standout feature of Lay's in Thailand is its introduction of limited-edition flavors. These special varieties, often crafted in collaboration with local Thai brands and incorporating indigenous ingredients, ignite a sense of anticipation and joy among consumers. These exclusive offerings bring a touch of novelty and prestige to Lay's product range, tantalizing taste buds and evoking enthusiasm among snack enthusiasts.



ABOUT LAY'S



Lay's Thailand goes above and beyond traditional potato chips, catering to a diverse range of snacking preferences. Lay's Stax, for instance, offers a fun and stackable format that allows snackers to enjoy Lay's quality and flavor in a unique way. Additionally, Lay's MAX, with its bold and crunchier chips, provides an elevated snacking experience for those seeking an extra burst of flavor and a satisfying texture.

With its wide availability, diverse flavor profiles, and innovative product offerings, Lay's has solidified its position as a cherished brand in the Thai snack market. Whether savoring a classic flavor or indulging in a limited-edition variety, Lay's consistently delivers delightful snacking experiences that have captured the hearts and taste buds of Thai consumers.

CURRENT DISTRIBUTION CHANNEL



1. Convenience Stores



With a significant focus on visibility and accessibility, Lay's chips are strategically distributed through popular convenience store chains such as 7-Eleven, FamilyMart, Jiffy, and Lotus's go fresh. These stores play a pivotal role, accounting for approximately 65% of Lay's total sales. Over the last decade, the convenience store industry in Thailand has witnessed significant expansion, characterized by a notable rise in the number of outlets and an escalating consumer appetite for convenient snacking choices. This growth trend aligns with the urban lifestyle, where the emphasis on convenience and on-the-go consumption has become pivotal in purchasing decisions.



2. Modern Trade



Lay's Chips hold a prominent position within the organized retail sector, which includes larger-scale supermarkets, hypermarkets, and department stores. Notable establishments such as Tops Market, Tesco Lotus, Big C, and Gourmet Market feature Lay's products, ensuring broad market coverage and catering to diverse consumer preferences. The modern trade segment continues to thrive, driven by urbanization, changing consumer lifestyles, and the desire for one-stop shopping experiences. This distribution channel predominantly caters to in-home consumption, targeting caregivers who shop to ensure a ready supply of snacks.



3. Traditional Trade



Lay's snacks are also distributed through traditional markets, where smaller retailers serve as intermediaries between suppliers and local consumers. These markets, including fresh markets, neighborhood stores, and small-scale grocery shops, are prevalent not only in urban areas but also in suburban and rural regions. While the traditional trade sector faces evolving dynamics, it remains an important distribution channel that meets the needs of local communities.



4. Wholesale



To meet the demands of retailers, smaller stores, and vendors nationwide, Lay's Thailand has established a network of wholesale distributors. These distributors play a crucial role in supplying Lay's potato chips in larger quantities, ensuring efficient distribution and availability in the wholesale market. For instance, Makro is a notable wholesale store that carries Lay's products, catering to business customers and offering bulk purchasing options.



Since its introduction in 2021, Lay's MAX has made significant strides in the market, offering a range of four core flavors that promise an elevated snacking experience. However, despite the brand's best efforts, there has been some confusion among consumers regarding the differentiation between Lay's Core and Lay's MAX products. This confusion arises from the resemblance in product architecture and the perceived similarity in flavor offerings.

This lack of clarity in distinguishing between Lay's Core and Lay's MAX has inadvertently led to a situation where Lay's MAX competes with its own Core line of products. This cannibalization effect is not aligned with the brand's strategic vision and can hinder the intended growth and market positioning of Lay's MAX.

To address this challenge, Lay's Thailand recognizes the importance of clearly communicating the unique features and benefits of Lay's MAX compared to Lay's Core. Efforts will be made to emphasize the distinctive qualities of Lay's MAX, including its bold flavor profiles, unique product attributes, and the enhanced snacking experience it delivers. By effectively differentiating Lay's MAX from Lay's Core, the brand aims to capture the attention and preference of consumers who are seeking an elevated and unforgettable snacking journey.

LAY'S MAX

In response to evolving market dynamics and the desire to captivate the youth cohort, Lay's Thailand embarked on a strategic relaunch of Lay's MAX in 2023. This initiative involved a series of carefully planned measures to establish Lay's MAX as a distinctive and independent product line, tailored specifically to cater to the preferences and aspirations of the youth demographic.

The first step in this strategic journey was to refine the visual and packaging elements of Lay's MAX. The aim was to create a distinct and eye-catching identity that effectively communicates the differentiation between Lay's MAX and Lay's Core. This involved redesigning the potato chips' shape to ensure a clear distinction, showcasing the unique features and enhanced snacking experience offered by Lay's MAX.

Furthermore, Lay's Thailand focused on building a compelling youth portfolio within the Lay's MAX range. This included introducing exciting product variations, such as the incorporation of added inclusions, to heighten the sensory appeal and offer novel snacking experiences that resonate with the target audience.



Complementing these product enhancements, targeted marketing campaigns were devised to emphasize the unique selling points of Lay's MAX. Through captivating storytelling, engaging visuals, and impactful messaging, Lay's Thailand aimed to capture the attention and interest of the youth cohort, effectively conveying the value proposition and positioning of Lay's MAX as the go-to choice for young consumers seeking an elevated snacking journey.

In parallel, Lay's Thailand proactively engaged with consumers to address any misconceptions or confusion surrounding Lay's MAX. By actively listening to feedback, conducting consumer surveys, and organizing interactive events, Lay's Thailand sought to foster a clear understanding of Lay's MAX among its target audience. This two-way communication approach helped build trust, strengthen brand loyalty, and reinforce Lay's MAX's reputation as a distinct and exciting snacking option for the youth segment.

Through these meticulously planned measures, Lay's Thailand aimed to position Lay's MAX as a standout product line that captures the hearts and preferences of the youth cohort. By redefining the visual identity, enhancing the product offerings, executing targeted marketing initiatives, and actively engaging with consumers, Lay's Thailand aimed to ensure the success and longevity of Lay's MAX in the competitive snack market.

By undertaking these initiatives, Lay's Thailand aims to create a clear brand identity for Lay's MAX, build strong consumer awareness, and foster a loyal customer base that appreciates the distinctiveness and value that Lay's MAX brings to their snacking experiences.

LAY'S MAX

Presenting Lay's Max , the newest member of the Lay's product family, redefining the snacking experience with an upgraded and irresistible version of their beloved classic potato chips. Embarking on a mission to become the top choice among Thailand's teenage population, Lay's MAX is set to capture the hearts and taste buds of young snack enthusiasts across the nation. With its enhanced flavors, enticing textures, and unrivaled crunch, Lay's MAX aims to secure its place as the ultimate go-to snack for Thai teens.

Furthermore, Lay's MAX understands the deep-rooted social pressures that weigh on Thai youth, fueling their hesitation to reveal their authentic selves amidst the fear of judgment and bullying. With a profound sense of purpose, Lay's MAX emerges as a catalyst, committed to uplifting and empowering these young individuals. It strives to embolden Thai youth, instilling in them the courage to embrace their inherent potential and embark on a transformative journey of self-discovery. By unlocking their boundless capabilities and embodying their true essence, Lay's MAX empowers Thai youth to radiate their brilliance and become the best versions of themselves.



LAY'S MAX

Given the above context, Lay's MAX unveils a range of remarkable features tailored to the distinctive preferences of Thai youth:

MAX FLAVOR



Pushing the boundaries of taste, Lay's MAX delivers an unparalleled flavor sensation. With the boldest flavour comparing the Lay's Core products.

MAX CRUNCH



The distinct ridge shape, deep ridge, of Lay's MAX chips enhances seasoning retention and creates a perfect texture that amplifies the delightful crunch with every bite, unlike other ridge formats. It's a sensorial journey of pure enjoyment.

MAX DESIGN



Embracing a captivating new packaging design, Lay's MAX not only showcases its bold flavors but also captures the essence of the product in a visually stunning manner, leaving a lasting impression.

Lay's MAX's brand proposition centers on **"Unleash Your Inner MAX"** As the most daring and flavorful potato chips available, Lay's MAX provides an unparalleled level of intensity and crunchiness for an extraordinary snacking experience. The primary functional benefit is the instant burst of excitement that occurs upon consuming each chip, instantly satisfying hunger and uplifting the mood. Moreover, Lay's MAX delivers an emotional benefit by empowering individuals to unleash their inner max, inspiring them to embrace their true potential and live life to the fullest.

Currently, Lay's MAX presents a range of enticing flavors catering to diverse taste preferences. The brand offers four permanent core flavors that are always available: "Ghost Pepper Extra Chili", "Spicy Barbeque", "Nori Seaweed Overload," and "Extra Sour Cream and Onion". These flavors serve as the foundation of Lay's MAX's flavor lineup, providing consumers a delicious and satisfying experience.

Lay's MAX stands out from other Lay's products due to its unique characteristics, including the distinct deep ridge cut of the potato chips, intense flavor profiles, and the addition of special ingredients. Among the Lay's MAX lineup, the Ghost Pepper Extra Chili flavor stands apart as the only variant that features real dry chilies inside the bag, providing an extra level of heat and spice.

To further captivate the youth and add an element of excitement, Lay's MAX introduces limited-time flavors that aim to bring a change of flavor. These limited-time offerings are carefully crafted to ignite curiosity and offer a fresh experience to the consumers. By introducing new and unique flavors periodically, Lay's MAX keeps the youth engaged and eager to explore the latest taste sensations.

By offering a blend of permanent core flavors and limited-time options, Lay's MAX guarantees a constant stream of exciting choices for consumers to explore. This approach is designed to cater to the diverse preferences of our target audience while fostering a sense of excitement and discovery. With a commitment to innovation and a wide range of flavor options, Lay's MAX continues to captivate consumers with its ever-evolving selection of enticing tastes.

Current Target Customer



Lay's MAX has a targeted focus on the Thai youth demographic, specifically those aged 15-29 years old. To gain a deeper understanding of this customer segment, Lay's Thailand conducted extensive research through focus groups. The findings revealed that Thai youth embody a generation that values self-indulgence and living in the present moment.

These young individuals exhibit distinct characteristics, including:



1. A desire for instant gratification: Driven by the digital era, Thai youth have access to a multitude of opportunities that allow them to fulfill their desires immediately.



2. Spontaneity: The digital landscape has empowered Thai youth to embrace spontaneity and seek out impromptu experiences.



3. Clear expression of identity: Leveraging the power of social media, Thai youth confidently express and showcase their unique identities to the world.

The first two characteristics are a direct result of the digital era, which has provided Thai youth with limitless possibilities. They can satisfy their cravings and embrace spontaneous adventures with ease. The third characteristic stems from the influential role of social media, empowering them to proudly express their true selves and share their identities with authenticity.

Furthermore, Thai youth hold the following values in high regard:

Individuality

These young individuals possess a strong sense of self, acknowledging the uniqueness of their own identities. They prioritize their personal needs, desires, and passions above all else.

Perfection

Thai youth strive for excellence in all their endeavors, demonstrating an unwavering commitment to success and relentlessly pursuing their goals.

Freedom

Thai youth value the freedom to express themselves without fear or societal constraints. This freedom empowers them to embrace their authentic identities and confidently pursue their passions.

With a profound understanding of these characteristics and values, Lay's MAX stands poised to seize the opportunity to become an empowering force that encourages and enables youth to unleash their inner potential. By embracing their individuality and recognizing their innate capabilities, Lay's MAX aims to serve as a guiding light, inspiring young individuals to fearlessly pursue their passions and push the boundaries of their abilities.

With these objectives in mind, Lay's MAX is eager to explore innovative campaign ideas that will further resonate with their target audience, captivating the attention and fostering the loyalty of Thai youth.

Limitations

While striving to capture the hearts of Thai youth, Lay's MAX acknowledges certain limitations that must be considered in devising effective strategies.

1. Fixed Product Features:



The package size and pricing of Lay's MAX are predetermined and cannot be altered. Therefore, it is crucial to develop marketing approaches that maximize the impact within these existing parameters, ensuring they resonate with the target audience.

2. Assortment Constraints:



The selection of permanent flavors for Lay's MAX is pre-established and cannot be modified. Removal or replacement of these core flavors is not possible, necessitating a focus on leveraging the existing flavor offerings to create compelling marketing campaigns.

3. Exclusive Target Audience:



Lay's MAX is committed to catering exclusively to the Thai youth demographic ranging from 15 to 29 years old (primarily focussing on 18 to 25 years old as the core target audience). This unwavering focus allows the brand to gain a deeper understanding of their specific desires and aspirations, fostering a stronger connection and building customer loyalty.

4. Standout Product Promotion:



The primary objective is to develop marketing campaigns that effectively position Lay's MAX as a standout product. Leveraging its bold and enticing flavors, the brand aims to create compelling campaigns that resonate with Thai youth, capturing their attention and driving engagement.

By acknowledging these limitations and focusing on the strengths of Lay's MAX, the brand can develop targeted and impactful marketing strategies that connect with the desired audience and drive the desired outcomes.

CASE CHALLENGE

Lay's MAX's ambition is to be No.1 snack for teens in Thailand. Therefore here are 2 key challenges that needs to be addressed.

1.) How can Lay's MAX successfully foster a *strong emotional connection* with Thai youth and position itself as their snack of choice by building momentum among urban youth through a strategic shift in communication from *product-centric to consumer-centric*, tapping into their key tensions and aspirations?

- As brand custodians, our primary objective is to cultivate a deep connection between Lay's MAX and the Thai youth demographic. With a comprehensive understanding of our product's unique value proposition, our target audience being Thai youth, and the challenges we may encounter, how can we successfully foster this attachment and loyalty?
- Please consider how the brand proposition "**Unleash Your Inner Max**" can be seamlessly integrated into a purpose-driven approach, distinguishing Lay's MAX from its competitors and setting it apart in the market.
- Given a budget of 20 million baht, please give a 12 month strategic plan for the campaign. Where the budget should be allocated across the entire timeframe.

CASE CHALLENGE

2.) How can we leverage the potential of limited-time flavors to drive long-term loyalty and repeat purchases among Thai youth through a new captivating "Do us a flavor" branded campaign? Please present a detailed integrated marketing communication (IMC) plan that encompasses both pre-launch and post-launch strategies, along with clearly defined key performance indicators (KPIs).

- This new campaign will invite consumers to actively participate in the creation of a new flavor for Lay's MAX, offering the chance to win cash prizes and up to 1% of the sales profit. The campaign aims to foster consumer engagement, with the ultimate objective of selecting a flavor that resonates with Thai teens (aged 18-29 years) and drives their ongoing preference for Lay's MAX.
- The "Do us a Flavour" campaign presents an exciting opportunity to introduce limited-time flavors that generate enthusiasm for the brand. How can we effectively transform this opportunity into a cohesive strategy that ensures Thai youth become loyal, repeat customers?
- Given a budget of 35 million baht, please create a detailed 8 month plan where the "Do us a Flavour" campaign should last at least 3 months.

It is through this unwavering consumer-centric approach that Lay's MAX distinguishes itself from other brands, ensuring that our impact resonates deeply and leaves an indelible mark on the hearts and taste buds of our valued audience.

APPENDICES

Appendix 1: Original Lay's MAX packaging and flavours launched in 2021.



Appendix 2: New Re-launch Lay's MAX in 2023.





THE CHALLENGER

BY TUBC

***' CHALLENGE YOUR LIMITS,
NEVER MISS AN OPPORTUNITY '***