# Relationship between boh tea and consumer behavior



BOH Plantation Sdn Bhd was found by John Archibald Russell in the year 1929, together with A. B. Milne, a veteran in tea planting from Ceylon they succeeded in obtaining a concession of land in Cameron Highland in order to start the tea plantation business.

Together the duo transforms steep jungles slopes into a tea garden known as BOH Plantations, which is the 1st highland tea garden in the country. BOH Plantations business begins to bloom and currently is the leading tea grower in the country. The plantation expanded and owns four tea gardens, of which three is located 5000 ft above sea level and is situated in Cameron Highlands, and the fourth is centralizing in Bukit Cheeding, Selangor. Collectively, the garden's size in total is 1200ha.

BOH Plantation has been firmly entrenched that most Malaysia drinks BOH tea than any other brand. BOH teas are available in 3 different forms (tea packets, tea bags, tea dust). The company currently produces 4 million kg of tea in a year. Malaysian consumes 10million kg of tea which makes BOH tea largest producer locally of black tea, in terms of cuppage, BOH tea produces about 5. 5 million per day which almost meets 50% of tea consumption requirement in the country. The success story of BOH Plantation continues to be Malaysia's leading brand in tea and is also exporting to Brunei, Japan, Singapore, United Arab Emirates and also the US.

Consumer Decision Process & BOH tea

Consumer Decision Process is basically known as a cognitive process.

Consumer is aware of a need or wants and search for possible ways to satisfy it. Awareness of consumer is not an automatic process; it is actually https://assignbuster.com/relationship-between-boh-tea-and-consumer-behavior/

selective external procedure. Example, consumers are expose to thousands of messages that persuades them from advertising, political organization, religious groups, food products and many more other resources. This mass information that seeks out consumer attention then filtered out by individual in order to make the decision in buying a product. In order for a consumer to purchase a product, he or she has to go through the 5 stages of consumer decision process.

These 5 stages of consumer decision making process are very important for consumer to make an accurate decision in satisfying their needs and wants. The stages flow in sequence beginning with problem recognition and ending with post-purchase evaluation. The 5 stages are as graph above:

Problem Recognition

Information Search

Evaluation and Selection of Alternatives

**Decision Implementation** 

Post-purchase Evaluation

### **Problem Recognition**

The consumer decision process begins when a consumer is aware of satisfying their needs or wants. For the past decade, health benefits have caught the attention of the wide coverage of media. Numerous studies have shown that the antioxidant polyphenols of tea has the anti-cancer properties and also able to reduce the risk of gastric, and also skin cancer. Prevention is

better than cure; this statement has drive consumers to seek for healthy product to maintain a healthy lifestyle, likewise tea is a healthy drink. This is where BOH tea as Malaysian leading brand provides high quality tea that contains rich aroma of tea flavors that fills the nose and relishing the taste in the mouth while giving a soothing effect. Below are 2 examples of BOH tea's top products.

## **Product 1 (BOH string and tag)**

Source: https://www.boh.com.my/shop/product\_info.php?products\_id= 71

Most consume product that satisfies the need of consumers that wants to prepare instant pre-pack tea.

#### Product 2 BOH tea leaves

Source: https://www.boh.com.my/shop/product info.php? products id= 29

This product satisfies the needs of consumer that prefers the old fashion tea leave method, as the aroma and taste of tea is stronger.

### **Information Research**

When consumers identify a problem, they will find ways to solve the problems. Consumer will need to do internal and external research in obtaining the knowledge of products that will satisfy their needs. In the case of BOH tea, since it is the leading tea brand in Malaysia it is important to strengthen the brands leadership by creating awareness for their product through sales promotion and advertising.

As internal research, in order for BOH tea to capture the attention of consumer they have come up with a catchy phrase " ada Ummph" which literally means " more than words can describe" kind of feeling to show the great quality of tea that is produce by BOH tea. This phrase will strongly register the brands name in the mind of consumer, so that the next time they want to purchase tea, BOH tea will be their 1st choice as the " ada Ummph" phrase shows that consumer will never regret in consuming their tea.

Above is the example of the catchy phrase that is place on the product of BOH tea that always remind people to enjoy the goodness of tea at the same time enjoying a relaxing time, it has specialized BOH tea from different brand of tea such as Twinning's, Chamomile and Lipton.

External research allow consumer to access for secondary information from online resources, advertisement, brochures and many more in order to provide them with the excess knowledge to purchase the computer of their choice. Tea drinker in Malaysia will not escape the attention of BOH tea, as their product can be obtained from most retail outlets. BOH tea has also promoted their tea in printed media such as newspaper advertisement, television commercial, and also campaigns. BOH tea promotes their tea with bonding with love ones by creating moments of togetherness with loved ones. This is to show that a cup of tea can unite everyone together without any restriction. One way for BOH tea to educate consumers is by giving away free samplings and by holding contests for consumers.

Source: http://old. brudirect.

com/public html/DailyInfo/News/Archive/June05/100605/bb08. htm

Above is a picture of a winner who participated in a lucky draw pick that was organized by BOH tea in a shopping mall. This shows that promotion is a very important strategy in order to build consumer knowledge on BOH tea.

#### **Evaluation and Selection of Alternatives**

The following step allows the consumer to evaluate the brands from the information that is obtained. Consumer's sees product as a bundle of attributes such as the need, benefits, and attributes in order to make the right decision that satisfy their needs and wants. This bundle of attributes is actually a product's objective and subjective factors.

Objective factor

Strong aroma of tea and relishing taste

Subjective factors

Comparison of BOH Tea and Lipton tea, BOH tea being the outstanding as product is cheaper then Lipton and has strong aroma that suits consumers taste

### Purchase Decision

Purchasing the brand

BOH tea satisfies the entire spectrum of the non-alcoholic beverage in Malaysia and encourages tea to be consumed including, cold, instant,

traditional or in any other form that is preferred by consumer. This satisfies the consumer by providing choice of tea consumption according to their taste This is the stage where consumer has decided which brand of product that he or she wants after a making comparison with all the availability of product brands. Consumer will then have to select 2 specific elements which is purchasing the brand choice and purchasing time.

#### **Purchasing Time**

Product can be purchase in most retail outlet in the form of packages.

Consumer can also buy it in bundle during promotion period too.

# Post purchase evaluation

In this stage the level of purchase involvement of consumer is very important, it is often known as " the level of concern for or interest in the purchase" and heavily depends on the extensive information that is seek by the consumer in making a purchase decision.

Low purchase involvement process

Example, suppose if a buyer buys a certain brand of product (e. g., BOH tea) as a matter of habit, this means the drink is a low purchase involvement situation and consumers do not have to evaluate and seek information extensively. This case consumer will simply buy and consume the product and generates a high level of repeating the same purchase of product. Graph above shows low involvement purchase process that takes place. The benefit of low purchase involvement process is BOH tea has become consumer's

loyal brand for tea consumption products as repeat purchase has been taking place from time to time.

However, if the level of purchase is high and the consumer is involved in extensive decision making, consumer will be more likely to face a more elaborated post-purchase evaluation.

High Purchase Involvement process

This graph shows that there is a post-purchase dissonance where consumer are unable to commit to the decision of choosing the brand that they want and it will create anxiety among consumers as it is difficult to make alternatives choices. In order for consumer to reduce this dissonance, consumer has to make approaches such as to increase the desirability of the brand that they want to purchase and reject the desirability of rejected alternatives and also reject the negative data on brand purchased. If dissonance is not reduce, the anxiety experience may turn into a dissatisfaction and leads to a new problem. That is why high purchase involvement needs extensive research of information to reduce anxiety and increase the confidence level in purchasing the product they want.

Consumer will stay loyal to BOH tea because the company is constantly doing research in order to satisfy the future consumer needs.

## Psychological Core & BOH tea

#### Attention

Attention is a concept of cognitive psychology that helps us to actively process information present in our environment. Attention is an unconscious

process where consumer can automatically scan the features of the environment surrounding them. Attention can be classified into 2 which are voluntary and involuntary.

#### **Selective Attention**

Selective attention is the study of why people pay attention towards things, and how deep is their attention towards things that they focus. BOH tea pays attention towards animal and environmental conservation and have won numerous awards. Example, the company's packing facility in Bukit Cheeding has receive the ISO 9002 certification, this can further assured of quality tea every time consumer open up a packet of BOH tea. BOH also won the Super brand Excellence Trophy Award in Food & Beverage category in 2004. Tea Brands such as Rooibos tea from South Africa although provides lots of benefits but unfortunately they are a bit slow in venturing into environmental conservation.

### **Orientation reflex**

Orientation reflex is very important in capturing the attention of consumer.

The aim of this involuntary action is to create stimuli that surprise the expectation of consumers. Example, BOH Tea is able to capture the attention of their consumer with their advertisement in television which focuses on family bonding where family members can socialize through a cup of tea.

## **Perception**

Perception is a process that begins with consumer being exposed to information, attended to the information and ending with comprehending the

information that is focus on. Perception consists of 5 major elements which is exposure stage, attention stage and comprehension stage.

Exposure stage is the beginning process of perception process where consumer is exposing to information in the environment that is observed by the human senses. However, exposure towards surrounding is not enough to give a major impact towards consumers. BOH tea attracts consumer by promoting their products in television commercial, newspaper advertisement, BOH tea website, and also campaign. Example, BOH tea has done numerous televisions commercial by targeting the culture of tea regardless of religious or political options and also not to forget the moment of togetherness by the bonding of family member.

The attention stage, is how consumer pays attention towards something, this stage consumer will allocate processing capacity to a stimulus. In order to capture the attention of consumer, BOH tea has involve in animal and environmental conservation. One of their successful stories is when BOH Plantation was the first tea company to be awarded ISO22000 certification, an international standard designed to ensure safe food supply chains worldwide. BOH has also strengthened the leadership of their brand by embarking on numerous marketing campaigns.

Consumer will then interpret the information obtain from environment and store it in the memory so that consumer can make the decision at the purchase stage.

#### Different choices of tea

X Lipton Tea

X Alce Dero X BOH tea

X Chayo X Twining

X St Dalfour Organic tea

Taste/Smell Taste/ Smell

X Clear Spring

X Alvita Tea X Austral Herbs

X Dalhousie X Eden Organic

X Nature Cuppa Organics

X Sonnetor X Borneo Rainforest

Less choices of tea

Above is an example of perceptual mapping that helps BOH tea to develop a market positing strategy for their products. This has help us to see how consumer perceive the brands of tea that is available, and also how BOH tea can develop in technology and agriculture in improvising the taste and aroma of tea suits to the mood of consumers.

# **Motivation**

Motivation refers to an inner drive that reflects the goal of a person, which consist of the urge, wishes, or desire that allow them to strive to achieve the

goals and aims that is set. The two motivational theories that is famously know to express the motivation of people are the :

Maslow's Hierachy of Needs

W. J. McGuire psychological motives

### **Abraham Maslow's Hierarchy of Needs**

Maslow's hierarchy of need is actually a theory to satisfy the human needs . In order to be at the peak of the hierarchy, a person has to satisfy the lower needs in order to achieve higher needs in the hierarchy. (Further explanation of this theory will be explain in the appendix)

The next theory is McGuire's physiological motives, a very detailed set of motives to understand the specific aspects of consumer behavior. This theory consists of 4 major categories with 16 sub-categories which explain the behavior of consumer.( Further explanation refer to appendix) The 2 criteria that satisfy the 4 main categories are as follow:

Is the mode of motivation cognitive or affective?

Is the motive focus on preservation of status or on growth?

This advertisement has shown us that BOH is targeting bonding between people and at the same time satisfying the need for affiliation (active, external). The pictures shows that two hands of different skin complexion holding the cup of tea basically means, no matter who we might be we can bring people together over an occasion of tea and igniting joy. The tag line "Brings people together" in the advertisement tells consumers that life are

always more meaningful when shared with people who matters the most.

Here we can see BOH tea market and targets the satisfaction of building relationship of family members and friends.

This advertisement target consume by showing the types of product available for consumers. This has satisfy the needs for stimulation, consumer often seek variety and different out of stimulation, so this advertisement has shown the range of preparation of tea they have such as BOH tea leaves packaging and BOH tea in strings and bags. This way consumer can be satisfied depending on how they want to prepare their cup of tea.

The next will be the need of expression; the sentence "BOH mother brand range" has express others about the distinctive and unique character of BOH tea bursts with freshness and aroma in each cupful. They also want to express that BOH tea satisfy much more than just the aroma and taste by preparing a small plate of cookies to show that their tea can go best with evening tea time meal as to relax our mind and soul.

## Learning

Behaviors that results from repetition experience and thinking have allow consumer to develop automatic response to a situation. (Further explanation of learning process can be found in the appendix). When consumer has chosen a specific product that satisfies their needs, they rely on what they have learned through previous experience about the products characteristic such as the brand name, ingredients or features. In order for BOH tea to provide knowledge on their tea production, they have come up with different kind of tea that's suits different consumer taste.

In order to satisfy different taste of consumer, BOH has produced the instant tea mix with no sugar added as seen in the above image. This product does not contain sugar but with added creamer for a smoothing taste. This product not only allow consumer to experience the robust full flavor of BOH tea, but also easily prepared by adding hot water for a quick and refreshing cup of tea . The learning process has registered consumer that does not take sugar can always buy this product.

Green tea product of BOH as seen above soothes refreshes and revitalizes the mind and soul of consumer who needs a boost in energy after a hard day at work. This has allow learning process to take place within consumer who will purchase green tea product of BOH tea, that promises 100% tea that is steamed then rolled and dried in traditional process over the century. The delicate aroma, light and refreshing taste with its natural antioxidant properties gives consumer an opportunity to learn that this green tea does not fail to refresh and revitalize our body and mind.

#### Memory

Memory is the ability of the human mind to store, recall information or experience, or retain vital information. (types and further explanation of memory can be found in appendix) In order for BOH tea to strengthen their leadership brand in tea has to target consumer in many ways that possible and advertisement in an interesting way that can "transform" nature of consumer by setting expectation that influence the way consumer interpret that information

In order to target loyal consumer, BOH tea has come up with advertisement and promotions to establish their brand. The image above is an example of promotion strategy use to attract consumers. The promotion is about "sharing with love ones" where consumer takes pictures with family and friends and post them to BOH tea, and BOH tea will then take all the pictures and form a huge collage that says '1 Ummph, 1 smile" which literally means BOH tea puts a smiles on every Malaysian no matter who they are. This promotion strategy not only builds the spirit of patriotic Malaysian and builds the relationship with everyone, but also giving them a chance to win RM5, 000 for grand prize and RM1, 000 for conservation prize. In addition, a chance for all Malaysian to make history in making their way in Malaysia books of record for forming the largest collages regarding the value of togetherness. This kind of promotion can allow consumer to always remember BOH tea reaching out to people even though they are just a tea brand. It shows how BOH tea cares for the people.

#### **Attitude**

Attitude is feeling or affection against a stimulus; it is stored in the long-term memory. The 4 function of attitude consist of Utilitarian function, which is use to obtain reward and avoid punishment, Ego-Defensive function is self-protection, knowledge function is simplifies decision such as brand, and value expression which is express identify towards others. Beliefs is an important aspect in attitude, in order for consumer to have positive beliefs on BOH tea which is strong aroma and soothing taste they have to differentiate their product to the liking of consumers. Other tea brands such as Twinings and Rooibos tea are very difficult to attract consumer in

Malaysia because they do not promote and advertise their product much.

They do not approach consumers, and that case has given opportunity to

BOH tea to target consumer attitude in the sense of drinking tea with love

ones, the bonding and relationship that is created with the people around us

#### Culture

The direct definition from textbook about culture is "That complex whole which includes knowledge, belief, art, morals, custom, and any other capabilities and habits acquired by man person as a member of society".

(Further explanation of culture can be obtain in the appendix) Tea has been diversified over the years such as lifestyle, customs of tea and not to forget combined social process such as learning, planting, and using tea. Tea culture has struck people of all ages. In the young generation, entertainment on weekend draws young group of enthusiastic customers. Example, young people are more interested on meeting people in coffeehouse while having a cup of tea. The interest in tea drinking among people assures diverse and sophisticated customer base on now and future. As for the older generation, the fact that the price of a cup of tea and snack is relatively modest, they can also meet up with friends and relax and work at the same time. This is benefiting them rather than spending money on alcoholic drink in a bar. Thus, the young generation will be an important target market.

#### Subculture

Identification with core culture

#### Identification with a subculture

Mass market behaviors

Unique market behavior

Core culture values and norms

Subculture values and norms

**Individuals** 

A subculture is a section of a larger culture whose member's shares distinguish values and pattern behavior. Social history and current situation of the groups generates the unique values and pattern of behavior which they practices in their subculture. One good example of tea subculture in Malaysia is the element of showmanship in preparing teh tarik. A hot beverage prepared and commonly found restaurants and outdoor stalls. "Teh tarik" literally means tea "pouring" in a sense.

Above is a picture on how "Teh tarik" is prepared. It is the ability to drag a long stream of tea above the head of the brewer in an amusing way that it draws the attention for locals and tourists alike as an entertainment that we do not usually see elsewhere. The sub culture of this has drive "teh tarik" brewers to gather for competitions and performance to show their skills. This preparation of tea has recognized as beverage heritage in Malaysia.

## Group

Group can be said that two or more individual who shares the same set of norm, values and beliefs.

## Reference group

A group whose values, norms, attitudes, or beliefs that are use as a guide for behavior. A group whose presumed perspective or values are being used by individual as basis for her or his current behavior in situation. Example, colleagues at work, friends at school, members of clubs and so on

Aspiration group is a group where an individual would belong, dissociative group which a person does not want to associated with them.

## **Society**

Society is made up of individuals who have agreed to work together for mutual benefit. It can be a very broad term, as we can make generalizations about what the whole of Western society believes, or it can be a very narrow definition, describing only a small group of people within a given community. But no matter the size, and no matter the link that binds a society together, be it religious, geographic, professional or economic, society is shaped by the relationships between individuals.

# Life style influence

Lifestyle is a common word to explain complicated consumer behaviors.

Lifestyle is a way to segment people into groups based on three things:

opinions, attitudes and activities. Lifestyle means the ways groups of

consumers spend time and money. Lifestyle can include things like bowling,

cooking, car racing, kayaking, attending charity events, having pets, interest

in politics, watching sporting events and so on

Everyone has two lifestyles-the one they are currently in and the one they want to be in, which is always better than the current one. Marketers exploit this desire to move into a better lifestyle by showcasing people who are better off than the intended target market in their ads. For example most ads targeting children show children that are almost too old for the product, this appeals to younger children who desire to be like them.

## Marketing strategy (the 4 Ps)

The goal is to make decisions that center the four P's on the customers in the target market in order to create perceived value and generate a positive response.

#### **Product Decisions**

Tangible physical products that can be sold to consumer . The decision making of BOH tea are such as brands name, safety, packaging, and also quality.

Above the BOH tea brands that comes with the trademark of " puts the Ummph in life" that literally means enjoy life to the max with just a cup of tea.

Below are a few products of BOH tea in their preferred packaging.

BOH ice tea with blackcurrent flavor Gold BOH Cameroon blend

BOH instant tea mix BOH green tea

#### Pricing decision

Below is the pricing decision of BOH tea products which is literally cheaper then their competitor such as Twinings and Roobois tea.

Name of Products

description

Size

Price (\$)

**BOH Cameronian-Gold Blend** 

Cameronian-Gold Blend is distinguished for its exceptionally smooth flavor and rich golden color.

50 individual foil sealed teabags x 2g (100g)

6.35

**BOH Green Tea** 

Natural green tea that refreshes and soothes the mind

50 individual teabags x 1. 5g (75g)

6.35

BOH tea instant mix

Pre-blended with tasty creamer with sweetened sugar

30 sachets X 20g (600)g

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7.35

BOH tea instant mix no sugar

Pre-blended with tasty creamer with no sugar.

20 sachets X 11. 5g (230g)

5.35

Place distribution

BOH tea can easily obtain at any retail outlet in Malaysia, consumer can easily purchase it anywhere without having to trouble themselves to travel far and wide.

Promotion

BOH has done many advertisement and promotion in order to strengthen their brand in the market of tea in Malaysia. BOH yea has created friendly image that was abkle to strike deep in the consumer's heart ensuring popularity and liking among the people

BOH embraced the new technology, television by combining it with animation, creating one of the most recognizable advertising icons of the period: Mr. BOH

The 1Ummph 1Smile 1Malaysia campaign that was organize by BOH tea was a success as Malaysians step up to the challenge of spreading love to the underprivileged merely through a smile. The campaign was promoted

through website, radio, tv stations where photograph of consumers can upload onto the 1Ummph 1Smile Malaysia photo gallery website page. This collage took the creative team over 100 hours to put it up together, it measured up to 33 feet by 75 feet tall.

There are also different kinds of variables that can be use for segmentation:

# Demographic

Demographic variables such as income, gender, education, location, ethnicity, and family size are basically tied to subculture and segmentation. The graph above shows the Malaysian population by age group from year 2005 to 2009. From this graph, BOH tea can focus on which group of generation that they want to target, but BOH tea has decided to target people from all age's groups except children because there is no harm drinking tea but provides health benefits so it is highly recommended by every age group.