

**THE ADAPTATION OF MARKETING PRACTICES IN HUMAN
RESOURCES FOR EMPLOYER BRANDING & TALENT
ACQUISITION IN A THAI SUBSIDIARY OF
A MULTINATIONAL COFFEEHOUSE CHAIN**



**A THEMATIC PAPER SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENTS FOR THE DEGREE OF MASTER
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RESOURCES FOR EMPLOYER BRANDING & TALENT
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MULTINATIONAL COFFEEHOUSE CHAIN**

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ABSTRACT

Due to the increased competition in the coffeehouse chain industry, an ability to attract and retain the best talent in the workforce market is the key to success for any organization. In order to do that, a company must be able to strengthen their relationship with existing and potential employees through a strong employer brand.

The research uses a qualitative approach by conducting in-depth interviews with senior executives of Starbucks Coffee (Thailand) Co., Ltd. The length of each interview is between 45-60 minutes in a meeting room at Starbucks Coffee (Thailand)'s head office.

The study revealed the concept of employer branding, the benefits that it has on Human Resources processes, and important factors that need to be considered before the implementation, such as company values, key message, target audience and budget allowance.

KEY WORDS: Employer branding / Talent Acquisition / Coffeehouse chain /
Employer branding value proposition / Thailand

25 pages

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CHAPTER I

INTRODUCTION

According to a statistic published by the Bangkok Post on 29th November 2012, nowadays, coffee consumption is considered part of Thai people's lives. The coffee consumption per capita in Thailand is estimated at about 200 cups per year and Thailand's imports of instant coffee have increased from 412 tons in 1997 to 2,270 tons in 2000 and 25,000 tons in 2012. The retail volume of coffeehouse chains in Thailand is also growing dramatically, which creates a very high competitiveness in the industry, especially for multinational coffeehouse companies due to the surprisingly growth rate and expansion of local cafes and other domestic coffeehouse chains. Since the increased of competition, an ability to attract and retain the best talent in the workforce market is the key to success for any organization; because not only the company can increase operational efficiency, but also helps the company to sustain customer loyalty through great services and customer relations. In order to do that, the company must be able to strengthen their relationship with existing and potential employees through the effective communication of the brand's values and be able to develop a strong employer branding for talent acquisition.

Most of Thai companies will only focus on what they want from the candidates, such as requirements and qualifications. However, today's young generation brings a brand new set of values to the workplace as they are not just looking for a high salary, or a successful career; they need a purpose or reasons why should they work at your company and how does your company fit into what they want with their lives. This is where Marketing and Human Resources need to work together on the employer branding strategy to help promote the identity of a company as an employer of choice to attract, recruit and retain ideal employees to support the company's business goal. According to Van Mossevelde (2014), employer branding is the process of promoting an organization to a desired target group, one which a company wants to recruit and retain; so the company can differentiate itself from the competitors and capitalize on the strength of the brand, in order to attract top

candidates as the war of talent has rising during the past few years in Thai retail business. A case study of a multinational coffeehouse company that applies Marketing principles into their Human Resources Management function will be demonstrated as an example of how they can gain the benefits from the collaboration between Marketing and Human Resources for promoting employer branding more efficiently and be able compete with other competitors in the Thai retail industry.

This thematic paper will mainly focus on how organizations can apply Marketing into their Human Resources practices, and what benefits can be gained from the result of this merger. Furthermore, the study will define a relationship between both fields and what can Human Resources learn from Marketing in order to develop a long-term strategy for recruiting a talent workforce. The objective of the study is to create employer branding awareness in Thai society due to the lack of knowledge and understandings in most Thai organizations regarding the importance of employer branding and recruitment methods. Unfortunately, not many studies have been done on employer branding in Thailand. However, to study the current scenario of Human Resources practices, I decided to use the example of the Thai subsidiary of the multinational coffee house chain to look at the impact of employer branding for talent acquisition in Thailand within the retail industry.

There are various reasons for choosing Starbucks Coffee (Thailand) Co., Ltd. as a case study. Starbucks has been operating in Thailand over a decade now and also promote its employer brand worldwide. Besides the differentiation in their products and services, Starbucks has constantly gained many applicants through their strategic approach to attract the best talents in the market, and being able to expand their business so fast in Thailand for the past decade. According to an article written by Alexis Caffrey (2013), Starbucks is a well-known company and was considered one of the best companies for employer branding practices. They were listed on “Ethisphere Institute’s World’s Most Ethical Companies” for the seventh year in 2013 and made it into “Fortune’s 100 Best Companies to Work for” in the same year.

CHAPTER II

LITERATURE REVIEW

Employer branding was first introduced in the 1990s in consequence to the “war for talent” (Mosley, 2007) by Simon Barrow, chairman of People in Business, and Tim Ambler, Senior Fellow of London Business School. The article was published in the *Journal of Brand Management* in December 1996 to test the application of brand management principles into human resources management. In the beginning of the 21st century, most companies were facing skill shortages due to tight labor markets and low unemployment rate (CIPD, 2010), which has led to the companies understanding the value of attracting and retaining the top talents in order to survive in the market. Employer branding has been defined by many authors in the past; however, all of them shared the same idea. One of the first definitions of employer branding was originated by Simon Barrow and Tim Ambler (1996) as “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company.” The Conference Board (2001) has also defined employer branding as “the identity of the firm as an employer. It encompasses the firm's values, systems, policies and behaviors toward the objectives of attracting, motivating, and retaining the firm's current and potential employees.” Some authors focus on the view that employer branding is the company's efforts towards existing and potential employees to become the "employer of choice" (Ewing et al., 2002 cited in Berthon et al., 2005) or a "desirable place to work" (Moroko and Uncles, 2008). The employer brand is further explained as the image of your organization as a 'great place to work' in the mind of current employees and key stakeholders in the external market (Minchington 2005). As we have learned from the definitions given above, we may conclude that employer branding is a system to promote benefits and employment experiences to both external and internal employees, in order to make the employer unique and be able to attract and retain current and potential talents in the market.

There is a widespread literature on the subject of employer branding called *Human Resource Management, 4th Edition* by Alan Price (2011), which provides a

comprehensive introduction to the key issues shaping HRM today and the relationship between HRM and a range of other organizational functions. Employer branding is generally situated between marketing and HRM. Ideally, both functions should cooperate in the development and implementation of an employer branding strategy (Edwards, 2010). The author has conducted an analytical study in three different well-known companies including BMW, Apple and Google. The study shows that all firms mentioned above have created brands that make it easier for the companies to recruit talented workers and to motivate their current employees. The book also explained and defined employer branding as follows: “The basis of employer branding is the application of the same marketing and branding practices to a company's human resource activities (specifically, recruitment and retention) as it uses for consumer-targeted marketing and branding efforts” (Price, 2011). In other words, employer branding is the use of marketing disciplines associated with branding and brand management and applied with the human resources and talent management community to attract, engage and retain talented candidates and employees, in the same way that marketing applies such tools to attracting and retaining customers. Just as customers will cease buying a company's products or services when a promise is unfulfilled, the employees will also leave if the company fails to live up with to its employer brand promises (Sartain and Schuman, 2006). Not only will employer branding help with the talent acquisition and retention, it will also indirectly have a positive influence on organizational profitability as shown in figure 1 below.

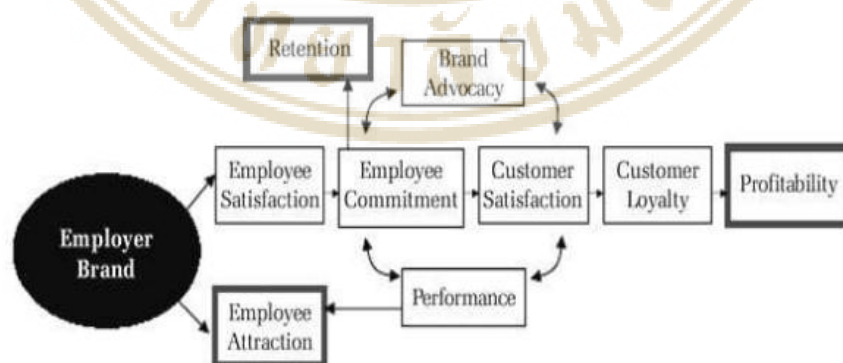


Figure 2.1: The Employer Branding Model (Adopted from Gaddam, 2008, p.47)

This model was first articulated by Soumya Gaddam (2008), the author of a literature called *Modeling Employer Branding Communication: The Softer Aspect of HR Marketing Management*, to explain the correlation between employer branding and organizational profitability. Gaddam points out that the indirect influences that employer brand has on the organizational profitability is through the increase in employee's satisfaction, performance and commitment. All of those factors will help generating higher customer satisfaction and loyalty, which can leads to increased profitability. In addition, the benefits of employer branding also includes an ability to attract more potential candidates, more internal recruitments, and a positive effect on the corporate brand (Beardwell and Claydon, 2010).

Now that we understand more about the basic concept of employer branding, the question is "How can we implement employer branding as a strategic process?" The starting point is the development of 'employer branding value proposition' (EVP), which should be central in both internal and external communication because it is the concept of what particular value that the company offers employees (Sullivan, 2002). The EVP is a Human Resources policy influenced by marketing thinking that cuts across the whole of the employment experience and applies to all individuals in the organization (Sparrow and Cooper, 2003).

According to a study from human resources consultants Hewitt Associates (2010), there are five steps to develop a strong employer brand as follows: (1) Understand your corporate values and identity; (2) Create a compelling brand promise for employees that mirrors the brand promise for customers; (3) Develop standards to measure the fulfillment of the brand promise; (4) Align all people practices to support and reinforce the brand promise; (5) Execute the strategy and measure the performance through KPIs.

This is also consistent with an article written by Van Mossevelde (2014), an editor of *employerbrandingtoday.com*, regarding employer branding strategy, which indicates the components of employer branding process and divides them into three phases as follows:

1. *A Research and Advisory Services Phase*, where the company needs to understand what it offers of value to current and prospective employees.

2. *An Activation and Talent Sourcing Phase*, which requires marketing and talent sourcing plan to ensure the company is getting the talent that they are looking for, while developing the talent sourcing's plan to ensure company-candidate compatibility that aims for the top talent and establish the company as the employer of choice.

3. *A KPI Development and Tracking Phase*, which requires the company to set Key Performance Indicators (KPIs) and keep track of performance levels in order to make continuous improvements through testing and measuring processes.

As we can see from the above suggestions, the process of employer branding can be summarized into four basic steps including understanding, planning, execution and measurement as shown in figure 2 below.

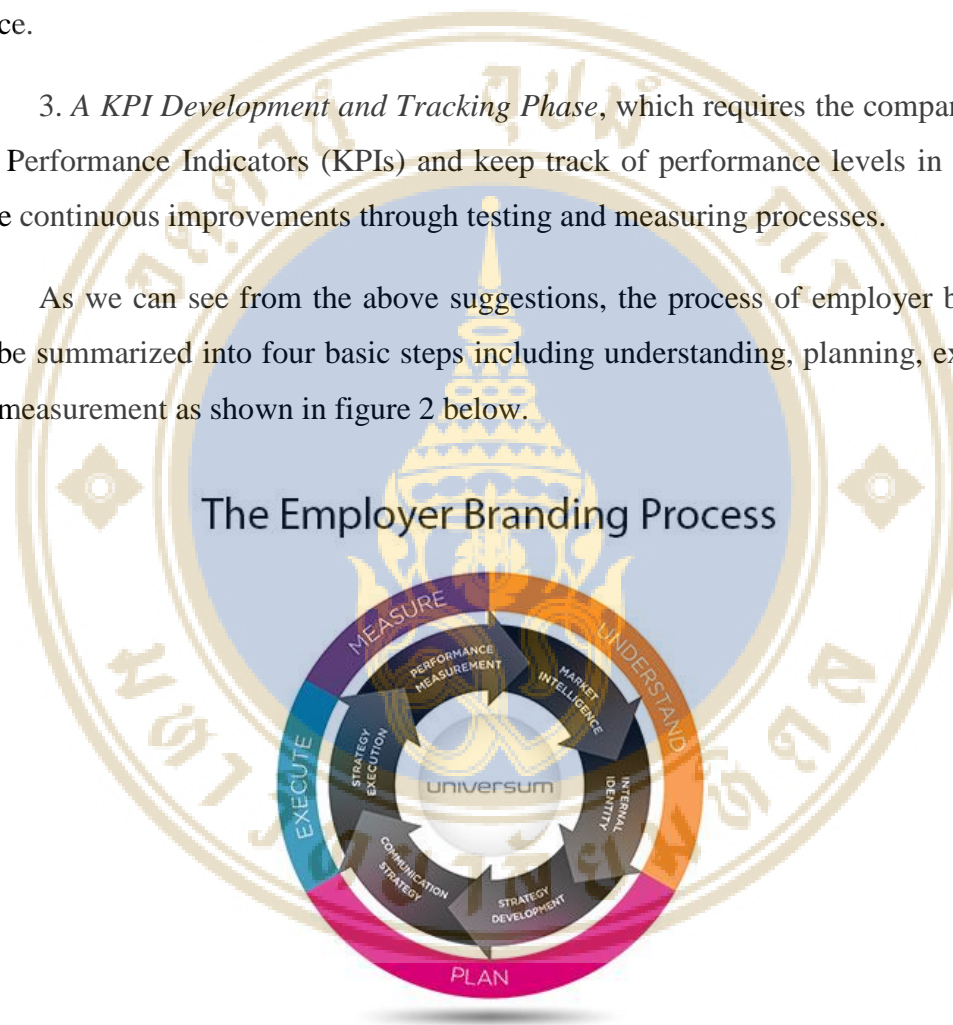


Figure 2.2: The diagram illustrates the employer branding process by Christopher Van Mossevelde

Based on a review of the existing employer branding literature, Moroko and Uncles (2008) suggest that the characteristics of successful employer branding that exhibited by the top companies are consist of two dimensions, which including attractiveness and accuracy. The first dimension demonstrates the attractiveness of the

firm's implementation of employer branding. Successful employer brands were characterized as being (a) Known and noticeable in the market (b) Relevant and resonant by having a value proposition that is relevant to, and resonant with, their prospective and current employees and (c) Able to differentiate the brand from other competitors in the industry.

The second main dimension emerges from the analysis of accurate (successful) versus aspirational (unsuccessful) employer brands. An accurate employer brand helps to inform the terms of mutual obligations in line with what the firm can realistically deliver, and also helps to counter misleading or misguided information conveyed by sources external to the firm.



Figure 2.3: A typology of employer branding success characteristics. There are two key dimensions of success characteristics: attractive/unattractive and accurate/aspirational

According to Mosley (2009), there are three major benefits of strengthening your employer brand as follows: (1) Enhance employee attraction; (2) Create retention; (3) Increase employee engagement. This is also consistent with Gaddam's Employer Branding Model regarding the influences that employer brand has on the organizational profitability through the increased of employee's satisfaction and commitment as already mentioned above. From an attraction perspective, a similar study conducted by the Corporate Leadership Council (2006) concluded that strong employer brands provided access to 20% more of the potential talent market than weak or unmanaged employer brands, and that companies with a strong employer brand reputation were able to attract better quality candidates at a lower cost.

However, there is a study from the German brand consulting firm named Brand Trust (2011), who published the first study describing the most important value drivers and future perspectives of strategic employer branding called *Talente finden, die zur Marke passen* or “*Finding talent that matches your brand*”. The study has pointed out some interesting typical errors of employer branding. For example, employer branding is all about finding the best employees for the company. However, what counts is not finding the best employees, but the ones who fit best with the job since qualifications and competences can be trained internally later, but a mismatch of values is irreversible. In addition, their study also showed that the awareness level of a company is not the crucial factor for applicants. They have conducted a survey which proves that “well known company” came in second to last from a total of 30 evaluation criteria rating employer attractiveness. The result shows that investments in brand awareness through employer branding activities do not help the company to attract the applicants and can cost the employer a lot of money and time investment. This has led to a debate as to which the implementation of employer branding is worth for the investment as it requires extra time and effort. Moreover, it can be costly and lead to misrepresentation if not implemented efficiently.

The review of the above studies and literature sources suggests we can say that the adaptation of marketing practices in Human Resources for employer branding offers both benefits and limitations. Nevertheless, most studies suggest that it can help increasing the firm’s profitability through enhanced employee attraction, retention and commitment. I decided to follow two modules for further study: (1) the correlation between employer branding and organizational profitability; and (2) the implementation of employer branding process, as this thematic paper will mainly focus on employer branding strategy of the best practice case in Thai coffeehouse industry, in order to learn more about the benefits of the implementation since it is still a new concept for most Thai companies. In addition, the research will also cover how the company implemented employer branding into their organization and what factors need to be considered before implementing such strategy.

CHAPTER III

RESEARCH METHODOLOGY

As already mentioned in the literature review section, this thematic paper will particularly focus on the adaptation of marketing practices in Human Resources, especially in the area of employer branding and talent acquisition strategy to learn more about the benefits and how to implement the strategy. In order to do so, I decided to use qualitative research method by conducting in-depth interviews with a multinational company in Thailand that promotes employer branding in their organization. This allows me to examine the effects of employer branding in details and focus on how it works in a real life practice within the given scope and time constraints for this study. Unlike the quantitative research, which only uses broad questions to get to a larger population, qualitative research uses a purposive interviewing method to explore detailed insights of individual participants, such as their views, experiences and beliefs on this specific matter. According to previous studies, most published studies, such as *Brand Trust's Finding talent that matches your brand* and *Richard Mosley's Employer Brand: The Performance Driver No Business Can Ignore* were focused on quantitative research method to study overall process, characteristics and benefits of employer branding. Only some of the studies were actually provided detailed insights from the real case study.

In the data collection process, I choose Starbucks Coffee (Thailand) Co., Ltd. as a source for my interview due to the fact that Starbucks is one of the companies in Thailand who promote employer branding through their Human Resources processes. Moreover, they are willing to help me with this research by allowing me to access their Human Resources department and providing me with many useful insights. I personally selected Human Resources Director, Mrs. Mathuros Raktaprachit and Recruitment Manager, Mr. Kumron Tiamgird as my interviewees because both of them have been working with Starbucks since it started operating in Thailand and they are the only two pioneers of the company since 1998. I selected to conduct two semi-structured interviews in a meeting room at Starbucks Coffee (Thailand)'s head office

building due to the privacy with times that are most suitable for participants. The length of each interview is somewhat between 45-60 minutes, which is enough to get essential information for this thematic paper research.

The questions used for an interview were designed from two criteria. Firstly, they must be able to cover all research areas, and secondly, they must be able to answer the research questions. I selected to use open-ended questions for my interviews as they provide the opportunity for the interviewees to express themselves more openly and encourage them to provide more information including their ideas, concerns, and feelings (Ticehurst and Veal, 2000). There are five interview questions as follows:

- 1.) What factors did Starbucks need to consider before implementing employer branding strategy?
- 2.) What are the benefits of Starbucks' employer brand?
- 3.) How does Starbucks implement employer branding into their organization?
- 4.) How does employer branding support Starbucks' talent acquisition?
- 5.) What are the limitations of employer branding strategy?

The data acquired from the questions above were focused on the implementation process of employer branding strategy, and also on the benefits and limitations of employer branding. This mainly because of the findings will be able to answer the research questions, which including *"How can Marketing practices apply into Human Resources?"* and *"What benefits can be gained from collaboration between Marketing and Human Resources?"* Both interviewees were asked with the same questions, in the same order, but some additional questions were asked according to the answers given. This is to create the same standard for data analysis and comparison in later process.

As for the data analysis process, all interviews were tape-recorded and transcribed verbatim afterwards to provide a permanent record of what was and was

not said for easier data analysis and extraction. Then, all collected data were broken down into key issues and compared to each other, in order to see the similarities and differences between the answers from the two interviewees. Those findings which are similar were concluded as confirmed facts, while different findings were used for recommendations for future research projects to find out the factors that may cause the difference in answers and ideas for each interviewee. However, both findings were compared to previous studies from existing literature to see whether my findings can confirm or disconfirm with other researchers.



CHAPTER IV

RESEARCH FINDINGS

This chapter consists of an analysis of the empirical data received from the case study. After analyzing the interview sessions with Starbucks Coffee (Thailand), I have found some interesting insights from both interviewees regarding employer branding strategy. The analysis will be sorted and ordered by questions used in the interview with a description of their use of employer branding in the real practice and its importance in Human Resources processes as follows:

Question 1: What factors did Starbucks need to consider before implementing employer branding strategy?

During the interview session, both interviewees have given similar answers regarding this topic. There are 6 factors that need to be considered before the implementation of employer branding, including: (1) Company's mission; (2) Key message; (3) Staff readiness; (4) Target audience; (5) Tools; and (6) Budget allowance. This is aligned with some factors mentioned by Mark Brown (2014), who proposes a number of factors to consider before embarking on the development of a strategy for employer brand as follows: Company culture & values, Statement to communicate with audiences, Candidate experience, Target audience, and Economic conditions.

The research findings indicate that the most important factor is the company's mission. Without the understanding of one's mission, it might be difficult to develop a strategy because there is no description of your business's future or any specific direction to guide you. In this case, Starbucks' mission is to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time (Howard Schultz, 2011). The second factor is the key message that you wish to communicate to your target group. This key message must be linked to the company's mission, so the

candidates can understand more about your corporate identity and what your business is all about. According to the company mission, Starbucks has principles that guide all of its employees as they go about their daily business, and one of them is to treat each other with respect and dignity. From that statement, Starbucks (Thailand) has developed a key message, which is *“An opportunity to be more than an employee, you are our partner”* to communicate with their potential candidates. Once you understand your company’s mission and develop a proper key message, then you need to observe the readiness of your staff whether they are ready for changes and how well they do understand the organization. This is because every employee is a part of the company and they can be your brand advocate. If they are not ready, the company must provide a training session for them. The fourth factor is to understand your target group. This means you have to know who is your target group and what do they want from your company, in order to understand their values and develop a strategy accordingly. The next factor is to develop the right tool for using as a media to promote employer branding. The ‘right’ tool must be aligned with corporate identity and the target group because not only it can reflect your brand, but it also helps you to reach and communicate with your target group more effectively. The last factor is the budget as it will determine how much money you will have for developing a strategy. One of my interviewees has made an interesting comment regarding the budget factor as she said that *“Although it can be very challenging to come up with a good employer branding strategy if the budget is very limited, but if you have a clear understanding about your company and your target group, you can implement an effective employer branding strategy as well.”* From this comment, we can say that the budget is only a supporting factor, which can help your strategy become more effective and easier to implement.

Question 2: What are the benefits of Starbucks’ employer brand?

A number of studies, such as *Employer Brand: The Performance Driver No Business Can Ignore* by Richard Mosley (2009) suggests that employer branding can enhance employee attraction and increase employee engagement. The results from both interviews also indicated the same as both interviewees have stated that the benefits which Starbucks Coffee (Thailand) gained from employer brand are as follows:

1. Employer branding can create brand image and brand awareness to help attract potential candidates in the talent market. A well-known employer brand can be used as a tool to attract the larger group of talents and also help them to understand more about the organization. This helps the company to find the right employees for the vacant positions more efficiently.
2. Employer branding leads to a successful internal communication as it helps the top management to pass along the company's mission and values to the employees. Starbucks' Human Resources Director claimed that after the implementation of employer branding, the employees understand more about the company and make everyone head in the same direction.
3. Employer branding increases overall employee engagement. One of the interviewees stated that employees who work in an organization that promote a good employer brand will feel proud and feel like they are part of the well-known organization. This is also consistent with the view of Soumya Gaddam (2008), who suggests that strong employer brand can also enhance the organizational culture. People who like working for the company will become an advocate for the brand, and satisfied employees can deliver a better customer service experience, which leads to an increase in customer satisfaction and loyalty.
4. Employer branding helps to set a standard for the recruitment process. In this case, Starbucks Coffee (Thailand) used to discuss and have to come up with suitable wordings and designs every time they do an online recruitment, open-house forum or attending job fairs. However, with an employer branding strategy, they are now having a standard for their recruitment process as they will know exactly what approach that they will need to follow.

From the interview results, the benefits of employer branding are similar to *Gaddam's Employer Branding Model (2008)*, which explains the indirect influences that employer brand has on the organizational profitability through the increase of employee's satisfaction and commitment that can lead to higher customer satisfaction and loyalty. The model also showed that a success employer brand has ability to

attract more potential candidates and creates a positive effect on the corporate brand. Moreover, the results are also supported Mosley (2009), who suggests three major benefits employer brand including enhance employee attraction, create retention and increase employee engagement.

Question 3: How does Starbucks implement employer branding into their organization?

In the interview session, I have asked both interviewees regarding the process of employer branding and how they did implement this strategy into their organization. The results gained from this question are consistent with the previous studies, such as a study from human resources consultants Hewitt Associates (2010) and the diagram developed by Van Mossevelde, which indicates four basic components of employer branding process including understanding, planning, execution and measurement. However, both of my interviewees have mentioned a very interesting point about cultural differences between the workforce in the United States and Thailand. They have also explained how the company adapted Starbucks' global employer branding strategy to the Thai culture as follows:

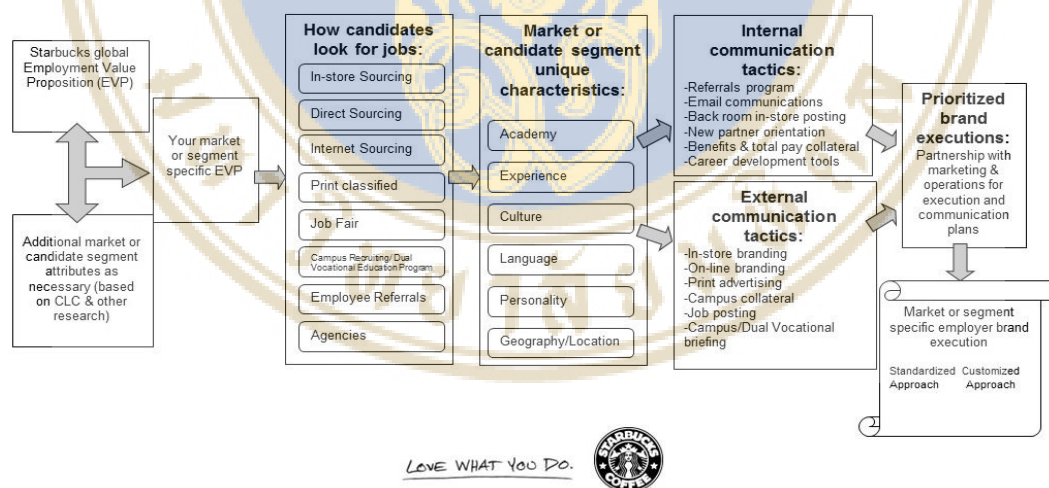


Figure 4.1: The framework illustrates the employer branding process in Starbucks Coffee (Thailand)

As we can see from the above framework, the process of employer branding at Starbucks Coffee (Thailand) can be summarized into the following steps: First, the implementation team must understand Starbucks global employment value proposition (EVP) and segment the candidates into groups. This means the team needs to

understand their company's mission and what kind of candidates they want to focus on. Then, they need to develop a key message, which can reflect the company values to communicate with their target group. However, since there are some cultural differences between the workforce in United States and Thailand, they also need to adapt the wordings in a key message in the way that Thai people can easily understand, but still in line with Starbucks' global standard. For example, a key message used in Starbucks Coffee USA is "*Opportunity*", but the word 'opportunity' alone may not be able to communicate with the locals and can create confusion for people who read it. In order to make it more clear, Starbucks Coffee (Thailand) decided to add some wordings to be "*An opportunity to be more than an employee, you're our partners.*"

The second step is to plan the employer branding strategy. First, they need to prepare their staff by conducting a one-hour leadership conference for store managers. The purpose of this conference is to educate the managers about employer branding, so they can pass on their knowledge to their team members. Once they understand the concept of employer branding and know what needs to be done, the management team will plan the strategy by selecting the most suitable tools and media channels to promote employer branding to their target group. Moreover, they also need to plan the timeline for the strategy according to resources and budget provided.

The third step is the strategy execution. Both interviewees implied that the implementation must align with the previous two steps mentioned above, which means they must implement a strategy that can communicate a clear message to their target group by the use of selected tools and approaches decided in the planning stage. The interviewees have also added that Starbucks Coffee (Thailand) is mainly focused on part-time recruitment, such as students, due to the nature of the industry in Thailand is different. In the United States, most candidates applied for a barista position are in professional level because they think they can make a living out of it, while most people in Thailand are only considering this position as a part-time job. According to that fact, the company decided to market their employer brand by the use of social media, such as Facebook, LINE, Starbucks' official web page and other recruitment

websites. Moreover, they have also advertised their brand at their own branches by putting banners and posters to promote Starbucks' employee benefits or what they called "Window Cling" in order to attract potential candidates by using the benefits that focus on the students.

The last step is to develop Key Performance Indicators (KPIs) to measure the effectiveness of employer branding and keep track of the performance. Since Starbucks Coffee (Thailand) promoted their brand through social media and their stores, the KPI used for measurement consists with two criteria as follows:

1. No. of candidates from recruitment – The company will look into the percentage of the source that candidates applied for the job. One of the interviewees has mentioned that over 60% of the candidates come from Facebook and websites. This percentage is rising dramatically since the implementation of employer branding in social media.

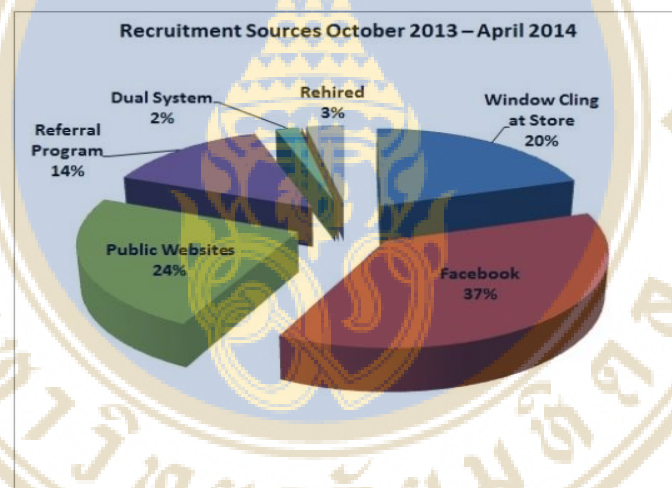


Figure 4.2: The pie chart illustrates recruitment sources in Starbucks Coffee (Thailand) between October 2013 and April 2014

2. In-store implementation of employer branding – This KPI is used to measure the understanding of store managers to see whether they have been trained properly by observing their behaviors and the implementation of the strategy in their store, such as the positions of banner or poster according to Starbucks' standard.

3. Employee satisfaction and number of applicants – Both interviewees said that the company has also conducted an annual employee satisfaction survey to see whether their employees are happy to be part of the brand. They also track the total number of

applicants each year in order to measure the effectiveness of employer branding strategy. As stated by one of the interviewees, the perspective towards barista or other retail jobs in Thailand is not as same as in the United States. Thai people tend to consider these jobs as a part-time job for students, which make it quite difficult to measure the effectiveness of employer branding by the turnover rate like in the United States. This is why Starbucks Coffee (Thailand) measures from the total number of applicants instead.

Question 4: How does employer branding support Starbucks' talent acquisition?

Now that we have learned about the overall benefits of employer brand, I decided to ask both interviewees how does it support Starbucks' talent acquisition as I would like to focus more on the collaboration between employer branding and recruitment process. After an interview session, the benefits of the implementation of a strong employer brand that can relate to talent acquisition are as follows:

1. Candidates can understand more about the company as they will know what the company is all about and also what to be expected from working in the company, since Starbucks has link their company's mission to their key message and also provided the information, such as benefits and incentives in their media.
2. It can increase brand awareness, which helps in the recruitment process because if people know about your company, more people will be willing to apply for a job or recommend your company to their friends. One of my interviewees stated that employer branding has helped Starbucks Coffee (Thailand) in recruiting potential candidates to support their high growth rate for the past five years.
3. It can increase the company competitiveness in the talent war. As mentioned by Starbucks' Recruitment manager; if you can attract a larger group of talents, it will increase your chances in choosing and hiring potential candidates more than your competitors.

Question 5: What are the limitations of employer branding strategy?

As for the limitations of employer branding, both interviewees describe that every implementation were fixed by the global standard, which means Starbucks Coffee (Thailand) cannot act individually unless they were approved by the headquarters. This creates a limitation in creativity and innovative ideas due to the headquarters will provide specific wordings and tools for using in the strategy. In addition, the interviewees also claimed that some tools did not fit with the Thai culture; for example, the *“WOW! Card.”* The card is used by the management team to hand out to potential employees when they were impressed by their services. However, it is against Thai culture to come up to people while they are working and try to offer them a job. Moreover, some wordings provided by the headquarters cannot deliver a key message directly to the locals due to the language barrier, which can be very challenging because Starbucks Coffee (Thailand) needs to make sure that they can adapt that message for easier understanding without losing Starbucks’ standard. To resolve this issue, one of the interviewees said that she needs to translate the message into Thai by adding some key words with a format that can be understood by Thai people. Then, send back to the headquarters for approval before the implementation.

I have also asked my interviewees regarding the typical errors of employer branding that I learned from a study by the German brand consulting firm, Brand Trust (2011). The study has pointed out that the recruitment is not to find the best employees, but the ones who fit best with the job since qualifications and competences can be trained internally later. However, both of my interviewees have disagreed on this matter. They feel that employer branding is more about creating a brand image to attract external employees and increase work engagement of existing employee. It is true that the qualifications and competences can be trained internally after hired; however, it will also increase your operational costs, such as remedial costs in order to do so.

CHAPTER V

DISCUSSION

The final chapter of this thematic paper provides a brief summary of the study, including lessons learned from the research project, strengths and limitations of the study, and suggestions for other practitioners regarding future research projects. Furthermore, the recommendations for the company are also provided based on the research findings discussed in the previous chapter. The results of the study also answer the research questions regarding the application of Marketing practices into Human Resources, and the benefits from collaboration between those two fields.

There are several lessons that we have learned from the research findings. Most importantly, this study has confirmed that the concept of employer branding has tangible benefits on talent acquisition and other Human Resources processes. Employer branding can increase brand awareness, and helps the company to attract a larger group of talents. It also supports both external and internal communications as the company can pass along their values to the employees and potential candidates. Moreover, employer branding can increase overall employee engagement through the increase of employee's satisfaction. Satisfied employee tend to become an advocate for the brand and can deliver a better customer service experience, which leads to higher customer satisfaction and customer loyalty.

In addition, the study has also confirmed that the strategic core of the organization, such as company values, key message, target audience and budget allowance must be clearly defined before the development of employer branding. However, there is one more important factor that we have learned from the interview with Starbucks Coffee (Thailand), which is a cultural difference between the United States and Thailand. As we can see from the case study, Starbucks Coffee (Thailand) needs to adapt the global employer branding strategy into Thai culture by adjusting the wordings in a key message in the way that Thai people can easily understand, in order to make the strategy work. This can be concluded that the strategy itself may not be

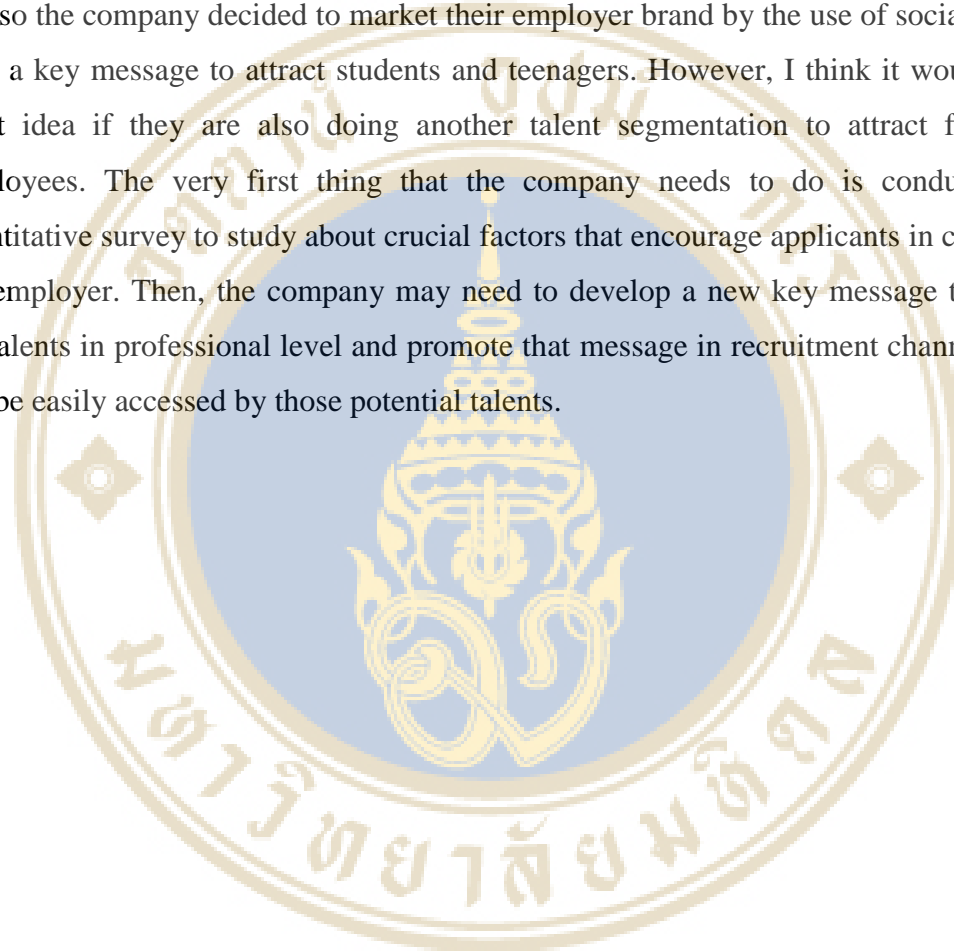
very effective without the knowledge of how to communicate with the locals. The company needs to understand the culture, lifestyle and the mindset of people in that particular country before developing a key message. Otherwise, they can create confusion or send out an unclear message to the audience, which will do more harm than good for the organization. This is called ‘Think global, act local’ or in other words, adapting their tactical and global approach to the local market that they are targeting (Mahony, 2013)

I am very fortunate to have an opportunity to do the interview with a well-known Thai subsidiary of a multinational company, such as Starbucks Coffee (Thailand) because not only I learned more about employer branding strategy, but I have also learned about their challenges and solutions through the real case study. However, I didn’t have a chance to do any in-depth research on the cultural differences issue due to the time constraint, which can be considered as a limitation of this study. If given the opportunity, I recommend other scholars to conduct a quantitative research for their future research projects in order to study the factors that encourage Thai people in choosing the employer. This is mainly because my study has only focuses on the company perspective, so it would be interesting if we can look into the perspective of potential applicants. This type of study is similar to a study by the German brand consulting firm (*Brand Trust 2011*), who claimed that the awareness level of a company is not the crucial factor for applicants. In their study, the result shows that “well known company” came in second to last from a total of 30 evaluation criteria rating employer attractiveness. However, their study was conducted in Europe, so that their findings might not be applicable if done in Thailand or other Asian countries.

Besides the time constraint, it was quite difficult for me to find someone who has knowledge in employer branding except two of my interviewees. This was mainly because Starbucks Coffee (Thailand) has just started operating in 1998 and most of the employees have not worked with the company since the start, which means there are only few people who truly understand and have an experience in employer branding implementation. It was also difficult for me to get access to Managing Director of

Starbucks Coffee (Thailand), Mr. Murray Darling, who has knowledge about employer branding due to the limited timeframe.

After the research project, I have come up with some recommendations for Starbucks Coffee (Thailand), in order to make their employer branding strategy even more effective. According to their current situation, most employees are part-time due to the fact that most people in Thailand are only considering ‘barista’ as a part-time job, so the company decided to market their employer brand by the use of social media with a key message to attract students and teenagers. However, I think it would be a great idea if they are also doing another talent segmentation to attract full-time employees. The very first thing that the company needs to do is conducting a quantitative survey to study about crucial factors that encourage applicants in choosing the employer. Then, the company may need to develop a new key message that aim for talents in professional level and promote that message in recruitment channels that can be easily accessed by those potential talents.



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