

Brand Building across Cultural Fields: The differentiation Breakthrough of Chinese Fast Food in the US Market —— Taking the Cultural Integration of Panda Express as an Example

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Abstract. Chinese cuisine faces multiple challenges such as localization and differentiation in overseas markets. In sharp contrast, Panda Express has been able to grow and thrive in the United States and be accepted and loved by the American people. This article, through the successful case of Panda Express, attempts to find the way for the development of Chinese fast food overseas. First, by using the case comparison research method, an in-depth analysis of KFC's establishment in China and Panda Express' establishment in the United States reveals the differences. On the one hand, the Western halo KFC had in the early days of its establishment in China and the negative stereotypes Panda Express carried in the early days of its establishment in the United States. On the other hand, the higher acceptance of fast food among Chinese people versus the lower acceptance of foreign fast food among Americans, further demonstrating that the reverse application of localization strategies is not advisable. By analyzing the cultural differences between Chinese and American people and comparing them with Panda Express' menu, dining environment, and advertising slogans, the author obtained Panda Express' cultural integration differentiation model, which integrates the design of dishes, the creation of standardized certified kitchens, and the concept of universal emotions, demonstrating the utility of cultural differences as a driving force for localization and differentiation.

Keywords: Overseas Chinese fast-food, localization, differentiation, cultural differences.

1. Introduction

Fast food dominates the global catering competition. Among them, leading brands such as KFC and McDonald's have continued to develop well, conforming to the current fast-paced lifestyle of people and having a high acceptance of flavors, playing a leading role in the development of the global fast-food industry. KFC actively studied Chinese consumer behavior, catered to local acceptance of its products and logos, and achieved its localization goals very well [1]. However, most fast-food brands face multiple challenges such as market competition and localization in the market, especially those that cross cultural fields. With the development of the Internet and the convenience of transportation in recent years, people around the world have become increasingly close in communication, and the collision of culinary cultures has enhanced people's curiosity and exploration of exotic cuisine. As a result, a series of brands established across cultural fields have emerged in the catering market, that is, local food brands established in foreign countries, attracting local consumers through flavors that have never been tried before, Opening a new track for restaurants. This attempt enriches the food and beverage markets in various countries and promotes the development of food and beverage markets. At the same time, such brands will face a variety of challenges and bottlenecks. For example, looking at the establishment of Chinese fast food in overseas markets, although Chinese food has a history of thousands of years and is one of the oldest food systems in the world with a wide variety of dishes, it is not difficult to find that it has long been in trouble in overseas markets. First, the low prices and the stereotype of "cheap takeout" caused by poor restaurant environments have led to the low recognition of Chinese cuisine. Secondly, the industry is highly fragmented, with a chain rate of less than 5% making it difficult for Chinese fast food to grow overseas. At the same time, in the face of cultural differences, excessive localization may lose the characteristics of Chinese cuisine

and the differentiated competitiveness from the leading American fast-food chains, while insisting on tradition alone is difficult to conform to the mainstream overseas and leads to low acceptance. All these bottlenecks together form an invisible "ceiling" for the brand upgrade of Chinese fast food. In sharp contrast, Panda Express, a Chinese fast food brand that has grown rapidly in the US market, has become the largest Asian fast food brand in North America with more than 2,300 chain stores. It has successfully broken down cultural barriers through fusion dishes such as "Orange Chicken", family values marketing, transparent kitchen space experience and self-service meal model, fusing Chinese and American cultures and reshaping the consumption perception of Chinese food in the United States, greatly increasing the acceptance and loyalty of Chinese fast food among Americans and helping the brand differentiate itself from other Chinese fast food. This contradictory phenomenon is worth learning from for Chinese fast food overseas. Therefore, this paper will take the position of Chinese fast food in the United States, use Panda Express as a successful case, and by comparing the establishment of KFC in China with that of Panda Express in the United States, study how Chinese fast food can turn differences into the driving force for breaking the deadlock under the disadvantage of cultural differences.

2. Current Development Status

2.1. Significant Differences between Chinese and American Food Cultures

With the profound development of world multipolarization and global integration, the exchanges between the people of China and the United States have become increasingly close. In this process, people can experience the different needs and preferences of Chinese and American people for food. Some studies have pointed out that the differences in dietary culture between China and the West stem from differences in the main content of food, life background, religious beliefs, among others [2]. Some studies also suggest that the differences stem from geographical location and ideological culture and have analyzed the specific manifestations of the dietary differences between China and the United States from multiple perspectives [3]. The differences in food culture between China and the United States are reflected in table manners, eating habits, eating concepts, and so forth, and thus it is believed that these differences pose obstacles to the development of Chinese fast food in the United States, such as the impact on the accuracy of catering English translation [4,5].

2.2. The Current Situation of Chinese Restaurants Overseas

Some scholars affirm the current situation and value of Chinese cuisine overseas, for example, they believe that American Chinese cuisine is of great significance to cross-cultural communication and the promotion of traditional Chinese culture [6]. Some even hold the view that Chinese cuisine abroad is the foundation for the survival and development of Chinese people overseas [7]. Some scholars believe that the development of Chinese fast food overseas is not promising and there are many problems, such as the fact that many Chinese restaurants often neglect hygiene standards, which is discouraging [8]. At the same time, Chinese restaurants in Europe have been labeled as having a single business model, limited funds, few innovative dishes, and worrying dining environment and hygiene, which seriously restricts their development in Europe [9].

2.3. Brand Development and Business Strategies of Western Fast Food in China

Western fast food is growing rapidly in the Chinese market. KFC, as a fast-food market giant, has more than 4,200 restaurants in over 800 cities and towns in China, making it the largest and fastest-growing fast food chain in the country. There are abundant analyses of Western fast food in the Chinese market, such as its localization marketing strategy [10]. Nevertheless, there are fewer analyses of Chinese fast food overseas. Among them, some scholars use the localization process of overseas fast-food brands such as KFC in China as an example to address the bottleneck of Chinese fast food.

In summary, studies on cultural differences are mostly "static" studies, analyzing the causes and manifestations of the differences, focusing on their "obstructive" nature and ignoring their value for brand upgrading. Through the analysis of differences, the differences themselves can be transformed into strategic resources to enhance the brand's differentiated competitiveness (sour, sweet, fork, chopsticks). At the same time, a positive study of Chinese fast food gives it cultural value, while a negative study questions its business efficiency, creating a serious disconnection. The two types of research do not touch upon the core contradiction, that is, how to help overseas Chinese cuisine achieve a brand breakthrough in the tension between affirming cultural value and denying industrial value. This is precisely the problem that Panda Express is trying to solve. However, there is a trap of "reverse borrowing" in the successful study of Western fast food in China. First, there is the asymmetry of state power: when Western brands enter China, they often carry a strong global brand halo and capital advantage, and Chinese consumers see them as "high-end" dining, while Chinese fast food enters the United States often carries historical stereotypes, leading to a "low-end" starting point. This difference in brand starting points may lead to the "localization" strategies of Chinese and American restaurant brands being quite different. Secondly, the difference in cultural distance: The dominance of American fast-food culture globally may have led American consumers to have a lower tolerance for "exotic flavors" than Chinese consumers for Western fast food. The article will argue this point in depth through the case comparison research method to find out whether Panda Express needs to integrate with KFC to varying degrees in China.

3. Case Comparison

3.1. KFC established in China

For the starting point of power, KFC entered the Chinese market at an early stage of China's reform and opening, when the country's doors had just opened, and Western goods were novel and scarce for the Chinese. At a time when supplies were relatively scarce and the economy was sluggish, KFC's initial pricing in China was much higher than that of local restaurants. Compared to the per capita income level at that time (several tens to over a hundred yuan per month), a meal at KFC cost about 6.5 yuan, while an ordinary state-owned restaurant cost only 0.5 to 1.5 yuan per person. So going to KFC became a synonym for luxury and, to some extent, represented economic strength and had a status symbol. As a result, fast food from the United States naturally carries the aura of Western sophistication.

In terms of cultural distance, American fast food has gradually become the standard fast food. Through decades of global expansion, American fast food like McDonald's and KFC has successfully defined the combination of hamburgers, fries and cola as the standard style of fast food, making people subconsciously think that fast food is equivalent to American fast food. So, when KFC entered China, for consumers, the concept of fast food itself was brought by the West. Chinese people initially accepted American fast food as the standard of fast food, and even though the taste was novel, Chinese consumers were willing to try and accept it, seeing it as an international dining model (just like the Western halo mentioned earlier).

3.2. Panda Fast Food Established in the US

As for the starting point of power, Panda Express in the US is not like KFC in China with a Western halo but is stigmatized as low-end. This stereotype can be traced back to the "shoddy stores" in the United States since the 19th century, which were Chinese restaurants opened by early Chinese immigrants in the country. To earn a living, they offered cheap dishes and formed the stereotype of being cheap, large in quantity and unhealthy.

In terms of cultural distance, American consumers' perception of fast food is the American fast food they have been eating since childhood. Therefore, food that deviates from this American fast-food standard will be regarded as foreign fast food and require extra adaptation. And when consumers buy food, they tend not to make a decisive choice when faced with unfamiliar types of food. At the

same time, American consumers' expectations for fast food flavors are fixed, such as sweet and salty. At this point, if Chinese fast food is too much of a Chinese flavor, such as spicy and hot, then such fast food does not meet the taste expectations of American fast food. As a result, cultural distance leads to a lower acceptance of Chinese fast food among American consumers. Trying Chinese fast food is more like a curious adventure.

In conclusion, KFC and Panda Express are essentially different in terms of the starting point of power and cultural distance. Panda Express was initially established in the United States with negative stereotypes, while KFC has a Western halo in China, and thus KFC has the right to premium. At the same time, American consumers have a lower acceptance of foreign fast food than Chinese consumers. Therefore, Chinese fast food should be wary of the trap of "reverse borrowing" when establishing itself overseas. KFC-style localization does not apply to the localization of Chinese fast food overseas. Chinese fast food should draw on the operation model of Panda Express, which will be analyzed in depth next in this article for reference by other overseas Chinese food brands.

3.3. Panda Fast-food style Cultural Fusion Differentiation Model

As mentioned earlier, cultural differences are not obstacles but differentiating resources for Chinese fast food overseas. Panda Express has effectively addressed a series of bottlenecks in its development in the US through the analysis and application of cultural differences. The following article will focus on Panda Express 'cultural integration differentiation model and explore its way to break through in overseas markets.

First, there are significant differences between Chinese and American people in terms of taste and ingredient selection. Chinese cuisine emphasizes strong flavors, and most local dishes have spicy and numbing tastes. Americans, on the other hand, emphasize the taste of the food itself, which is relatively light compared to Chinese cuisine. Seasonings include salt and black pepper. At the same time, Americans have a sweet tooth. Cakes and fruit pies are regular on the table and have a high sugar content. On the other hand, Chinese people have a rich variety of food to choose from, while Americans have a relatively simple selection of ingredients. In terms of vegetables, Americans tend to have broccoli, carrots, among others. Among the meat ingredients, beef and chicken are the common preferences of people in both China and the United States, while Americans hardly eat offal. These differences seem to have made Panda Express unable to meet local tastes in the US, but in fact they have brought it a differentiation strategy. Panda Express uses these differences to create its unique fusion flavors menu. For example, the orange chicken menu retains Chinese cooking techniques while changing the flavors to a sweet and sour taste that Americans can tolerate. The fusion of Chinese and American flavors has made unfamiliar flavors from China safe, effectively increasing Panda Express 'acceptance in the United States.

Secondly, there are differences in hygiene concerns and demands for restaurants between Chinese and American people. On the one hand, the focus is different. Chinese consumers pay more attention to intuitive hygiene details such as the cleanliness of tableware and whether chefs wear gloves and masks. American consumers, on the other hand, pay more attention to the hygiene certifications a restaurant has, such as whether it has been inspected by local health authorities and whether its ratings have been made public. On the other hand, under cultural influence, people in China and the United States have different levels of tolerance for restaurant hygiene. Chinese street culture is rich, and the ubiquitous food stalls are full of "vitality". Under the influence of such culture, Chinese people have a certain tolerance for minor hygiene problems and pay more attention to the taste and cost-effectiveness of food. In the United States, there are frequent "zero-tolerance" scenarios for restaurant hygiene, especially for chain brands. Once there is a hygiene problem, it can cause a large-scale crisis of trust. In response to this disparity, Panda Express promptly implemented standardized management, reduced the number of dishes, and cut down on hygiene management problems that might arise from the complexity of the dishes. At the same time, creating an ISO-certified transparent kitchen allows consumers to clearly see the process of food preparation and preservation, eliminating the stereotype

of Chinese fast food as a "black box in the back kitchen" and significantly enhancing consumers' trust in Panda Express.

Finally, there are inherent differences between the people of China and the United States, namely different national positions. Panda Express, as a Chinese food brand, might be rejected because of the national sentiment of the American people. At this point, Panda Express cleverly downplayed the national label and chose to emphasize universal sentiment. Its slogan, "Panda family, your family," promoted family values and enhanced brand loyalty.

4. Conclusion

There are essential differences between KFC and Panda Food in terms of power starting point and cultural distance. Panda Food was initially established in the United States with negative stereotypes, while KFC has a Western halo in China. Therefore, Chinese fast food should be wary of the trap of "reverse borrowing" when establishing overseas. KFC-style localization does not apply to the overseas localization of Chinese fast food. At the same time, American consumers have a lower acceptance of foreign fast food compared to Chinese consumers, and Panda's success stems from its cultural integration differentiation model in three aspects. On the one hand, it innovates its menu and designs Panda-style fusion dishes. On the other hand, create a transparent kitchen. At the same time, strengthen brand emotional connections and emphasize universal emotions. From this, cultural differences are not obstacles but differentiating resources. Overseas Chinese fast food should draw on the operation model of Panda Express and apply the cultural integration differentiation model.

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