EXERCISE #1
Marketing Research Study

Step 1: Select a Marketing Research Study to discuss

- Search the internet for an article that describes a *corporate* marketing problem.
   For example:
    - The launch of a new product or a new line
    - Repositioning a brand to update an image
    - Moving into a new market
    - Making a change to a product's formulation
    - Rising to the challenge of a new competitor
- Try to find one that has significant background information, particularly about how research was used to solve the marketing problem.
- Please do **not** use an academic paper. There MUST be a client involved.

Step 2: Read and discuss the following questions with your group

1. What **marketing** **problem/opportunity** led to the decision to conduct marketing research? What were the business decisions that had to be made?

   Dominos Pizza, founded in 1960 in Michigan, United States and known for delivering pizzas quickly, began to lose market share, experiencing a significant problem for the company because their pizzas were not satisfying their customers' tastes. Therefore, the company was prompted to reposition its image in 2008. After several market studies in 2009, they decided to launch a new pizza and new ad campaigns.

   The first business decision for Domino's Pizza was to define the source of the problem. In addition, Dominos executives listened to customers who refused to buy because its pizzas tasted like cardboard. Furthermore, they had to enhance the company's reputation in order to retrieve its customers. Second, in the United States, Dominos began collecting primary data through random sampling by having people try different cheeses, sauces, and crusts on their pizzas and capturing feedback on its new pizzas for later analysis. Moreover, they had to analyze the qualitative data collected during all the samplings and finally make a presentation to the board of directors with the information obtained. They were required to bring pizzas to the meeting so the board of directors could taste them before Dominos would serve them to their customers.

2. What are the most important **marketing research** **objectives** that the study sought to answer?

How will the company achieve its new objectives? Dominos had to create a new pizza to attract new customers while also recapturing customers who had stopped purchasing years ago due to the taste of its pizzas.One way to accomplish this was to create ad campaigns that made customers feel understood, understanding that Dominos changed what customers did not like about them. Furthermore, it will increase customer satisfaction, change brand perceptions, and increase sales.

3. What **research information** was gathered to address these questions?
   Ø Classify the research information according to State (e.g., Being, Mind, Behaviour and Intention) <u>and</u> Variable Type (e.g. Independent, Dependent).

In order to attempt to change the customers perceptions on their brand, dominoes had gathered both primary and secondary data to do so. Information gathered, included speaking to users and reading their blogs in order to gauge their state of mind regarding Domino's. Examples of such also include comments such as "where's the love" and "the worst excuse for pizza I've ever had. By analyzing the psychographics and seeing what interests customers in terms of their goals and lifestyle choices, Domino's was able to assess that just releasing a "new and improved" recipe would not sway the doubters to change their mind. Their company had conducted their own analysis and noticed that although they "got high marks for delivery, convenience, and value", their taste factor was lacking; with comments such as "cardboard" and "ketchup" popping up. Domino's was also aware that information regarding the state of being, such as age as one of the factors, showed that "a lot of people hadn't tried us since college, or had stopped ordering from us five, 10 years ago". In order to possibly change their state of intention and reposition itself in the market, along with changing their recipe, the company held an ad campaign that features consumers ruthlessly bashing its old recipe. Coupling this unique advertising method in gaining attention to their faulty item, it also gave them the opportunity to reinvent themselves. Dominoes conducted research trials and reinvented pizza from the crust up (different sauces, cheeses and doughs). "In each case, the market research found that the new elements recorded double-digit improvements in terms of purchase intent". These trials included doing random sampling around various parts of the country and conducting guidance tests that analyzed consumer's behavior toward each sample; trying over 36 different combinations. The information gathered from these trials were then put through a more quantitative test with both avid consumers and the general population in order to identify the top choice.

In dominoes case, the dependent variable in which they were seeking to change is the purchase intent that had been negatively affected by the brand image. Independent variables that had affected consumer's decisions were mainly the taste of the pizza; but not limited to, with factors like age and income that might affect the decision as well.

4. What **Research Design** was employed by the study? What **Research Methods** were used to gather the research information?

A quantitative research test of testing samples in 36 different combinations through the general population and heavy users. Dominos used a random, qualitative taste-tasting test which was conducted first in Ann Arbor with their own chefs experimenting with different ingredients combinations for their pizzas. The company also has the focus on continual improvement in the look and taste quality within the combinations of their ingredients. Through this research method of experimenting different combinations, Dominos was able to acquire new information about possible combinations such as a garlic-butter-herb seasoning would improve the dough and crust of the pizza which led to improvement of the taste quality. Dominos' qualitative research would next conduct a "guidance test" across a vast part of the US and they would evaluate each element of the ingredients within the test pizza samples provided to taste testers. After doing another round of testing, the company would then proceed to doing the quantitative phase of their market research for improving their pizza recipe.

5. What **insights** and **recommendations** for action resulted from the research?

Dominos has put a rigid taste testing system in place when researching for improving their pizza's recipes. The company undertook a thorough analysis of all the different ingredient combinations down to smallest concerns such as was the sauce being too spicy or thick. In addition, Dominos was able to use quantitative and qualitative data to determine the best pizza combination to update their pizza recipe.

Step 3: Create a Powerpoint presentation as a group. The Group Captain is to turn it in.

- The presentation is to summarize the *business need* and *solution* by answering the questions in Step 2 (Daniela and Dave)
- Be prepared to present a quick (5-minute MAXIMUM) overview to the class. (Kristy & Ketan)

Marketing Research Study

Group Members

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Daniela Arango Henao

Marketing Problem / Opportunity

Domino's Pizza, was founded more than 50 years ago in Michigan, United States known for delivering pizzas quickly

Problem: Began to lose market share in 2008

Opportunity: Chance to expand brand and create innovation

Business Decisions

Problem Definition

Are poor sales related to Brand Perceptions, if so, how do we change them?

Goals
Analyzing qualitative data

They began to collect primary data through qualitative research

Goals
Quantitative Data capturing

Analyzing the data gathered of new pizzas combinations until they received the highest customer satisfaction.

Goals
Product Innovation

Leadership Team included via internal process.

Marketing Research Objectives

- Reinvent its pizza

- Create new ad campaigns

- Drive customer satisfaction

- Change brand perceptions

- Increase market share

Research Information

Comments made by consumers

"Where's the love?"
"Like Cardboard and Ketchup"
"Worst excuse for pizza I've had"

Research analysis of the problem

Found that they have "high marks in delivery, convenience, and value." Taste factor is lacking

Testing Solutions

Found that their new ingredients combination "record double-digit improvements align with consumer's purchase intent"

Execution

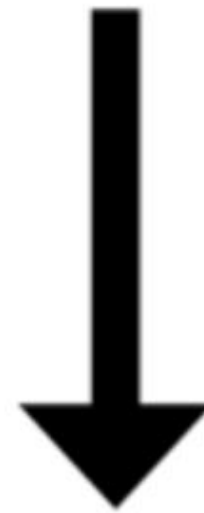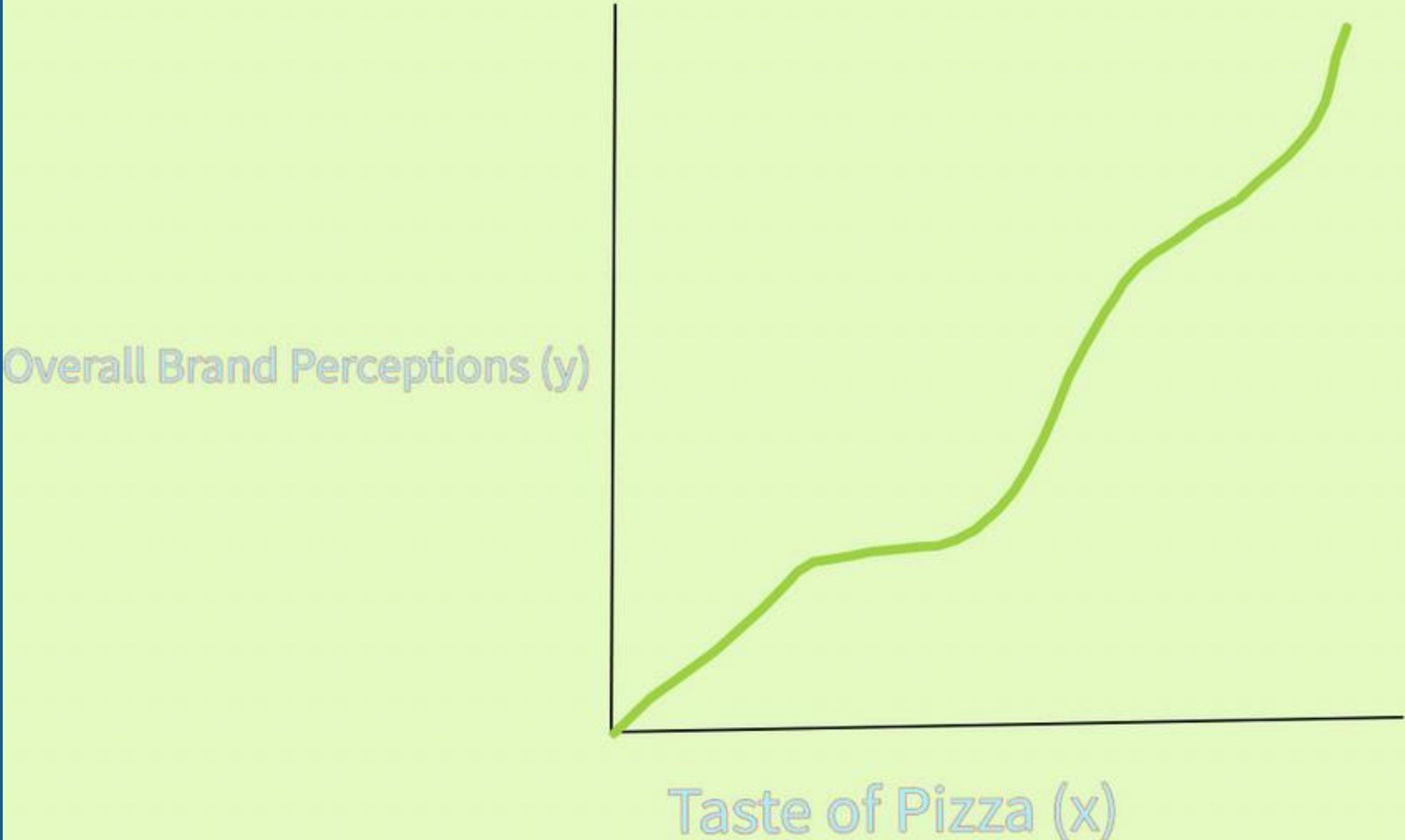Launch of a brand new product accompanied by Ad Campaign lambasting their old product.

Note: Title is Identified State and below mind, Users want quick, fast and tasty options

Perceptions Depend on Taste

Overall Brand Perceptions (y)

Taste of Pizza (x)

* Perceptual map

Research Design

- Making a better Pizza was the data driven goal for leadership at Dominos

- Launched into "robust" quantitative market understanding and product innovation

- Random sampling "Guidance Tests" of Heavy Users and General Population.

- Separate experiments where a control group was instituted and only one variable was changed at a time,

- Ultimately Domino's had the say in which combination to take to market, and successfully made a series of internal choices that would be "incredible".

Presumed Quantitative Research Methodology

(General Population and Heavy User Random Sample Groups, presumably asked what they think of stimuli)

Individual Tests

One Shot ➡️ ✖️ ➡️ O2
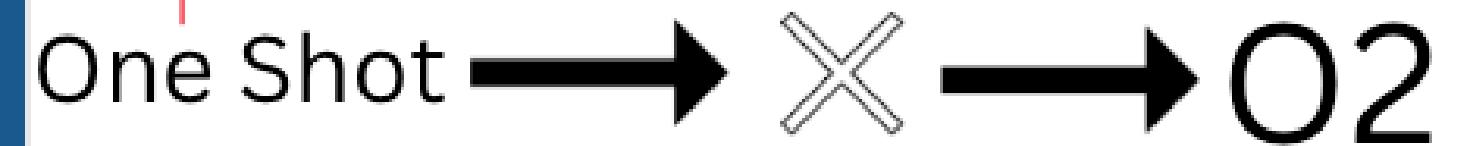
Combination Tests

Post Test With _____ (Reaction before stimuli likely given in qualitative research)

Control Group

EG: ➡️ R ➡️ ✖️ ➡️ O1

CG: ➡️ R ➡️ O2

(Control Group presumed to be given only old toppings)

(We know random sampling occured)

Recommendations

- Dominos undertaken a rigid testing system in place when researching for improving their product.

- Conducted a thorough analysis of all the different, potential components in their potential product down to smallest concerns and details.

- Dominos was able to use quantitative and qualitative data to determine the best decision for update their product and reinventing their own brand.
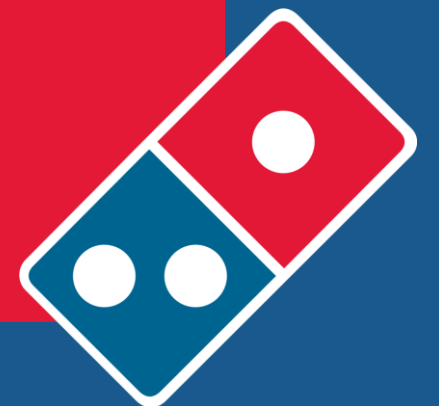
Timeline

Domino's starts to reinvent its pizza,
and change brand reputation

The pizza company conducts market studies
of testing out the different combinations.

Early 2008

2008-2009

**End of
2009**

Ad campaign focusing on consumers bashing
out its old recipe

THANK YOU

Assignment #1: Questionnaire Design

Group #2 MRBG

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ADMS 4260 B Fall 2022

Professor Levitin

November 3rd, 2022

New Directions in Clothing Rental

Business Problem/Opportunity

Ronald and Priyanka are looking to identify new opportunities and new consumer segments for their company, Sheare Hytes with the opening of their second store at Yorkdale Mall. For this to happen, Sheare Hytes would also need to pick a positioning strategy and what the customer values when looking towards a brand. By picking a positioning strategy, Sheare Hytes can become a retailer That offers unique designer brands and outfits in order to capture the attention and meet the needs of potential segments within the market space.

Research Objectives

The most important research objectives that Priyanka and Ronald need to be aware of in order to make more informed decisions for their clients. In addition, understand your current and potential customers are:

1. What do you desire our clothing rental service to do for you? (Gain insights into the needs of consumers within the Fashion Rental Service space).

2. What are the characteristics that our brand must develop? (Understand how the brand can position itself in order to target potential segments within the market?).

3. What makes our rental service valuable? (Uncover what needs the brand fulfils for existing customers).

Research Information

Information:	State:	Type of Variable:
Age	Being	Independent
Income	Being	Independent
Lifestyle Hobbies	Mind	Independent
Desired Additional Services	Mind	Dependent
Brand Loyalty	Mind	Dependent
Profession	Being	Dependent
Desired Clothing Attributes	Mind	Independent
Shopping Preference (Online Vs In-Person)	Mind	Dependent
Past Shopping Experiences	Intention	Dependent
Events Frequented	Intention	Independent
Areas of improvement	Mind	Dependent

Brand Awareness	Mind	Independent
Brand Recall	Mind	Independent
Sensitivity to Price	Being	Independent
Satisfaction with Service	Mind	Dependent

Introductory Statement

Hello _____,

Our company, *Sheare Hytes* is a clothing rental service that provides clients with the ability to try all types of styles on a budget. Our company is currently planning to open a new location in Yorkdale Mall and we want to know what you would like to potentially see from us. We are conducting this survey in order to learn more about you and what your interests are. This survey will consist of only __ questions and will take you no longer than 15 minutes to complete to the best of your ability by filling out the information provided. Please note that it is about your personal opinion. There is no "right" or "wrong" – what counts is your personal view. Please be assured that all your answers will remain entirely anonymous and you receive a copy of your answers once the survey is completed. As a token of our appreciation for your participation we have included an exclusive gift offer upon your completion of the survey.

Regards,

_____.

Questions

Do you currently reside within the Greater Toronto Area (GTA)?

o Yes

o No   (➡️ STOP)

       This primary screening question would help to narrow down participants to those within commuting distance and include potential for questions regarding local delivery service. It also captures the data of those likely to shop at the proposed, new Yorkdale store as repeat clients. A yes/no response screening question presented in a closed format has the benefit of not encouraging participants to provide irrelevant info such as giving a neighbourhood outside the GTA that researchers might have to take additional steps to classify/analyse.

What is your Age Range?

o <14   (➡️ STOP)

o 14-17

o 18-24

o 25-31

o 32-38

o 39-45

o >45   (➡️ STOP)

       This secondary screening question involving Scaling with intervals of roughly 6 year age groups will help to gather a sense of the age of our participants and understand their demographics in order to create potential segmentations. Since the research objectives involve capturing data about events generally taking place between the ages of 14-45. The larger range in the continuum will account for consumers of the product (i.e.Quinceaneras/Bar Mitzvah attendees, business professionals, potential mothers as well as potential customers of the product who may not be the end consumer).Two stops are in place, one for if participants are under the age of 14 in order to address potential privacy concerns and the other if participants are over the age of 45 as to not capture irrelevant data.

Have you ever rented clothing for a special occasion?

o   Yes

o   No

We decided to ask respondents if they had previously rented clothes using closed questions. This type of question allows respondents to provide straightforward answers to facts. Furthermore, we chose it as one of the first questions to ask the respondents because it allows us to determine how many of them have rented clothing for an event in the past. Once we know they have previously used a rental clothing service, we can ask them questions about their experience and obtain more detailed informational data when classifying the data.

How receptive are you to renting attire for your upcoming event?

o Very Likely

o Likely

o Neutral

o Unlikely

o Very Unlikely

Sheare Hytes can find out their customer's satisfaction and desirability of frequently renting clothing outfits. However, the company will need to format this question as an informal, open-ended question using the likert-type scale to give comfort for participants to respond truthfully. By measuring participants' desire and satisfaction as a dependent variable, we can be able to find out what the customer's preferences are towards renting clothing outfits.

Please rate the following brands on a five-point scale based on the brands you would like to rent from. Beginning from '1' "I would not rent' and '5' means 'I would rent'.

	Do Not Like At All				Like Very Much
Nike	1	2	3	4	5
Gucci	1	2	3	4	5
Balenciaga	1	2	3	4	5
H&M	1	2	3	4	5

Burberry   1   2   3   4   5

This question was asked in order to gauge the level of importance that consumers have towards the designers. Instead of outright asking if the designer is important to the consumer (which might have swayed participants to respond biassed), it allows for the consumer to weigh the options in front of them. The question also allows us insight into what type of brands that participants would want to see from us. The interval scale was used in order to assess which brands achieve a higher rating within the consumers mind. Since the assignment, order and distance properties are activated, it allows for us to draw inferences towards the responses. Due to the fact consumers are able to create their own ranking, the differences are very apparent and more easily interpreted on if they would rent a clothing brand. The wording of the question was done in order to avoid ambiguous terms and make it very clear what is needed from the participant. The ratings for '1' and '5' are also explained as to avoid confusion.

What clothing categories are you most interested in renting? Please check all that apply.

- Tuxedos
- Bridal/Grooms wear
- Maternity wear
- Special occasions
- Vacation
- Jewellery
- Accessories (Shoes, bags, headwear)
- Other (please specify)_____

This question was asked in order to assess the independent variable of what the participants want to see from our company and which will help the company decide what area they should

branch off in. This question helps to narrow down the focus into the idea of rental clothing and check what consumers want specifically from this market. This close-ended question is structured so that participants are able to choose all the options that are appealing to them; as well as insert their own opinion. The question is formatted so that it targets all of Sheare Hytes potential clients and has straightforward wording where participants can show their individual interest.

Approximately how much do you spend on clothing per month?

o <$30
o $30-$50
o $51-$200
o $201-$500
o $501-$1000
o >$1000

This question was asked in order to assess the independent variable of the consumer's interest in fashion. The information provided through this question provides interpretable results but not definite fact. It will possibly be able to tell us the level of interest that participants have towards fashion and the disposable income that one may have paired with the information regarding their annual household income. It is structured as a close ended question in order to quantify the information and limit participants in their responses.

Which, if any, of the following do you value the most when renting clothing? (Rank your answers according to your liking). Assigning a rank of '1' to your least valuable and '4' to your most valuable.
o Style
o Colour
o Material
o Comfortability

We chose to provide participants with an ordinal scale question where they can range their four options that we consider important when renting clothes. This allows us to evoke more information about respondents' preferences. Moreover, determine if there is a feature that customers would like our brand to improve in order for them to rent more clothes in the future.

What is your current employment status?

o Student
o Full-time
o Part-time
o Self-employed
o Unemployed

For this question, the format would be a closed answer question as customers shopping at Sheare Hytes stores would have some income support that can differentiate amongst themselves and differences in what type of employment occupation they identify themselves with. Furthermore, the responses from customers about their employment situations can provide insights as to which customer segments are frequently shopping in their stores. In addition, there will be fatigue setting in upon the participants so it is more sensible for this question to be in the bottom end of the questionnaire.

What is your Annual Household Income range? (What type of measurement scale?)

o <$32,000
o $32,000 - $42,999
o $43,000 - $53,999
o $54,000 - $64,999
o $65,000 - $75,999
o $76,000 - $86,999

o $87,000 - $97,999

o $98,000 - $108,999

o $109,000 - $119,999

o >$120,000

The choices made for these questions are based upon the structured, closed-type question as the subject of this question is a personal question which can allow Sheare Hytes to identify their customers income aligning with their employment situation and target new customer segments. This question would also be considered as a scaling question with the creation of a continuum to find unobservable characteristics of interest. In addition, the closed-type questions can provide even distribution among the responses made by the participants and there will be differentiation within the choices stated in this question. Also, by putting this question as the last question, there would be minimal fatigue setting in upon the respondents by the time they look at this question.

Design Features

Sheare Hytes can incorporate different types of questions such as open-ended and hybrid questions as well as introducing seven-point scales into the hybrid questions. The hybrid questions featuring the seven-points scales would contain questions measuring the loyalty and satisfaction of customers towards brands, rating their own shopping experience being in a Sheare Hytes store including the service provided to the customers, and the desirability of renting outfits frequently. Also, Sheare Hytes can incentivize their customers to participate in the questionnaire through incentives like gift cards. The company can also provide an informal consent form before the survey is conducted to ensure participation is voluntary and the participants are fully aware as to the purpose of what the survey is about. In addition, the consent form can give participants calm in any concerns about confidentiality in their answers being used for a different purpose or objective as well as being assured that no harm will be done to the participants. By informing the customers participating in the questionnaire, Sheare Hytes would ensure transparency in their information data collection and be vigilant in protecting personal data from unauthorised access without consent from the participants unless the company risks damaging their brand image and public opinion.

ADMS 4260 B - Fall 2022

Assignment #2: Marketing Research Report
Back Yard Burgers

Materials Available:
- Assignment description and requirements (below – pages 1 and 2)
- Description of variables (page 3)
- Questionnaire (pages 4 – 8)
- Two data sets (on e-class)

Back Yard Burgers is a popular fast-food restaurant chain in several Southern and Mid-Western US states. After a decade of continuous expansion, the company is experiencing a period of slower growth and low profitability. Its management team suspects that consumer needs are changing and competition is increasing and that they have not have been keeping up.

Marketing research has been commissioned to help the company plot its way back to robust growth. They feel they need to get a clearer picture of today's fast-food consumers, including what is important to them. They wonder if segmenting the fast-food market will help them identify a more profitable target market. In the end, they need to know how Back Yard Burgers should be positioned to appeal to the needs of the most profitable target segment.

Primary data, gathered by telephone interviews with a cluster sample of 516 adult fast-food consumers in the geographic markets served by Back Yard Burgers, is summarized in two SPSS data sets that have been posted to e-class:
- **BackYardBurgersIncomeChildenFall2021.sav** and
- **BackYardBurgersNutritConvenFall2021.sav**

Your group is to analyze **one** of the data sets and prepare a formal **PowerPoint report** that describes what you understand of the situation, what analysis you've done to help Back Yard Burgers understand their market better, the conclusions you've reached and a marketing strategy you would recommend so Back Yard Burgers can restore growth and profitability.

Ensure you cover the following sections in your Marketing Research Report:

       I.   **Executive Summary** *(15 Marks)*

       II.   **Background and Decision Problem** *(5 Marks)*

       III. **Research Objectives** *(10 Marks)*

       IV. **Data Analysis** *(30 Marks)*
           Show your analysis and findings for:
              a) The characteristics and needs of today's fast-food consumers
              b) A segmentation of the fast-food market and the relevant characteristics of each segment, including testing for differences to determine how they differ on key determinants of success

       c) Determining how to best motivate an attractive target segment, including testing for association

V.   **Conclusions and Recommendations** *(20 marks)*
Clearly explain and illustrate your conclusions and recommendations for
    a)   Target Marketing Strategy
    b)   Positioning Strategy

VI. **Appendix** *(5 marks)*
Put anything you deem important, but not part of the story here.

An **additional** *15 marks* will be awarded for the overall design and organization of your report.

The Marketing Research Report is worth 20% of your final grade and is due by 5pm, Wednesday, Dec 7th, 2022. Each team captain is to submit her/his team's research report via eClass *Turnitin*. Late assignments will receive a grade of zero, no exceptions.

ASSIGNMENT #2
Fast-Food Questionnaire

Table 1: Classification of Research Information

State	Variables
Being	Children (Q12) Income (Q13) Occupation (Q14) Education (Q15) Sex (Q16)
Mind	Favourite Restaurant (Q2) Attribute Importance (Q5) Brand Image (Q6) Values/Life Style (Q9)
Behaviour	Network TV (Q10) Cable TV (Q11) Past Visits (Q3) Past Spending
Intention	Future Intention to Visit (Q7) Future Intention to Spend (Q8)

FAST-FOOD OPINION SURVEY

The purpose of this research study is to better understand consumer attitudes and behaviours regarding fast-food and fast-food restaurants. Your telephone number appeared in a scientifically-selected random sample of adult fast-food consumers. We ask that you share your insights with us to ensure the survey accurately reflects the views of all fast-food consumers. The survey will only take about 10 minutes to complete and you may stop at any time. Your identity will not be disclosed, and your responses will remain strictly confidential. There are no "right" or "wrong" answers; what's important is your honest opinion.

Section I.   Fast-Food Attitudes and Behaviour

1. Overall, how do you feel about fast-food?

    _____
    _____
    _____
    _____

2. Which of the following is your <u>favourite</u> fast-food restaurant?

    _____ Back Yard Burgers   _____ Wendy's
    _____ McDonald's   _____ Burger King
    _____ Kentucky Fried Chicken   _____ Other (specify _____)

3. In the past two weeks, how many times did you visit a fast-food restaurant to purchase food and/or beverages?

    _____ One   _____ Two
    _____ Three   _____ Four
    _____ Five   _____ Six
    _____ Seven or more times   _____ Don't Know

4. On the last visit to a fast-food restaurant, how much did you spend on food and/or beverages?

    _____ less than $3.00   _____ $3.00 - $4.99
    _____ $5.00 - $6.99   _____ $7.00 - $8.99
    _____ $9.00 - $10.99   _____ $11.00 - $12.99
    _____ $13.00 or more   _____ Don't Know

Section II.   Attribute Importance

5. Rate the importance of the following features when choosing a fast-food restaurant.

		Not Important					Very Important
a.	Location	1	2	3	4	5	6
b.	Nutritional Food	1	2	3	4	5	6
c.	Good Value	1	2	3	4	5	6
d.	Coupons and Promotions	1	2	3	4	5	6
e.	Menu Variety	1	2	3	4	5	6
f.	Attentive Service	1	2	3	4	5	6
g.	Correct Order Taking	1	2	3	4	5	6
h.	Friendly Employees	1	2	3	4	5	6
i.	Prices	1	2	3	4	5	6
j.	Hours of Operation	1	2	3	4	5	6
k.	Advertising	1	2	3	4	5	6
l.	Cleanliness	1	2	3	4	5	6
m.	Food Quality	1	2	3	4	5	6
n.	Portion sizes	1	2	3	4	5	6

6. Rate your <u>favourite fast-food restaurant</u> on the following features by circling the number that best represents how you feel.

a.	Poor Value	1	2	3	4	5	6	Very Good Value
b.	Poor Service	1	2	3	4	5	6	Very Good Service
c.	Limited Menu	1	2	3	4	5	6	Extensive Menu
d.	Fast Service	1	2	3	4	5	6	Slow Service
e.	Inconvenient Location	1	2	3	4	5	6	Convenient Location
f.	Poor Food Quality	1	2	3	4	5	6	Great Food Quality
g.	Large Portion Sizes	1	2	3	4	5	6	Small Portion Sizes
h.	Old Fashioned	1	2	3	4	5	6	Trendy

7. How likely are you to visit a fast-food restaurant in the next two weeks?

____	Less than 20%	____	20% - 39%
____	40% - 59%	____	60% - 79%
____	80% or more	____	Don't Know

8. How much are you likely to spend on food and/or beverages on your next visit to a fast-food restaurant?

___ less than $3.00	___ $3.00 - $4.99
___ $5.00 - $6.99	___ $7.00 - $8.99
___ $9.00 - $10.99	___ $11.00 - $12.99
___ $13.00 or more	___ Don't Know

Section III.   Values, Interests and Opinions

9. Please indicate the extent to which you personally disagree or agree with each statement by circling the number that best represents how you feel.

	Strongly Disagree				*Strongly Agree*	
a. Nutrition is important to me when deciding what to eat.	1	2	3	4	5	6
b. I would rather spend a quiet evening at home than go out partying.	1	2	3	4	5	6
c. I'm always on the run.	1	2	3	4	5	6
d. I try to avoid foods with a high salt content.	1	2	3	4	5	6
e. When I get a free sample, I usually buy the same product later.	1	2	3	4	5	6
f. I will pay more for products with all-natural ingredients.	1	2	3	4	5	6
g. A national brand is better value than a store brand.	1	2	3	4	5	6
h. I have old fashioned tastes.	1	2	3	4	5	6
i. I like to buy new and different things.	1	2	3	4	5	6
j. My days follow a definite routine.	1	2	3	4	5	6
k. I shop a lot for specials.	1	2	3	4	5	6
l. A store's own brand represents better value than a national brand.	1	2	3	4	5	6
m. Meal preparation should not take much time.	1	2	3	4	5	6
n. I will try almost anything once.	1	2	3	4	5	6

Section IV.   Media Habits

10. Roughly what percentage of your weekly television viewing time is devoted to **traditional TV networks** such as CBC, CTV, Global, ABC, CBS, NBC and Fox?

    0%   10%   20%   30%   40%   50%   60%   70%   80%   90%   100%

11. Roughly what percentage of your weekly television viewing time is devoted to **cable TV** networks such as CNN, MSNBC, ESPN and HBO?
    0%   10%   20%   30%   40%   50%   60%   70%   80%   90%   100%

Section IV.   Classification Information

For classification purposes please tell us a little about yourself.

12. How many children aged 18 or younger currently reside in your home?

    _____ No Children
    _____ One
    _____ Two
    _____ Three or more Children

13. Which of the following categories best describes your household's total annual income, before taxes, for last year?

    _____ less than $20,000   _____ $20,000 - $39,999
    _____ $40,000 - $59,999   _____ $60,000 - $79,999
    _____ $80,000 - $99,999   _____ $100,000 and more

14. Which of the following best describes your current occupation?

    _____ Managerial   _____ Professional   _____ Sales
    _____ Clerical   _____ Craftsman   _____ Factory Worker
    _____ Self-Employed   _____ Homemaker   _____ Retired
    _____ Student   _____ Other (specify_____)

15. What is the highest level of formal education that you have attained?

    ____ Some high school   ____ High school graduate
    ____ Some college/university   ____ College/university graduate
    ____ Post-graduate degree

16. Are you… ?

    ____ Female
    ____ Male

17. Do you have any other comments to share with us regarding your experiences at fast- food restaurants? What can fast-food restaurants do to improve the products/services and value that you receive as a consumer?

_____

_____

_____

_____

_____

!-Segment market based on income and children (demographics

-purhcase intentions and behaviours each demo / which demographic is most attractive

-Potential positioning

Income categories
Household annual Income - 2 categories
First category : annual income less than $60,000
Second category: annual income more than $60,000

Segments
Table 1 - Segments

	Low Income	High Income
No children	1	3
Children	2	4

After analyzing our 4 segments, we have discovered that our largest segment is segment 1 with 31.8%, and the second segment is 4 with 31.2%. The lowest segment is segment 2 with 15.9% .

Statistics

SEGMENT

N	Valid	516
	Missing	0
Mean		2.52

SEGMENT

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	164	31.8	31.8	31.8
	2	82	15.9	15.9	47.7
	3	109	21.1	21.1	68.8
	4	161	31.2	31.2	100.0
	Total	516	100.0	100.0	

Market Segmentation by income and number of children
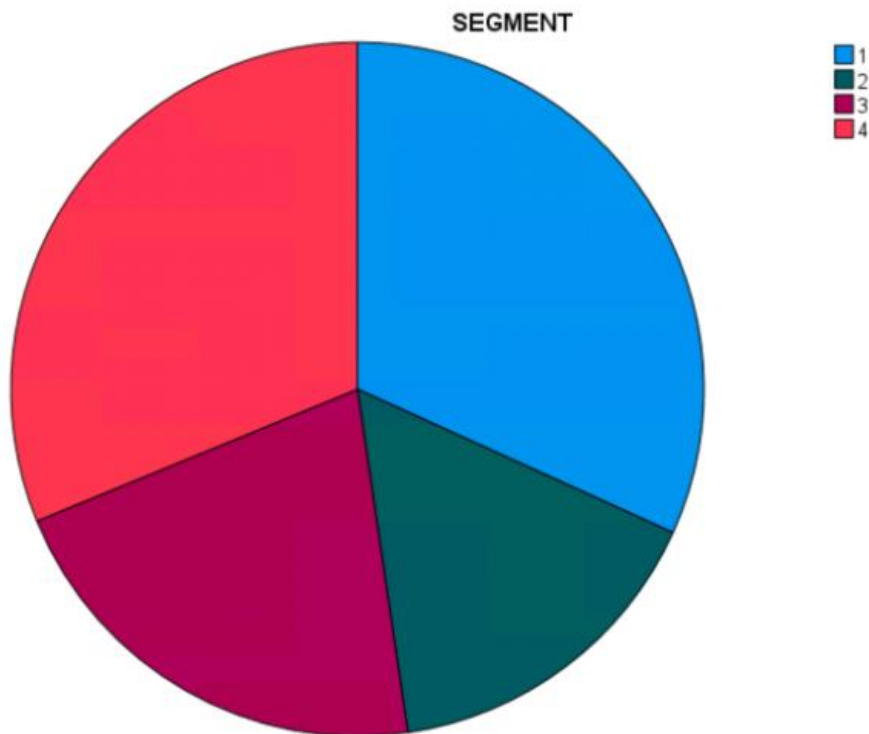
SEGMENT

☐ 1
☐ 2
☐ 3
☐ 4

Q12. How many children aged 18 or younger currently reside in your home? (All respondents n= 516)
Q13. Which of the following categories best describes your household's total annual income, before taxes, for last year? (All respondents n= 516)

Segment 1: annual income level less than $60,000 without any children in the household
Segment 2: annual income level greater than $60,000 without any children in the household
Segment 3: annual income level less than $60,000 with children in the household
Segment 4: annual income level greater than $60,000 with children in the household

Moreover, we determined which segments Back Yard Burgers has, we divided the segments based on income and the number of children living in your home.
We use an ANOVA test to see if previous visits (Question 3) and dollars spent per visit (Question 4) have an impact on the segments. In addition, we found that dollars spent per visit can impact our segments. The

results indicate that F- score is relatively small (4.191) compared to dollars spent per visit. (28.768). For instance, visits per month do not have a big impact between our segments. The data basis tables in Appendix include complete information on these dependent variables.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Visits per Month	Between Groups	55.626	3	18.542	4.191	.006
	Within Groups	2264.925	512	4.424		
	Total	2320.550	515			
Dollars Spent per Visit	Between Groups	187.779	3	62.593	28.768	<.001
	Within Groups	1114.010	512	2.176		
	Total	1301.789	515			

Even though segment 1 was the largest segment in our first research, we found that segment four is the most appealing segment for Back Yard Burgers.

Table 2

Mean Fast-food Spending (Code/$/SD)

	Low Income	High Income
No children	**1.00** **Less than $3.00** **(1.30)**	**3.00** **$5.00 - $6.99** **(1.55)**
Children	**2.00** **$3.00 - $4.99** **(1.41)**	**4.00** **$7.00 - $8.99** **(1.61)**

Dollars Spent per Visit
SEGMENT: 4
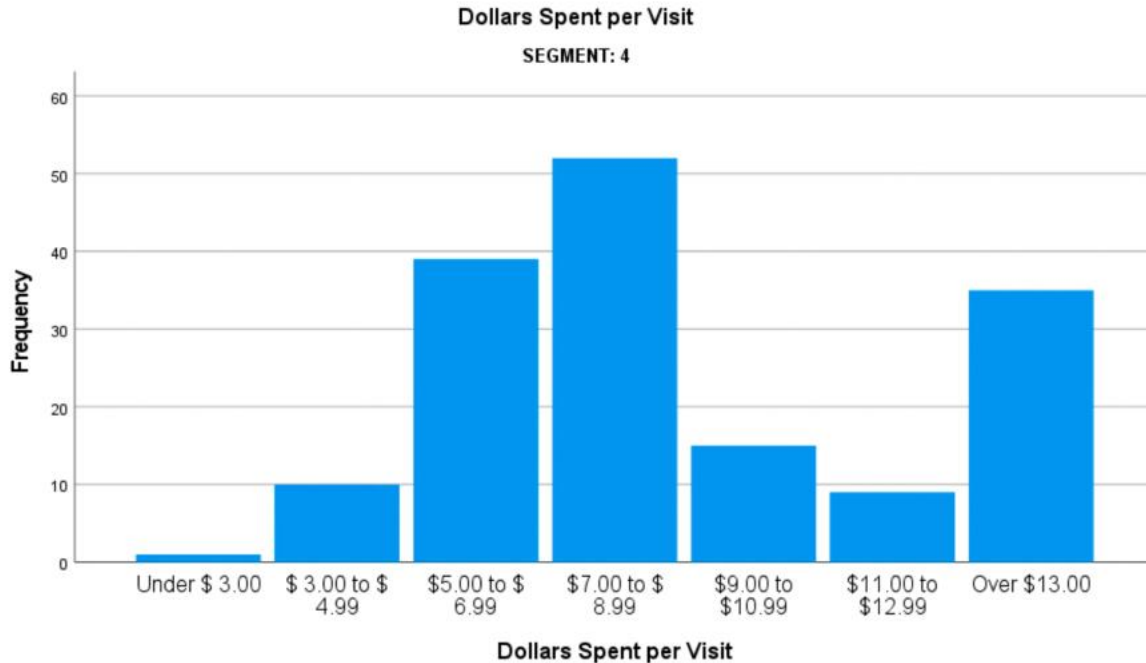
After identifying which segments were most appealing to the company, we needed to verify whether the differences between them were large and real. Segment 4 and segment 1 were compared to see if there were any notable differences. Additionally, we found that segments 1 and 4 differed significantly and in reality, suggesting that segment 4 is more likely than segment 1 to spend more money.

Comparing means with two independent T- scores

Group Statistics

	SEGMENT	N	Mean	Std. Deviation	Std. Error Mean
Dollars Spent per Visit	4	161	4.47	1.617	.127
	1	164	2.99	1.304	.102

Group Statistics

	SEGMENT	N	Mean	Std. Deviation	Std. Error Mean
Dollars Spent per Visit	4	161	4.47	1.617	.127
	1	164	2.99	1.304	.102

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							95% Confidence Interval of the Difference	
		F	Sig.	t	df	Significance One-Sided p	Significance Two-Sided p	Mean Difference	Std. Error Difference		Lower	Upper
Dollars Spent per Visit	Equal variances assumed	16.594	<.001	9.082	323	<.001	<.001	1.478	.163		1.158	1.798
	Equal variances not assumed			9.064	306.770	<.001	<.001	1.478	.163		1.157	1.799

Independent Samples Effect Sizes

		Standardizer[a]	Point Estimate	95% Confidence Interval Lower	Upper
Dollars Spent per Visit	Cohen's d	1.467	1.008	.776	1.238
	Hedges' correction	1.470	1.005	.774	1.235
	Glass's delta	1.304	1.134	.883	1.382

a. The denominator used in estimating the effect sizes.
Cohen's d uses the pooled standard deviation.
Hedges' correction uses the pooled standard deviation, plus a correction factor.
Glass's delta uses the sample standard deviation of the control group.

So, how do we connect with clients who are financially stable and have kids?

We discovered that Back Yard Burgers' future spending intentions can be affected if they are able to add something new and incorporate traditional tastes and habits into their menu, taking into account what people in segment 4 value for.

Model Summary

Model	R SEGMENT = 4 (Selected)	R Square	Adjusted R Square	Std. Error of the Estimate
1	.714[a]	.510	.462	1.081

a. Predictors: (Constant), Try anything once, Meal preparation should take as little time as possible, Willing to pay more for a product with all-natural ingredients, After a free sample, normally buy that product later, Prefer to spend quite evening at home than party, Nationally advertised brands are usually better than generics, Store's own brand is better value, Try to avoid food high in salt content, Like buying new and different things, My days seem to follow a definite routine, Always on the run, Old-fashioned tastes and habits, Nutrition is important to me, Shop for a lot of specials

Coefficients[a,b]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.829	.982		6.951	<.001
	Nutrition is important to me	-.270	.097	-.249	-2.794	.006
	Prefer to spend quite evening at home than party	.110	.072	.110	1.533	.127
	Always on the run	-.145	.099	-.115	-1.469	.144
	Try to avoid food high in salt content	-.085	.086	-.085	-.987	.325
	After a free sample, normally buy that product later	.083	.075	.082	1.109	.269
	Willing to pay more for a product with all-natural ingredients	.092	.091	.080	1.010	.314
	Nationally advertised brands are usually better than generics	-.473	.087	-.493	-5.471	<.001
	Old-fashioned tastes and habits	.468	.109	.352	4.283	<.001
	Like buying new and different things	.027	.097	.023	.279	.781
	My days seem to follow a definite routine	-.367	.065	-.433	-5.613	<.001
	Shop for a lot of specials	-.435	.096	-.431	-4.536	<.001
	Store's own brand is better value	-.123	.077	-.126	-1.585	.115
	Meal preparation should take as little time as possible	.092	.101	.080	.911	.364
	Try anything once	.633	.069	.704	9.238	<.001

a. Dependent Variable: Future Intention to Spend at Favourite FF Restaurant

b. Selecting only cases for which SEGMENT = 4

When we thought about how our rivals might affect our segment 4's choice to go to their restaurant. We performed an ANOVA difference test.

We discovered that it has little impact, as evidenced by the finding that dollars spent per visit (Q4) is significantly higher than which fast-food restaurant is your favorite (Q2), which has a 3.548 F-score compared to dollars spent per visit with 28.768. Determining that Back Yard's customers are not driven by favorite fast-food restaurants
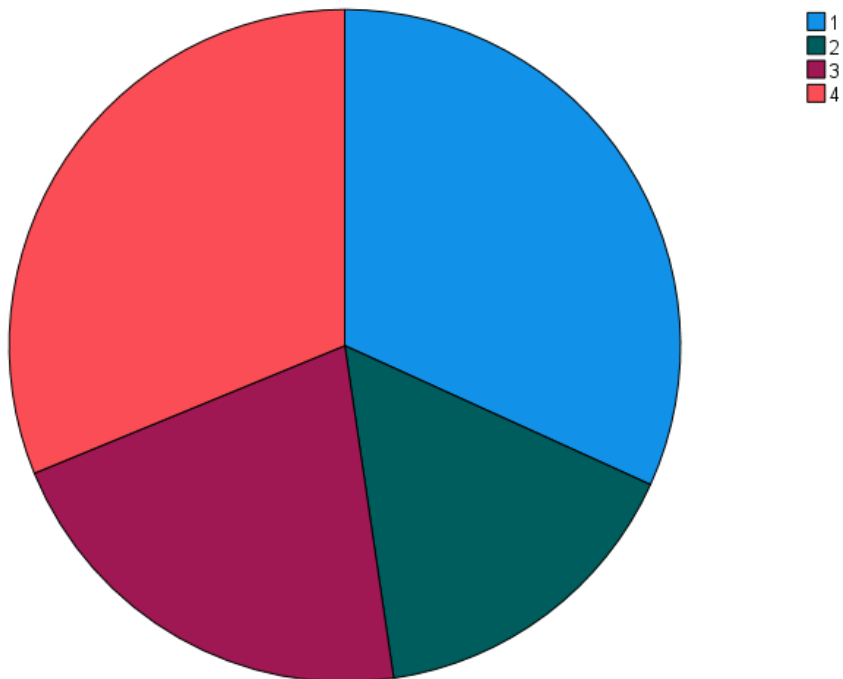
ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Dollars Spent per Visit	Between Groups	187.779	3	62.593	28.768	<.001
	Within Groups	1114.010	512	2.176		
	Total	1301.789	515			
Favorite FF Restaurant	Between Groups	17.763	3	5.921	3.548	.014
	Within Groups	854.537	512	1.669		
	Total	872.300	515			

SEGMENT

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	164	31.8	31.8	31.8
	2	82	15.9	15.9	47.7
	3	109	21.1	21.1	68.8
	4	161	31.2	31.2	100.0
	Total	516	100.0	100.0	

SEGMENT

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Visits per Month	Between Groups	55.626	3	18.542	4.191	.006
	Within Groups	2264.925	512	4.424		
	Total	2320.550	515			
Dollars Spent per Visit	Between Groups	187.779	3	62.593	28.768	<.001
	Within Groups	1114.010	512	2.176		
	Total	1301.789	515			

Model Summary

Model	R SEGMENT = 4 (Selected)	R Square	Adjusted R Square	Std. Error of the Estimate
1	.784[a]	.614	.577	.729

a. Predictors: (Constant), Try anything once, Meal preparation should take as little time as possible, Willing to pay more for a product with all-natural ingredients, After a free sample, normally buy that product later, Prefer to spend quite evening at home than party, Nationally advertised brands are usually better than generics, Store's own brand is better value, Try to avoid food high in salt content, Like buying new and different things, My days seem to follow a definite routine, Always on the run, Old-fashioned tastes and habits, Nutrition is important to me, Shop for a lot of specials

ANOVA[a,b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	122.027	14	8.716	16.382	<.001[c]
	Residual	76.615	144	.532		
	Total	198.642	158			

a. Dependent Variable: Future Intention to Visit Favourite FF Restaurant

b. Selecting only cases for which SEGMENT = 4

c. Predictors: (Constant), Try anything once, Meal preparation should take as little time as possible, Willing to pay more for a product with all-natural ingredients, After a free sample, normally buy that product later, Prefer to spend quite evening at home than party, Nationally advertised brands are usually better than generics, Store's own brand is better value, Try to avoid food high in salt content, Like buying new and different things, My days seem to follow a definite routine, Always on the run, Old-fashioned tastes and habits, Nutrition is important to me, Shop for a lot of specials

Coefficients[a,b]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.488	.403		6.169	<.001
	% of Weekly Network Viewing Time	.017	.005	.394	3.503	<.001
	% of Weekly Cable Viewing Time	.010	.004	.251	2.233	.027

a. Dependent Variable: Future Intention to Visit Favourite FF Restaurant

b. Selecting only cases for which Segment1 = 4.00

1	.271[a]	.073	.062	1.089

Model Summary

Model	R Segment1 = 4.00 (Selected)	R Square	Adjusted R Square	Std. Error Double the Estimate act
1	.271[a]	.073	.062	1.089

a. Predictors: (Constant), % of Weekly Cable Viewing Time, % of Weekly Network Viewing Time

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference
% of Weekly Cable Viewing Time	Equal variances assumed	.018	.895	-1.840	268	.033	.067	-6.484
	Equal variances not assumed			-1.866	242.810	.032	.063	-6.484
% of Weekly Network Viewing Time	Equal variances assumed	12.983	<.001	-2.150	268	.016	.032	-6.692
	Equal variances not assumed			-2.222	255.705	.014	.027	-6.692

Group Statistics

	Segment1	N	Mean	Std. Deviation	Std. Error Mean
% of Weekly Cable Viewing Time	3.00	109	43.58	27.166	2.602
	4.00	161	50.06	29.208	2.302
% of Weekly Network Viewing Time	3.00	109	36.97	22.464	2.152
	4.00	161	43.66	26.732	2.107

Draft Title: Analysis of Potential Positioning - Marketing on Network vs Cable Television

Higher mean time watching cable, segment 3 also potentially good

R score not as significant, Confidence interval is high and meaningful

Coefficients[a,b]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.498	.663		6.786	<.001
	Nutrition is important to me	-.033	.065	-.040	-.501	.617
	Prefer to spend quite evening at home than party	.171	.048	.226	3.541	<.001
	Always on the run	-.040	.066	-.042	-.598	.551
	Try to avoid food high in salt content	-.161	.058	-.213	-2.780	.006
	After a free sample, normally buy that product later	.136	.051	.175	2.675	.008
	Willing to pay more for a product with all-natural ingredients	.166	.062	.188	2.686	.008
	Nationally advertised brands are usually better than generics	-.446	.058	-.612	-7.648	<.001
	Old-fashioned tastes and habits	.150	.074	.148	2.030	.044
	Like buying new and different things	-.065	.065	-.074	-1.000	.319
	My days seem to follow a definite routine	-.192	.044	-.297	-4.339	<.001
	Shop for a lot of specials	-.336	.065	-.437	-5.185	<.001
	Store's own brand is better value	-.230	.052	-.311	-4.407	<.001
	Meal preparation should take as little time as possible	.144	.068	.163	2.104	.037
	Try anything once	.476	.046	.694	10.278	<.001

a. Dependent Variable: Future Intention to Visit Favourite FF Restaurant

b. Selecting only cases for which SEGMENT = 4

Background and Decision problem

Back Yard Burgers is a fast-food restaurant chain that has locations in both Southern and Mid-Western US states. The company is well known and considered a popular chain but within the past decade, has been experiencing slower growth and low profitability. The issue here is identifying what changes the company needs to cater to the ever-changing consumer market. In

addressing this challenge, the company decided to segment the consumers within the fast-food market to better help identify if any of them would be more profitable. In terms of the specific decision that Back Yard Burgers needs to make to restore growth and profitability, is how to choose the most popular segment and properly position their company to appeal to the target segment. <.002

Analysis Q5 (Dave): - **linear relationship higher the values, the better significant fit, significance of regression model (sum of squares). Because consumer behaviour is constantly changing, the linear models are not predictable for the R squared-score results as those who fall less than 50% would mean less significant fit with the segments selected for the linear regression analysis to which we had found in . We understand Segment 4 to be, brand image ()**
To find out what features of a restaurant high income customers with children will consider the most important, we conducted an analysis on association of importance of features in a restaurant that is connected with future intention in spending at their favourite fast food restaurant through the linear regression model. We found the sum of squares in the linear regression was 70.524 which means for the linear relationship between high-income customers with children and importance of attributes, there is less significant fit of the regression model as the value was not high enough compared to other sum of squares data from other segments. In addition, the R squared-score for high income customers with children being 0.205. This score would fail to meet above 50% which makes the results to be less predictable. In addition to the failure of the R squared-score, we also find that the probability would be 2 out of 1000 which means there is a high chance for the F statistic (2.659) will be below the threshold of $\alpha < .05$, corresponding to a 95% interval. The reason why there were these unexpected findings is in the

coefficients table.

Coefficients[a,b]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	7.257	1.028		7.063	<.001
	Convenient Location	.225	.144	.161	1.559	.121
	Healthy-Nutritious Food	-.181	.126	-.162	-1.441	.152
	Value for Money	-.244	.103	-.247	-2.374	.019
	Coupons or Promotional Specials	-.023	.090	-.026	-.258	.797
	Menu Variety	-.039	.119	-.030	-.329	.742
	Quality Ingredients	-.057	.132	-.039	-.434	.665
	Correct Order Taking	.243	.092	.252	2.645	.009
	Friendly Employees	.110	.119	.097	.926	.356
	Prices	-.109	.107	-.094	-1.021	.309
	Convenient Hours	-.075	.093	-.072	-.805	.422
	Informative Advertising	.317	.103	.278	3.068	.003
	Restaurant Cleanliness	-.296	.092	-.354	-3.227	.002
	Quality of Food	.093	.101	.090	.920	.359
	Large Portion Sizes	-.478	.112	-.441	-4.278	<.001

a. Dependent Variable: Future Intention to Spend at Favourite FF Restaurant

b. Selecting only cases for which segment1 = 4.00

While there is importance of the coefficients in informative advertising (b11 = 0.317, t = 3.068, p = 0.003), convenient location (b1 = 0.225, t = 1.559, p = 0.121), and correct order taking (b7 = 0.243, t = 2.645 p = 0.009) were the three most important, positive coefficients to be consider well by high-income customers with children, the majority of the coefficients have negative correlations with future spending with the most notable features having an inverse effect on future spending for high-income earners being large portion sizes (b14 = -0.478, t = -4.278, p < = 0.001), cleanliness of the restaurant (b12 = -0.296, t = -3.227, p = 0.002), and value for money (b3 = -0.244, t = -2.374, p = 0.019) with the positive and negative coefficients are not confident results as they have a high probability of the coefficients consider as important to the customers by chance except large portion sizes.The other major problem found is that no matter how you count the number of variables you have entered, the high-income earners with children fail to meet above 50% for the R-squared score, making the results to be less significantly fit and predictable towards the segments selected for linear regression analysis. Nonetheless, this analysis shows which features are considered the most important which will help in determining which features Back Yard Burgers emphasize to customers and we understand that high-income customers with children to be the most profitable customer segment without the inverse correlations of several attributes. Recommendations include avoiding large portion sizes and restaurant cleanliness for Back Yard Burgers as there is an inverse correlation with high

Analysis Q6 (Dave):

We next looked into the high-income customers' perception on fast food restaurants and its brand image. This allows Back Yard Burgers to implement any changes to their brand aligned with their customer's behaviours. In the results, we find that the sum of squares in the linear regression was 43.893 which means for the linear relationship between high-income customers with children, there is less significant fit of the regression model as the value was not high enough compared to other sum of squares data from other segments. Also, the R squared-score from this question is 0.128 which failed to be above 50% with the probability being 3 in 1000. This would mean there is a high chance for the F statistic (3.162) will be below the threshold of $\alpha < .05$, corresponding to a 95% interval. What has led to these results would come from the coefficients table of linear regression.

Coefficients[a,b]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.068	.811		5.017	<.001
	Friendly Employees-Staff	1.082	.292	.748	3.708	<.001
	Menu Variety	.740	.271	.487	2.727	.007
	Speed of Service	.580	.220	.538	2.632	.009
	Conveniently Located	1.137	.277	.673	4.108	<.001
	Quality of Food	.667	.339	.444	1.967	.051
	Portion Sizes	.701	.273	.469	2.568	.011
	Trendy	-4.572	1.415	-2.238	-3.231	.002

a. Dependent Variable: Future Intention to Spend at Favourite FF Restaurant

b. Selecting only cases for which segment1 = 4.00

There is significant importance in conveniently located (b = 1.137, t = 4.108, p < = 0.001) and friendly employees-staff (b = 0.225, t = 3.708, p <= 0.001) as they were the two coefficients to have high correlation with the high-income customers with children and the sigma being shown as less than 0.001 indicates a high level of confidence the majority of the coefficients which would mean these coefficients are significantly related towards future spending. Also, there is one notable feature, trendy (b = -4.572, t = -3.231, p = 0.002), that has an inverse effect on future spending for high-income customers. Despite the R squared-score not exceeding 50%, this analysis still shows what companies need to look for in their customer's behaviours to provide their needs and resolve any challenges facing them in their respective markets. Also, the coefficients scores show some features can be taken into consideration for Back Yard Burgers to consider when associating the features with their brand image as two results are deemed to be the most probable feature to occur not by chance and are significantly fit with high-income customers with children. Recommendations includes conveniently located and

Analysis of Question 9

In order to better motivate our target segment (high income households with children) we tested the association between future spending and question 9 regarding the consumer's futures, values and opinions. In analyzing the responses, the R-square score was above 50% at 0.510 and with the probability being less than 1 in a 1000, meaning that there is a low probability that the f score (10.697) has occurred by chance and our results are more accurate. The F score is is 16.382 would occur by chance alone about 1 in 1,000 times, well below the $\alpha < .05$ threshold that corresponds to 95% confidence. Therefore, some, or all, of the independ variables are related to Future Intention to Spend.

Looking at the relationships between the coefficients, we can see that there is a positive correlation between "try anything once" and future spending ($b14 = .633$, $t = 9.238$, $p <.001$). The standardized regression coefficient for "try anything once" has the most powerful effect on future spending while "old-fashioned tastes and habits" ($b8 = .468$, $t = 4.283$, $p = <.001$) is much less so. This result shows that in order to best motivate our target segment, we should be implementing advertising that follows along the "try anything once" notion. Meanwhile, because of our results, we should also be avoiding advertising that our brand is better than generics as the category "nationally advertised brands are usually better than generics" had a negative correlation ($b7 = -.473$, $t = -5.471$, $p = <0.001$). This is because our segment had an inverse reaction to this category and would negatively affect their intention to spend money at our restaurant. Therefore generic brands are usually seen as better than nationally advertised brands

Ketan Good Copy Results Q10 & 11

Independent Samples Test

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | |
		F	Sig.	t	df	One-Sided p	Two-Sided p	Mean Difference
% of Weekly Cable Viewing Time	Equal variances assumed	.018	.895	−1.840	268	.033	.067	−6.484
	Equal variances not assumed			−1.866	242.810	.032	.063	−6.484
% of Weekly Network Viewing Time	Equal variances assumed	12.983	<.001	−2.150	268	.016	.032	−6.692
	Equal variances not assumed			−2.222	255.705	.014	.027	−6.692

T-Test

Group Statistics

	Segment1	N	Mean	Std. Deviation	Std. Error Mean
% of Weekly Cable Viewing Time	3.00	109	43.58	27.166	2.602
	4.00	161	50.06	29.208	2.302
% of Weekly Network Viewing Time	3.00	109	36.97	22.464	2.152
	4.00	161	43.66	26.732	2.107

Model Summary

Model	R Segment1 = 4.00 (Selected)	R Square	Adjusted R Square	Std. Error of the Estimate
1	.271[a]	.073	.062	1.089

a. Predictors: (Constant), % of Weekly Network Viewing Time, % of Weekly Cable Viewing Time

Coefficients[a,b]

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
		B	Std. Error	Beta		
1	(Constant)	2.488	.403		6.169	<.001
	% of Weekly Cable Viewing Time	.010	.004	.251	2.233	.027
	% of Weekly Network Viewing Time	.017	.005	.394	3.503	<.001

a. Dependent Variable: Future Intention to Visit Favourite FF Restaurant
b. Selecting only cases for which Segment1 = 4.00

Potential Positioning BYB can be informed by how the targeted segment behaves in their everyday lives. The Media consumption habits of potential target segments can be avenues for future advertising streams.

After analyzing Q10 and 11 using Linear regression with the intention of measuring Segment 4's (high income with kids) purchasing intentions, specifically how % of time watching network vs cable television influences their future intention to spend at their future restaurant it yielded a Low R score (.425a) could signify a low significance between the variables as a measure of goodness of fit but can still help us find key insights as it is in line with consumer behavior (<.50), (accounts for low % of variation in the future intention to spend) (scattered chart) % of weekly network viewing time of segment 4 yields a Unstandardized b of .044 (.613 stnd) and a high significance level (happens 1 time out of 1000 out of probability) (real and meaningful as well as signifitgant)

Reasoning for focus on segment 4 Can be further justified with independent t- tests where mean % watching both watching network television is higher among segment 4 than segment 3. Even though there is a slightly higher mean for cable television, network television would impact Visit's to restaurant more.

Segment 4 spends more time watching cable tv as opposed to network television however

Report (presenting to client that owns company, we are just researchers)

Introduction

>Problem

>Objectives

Executive Summary

Segmenting the Market (how/why we did it) (being)

The Market (attribute scores among segments, difference?) - encompases within large spending and accumulate large amount of the food served at the

Q2 q5 q6 q9

 (recommend)The chosen segment (why we choose segment 4)

Q2 q5 q6

(Recommend) Potential Positioning (how to best reach them)

=

	Variables
Being	Children (Q12) Income (Q13) Occupation (Q14) Education (Q15) Sex (Q16)
Mind	Favourite Restaurant (Q2) Attribute Importance (Q5) Brand Image (Q6) Values/Life Style (Q9)
Behaviour	Network TV (Q10) Cable TV (Q11) Past Visits (Q3) Past Spending
Intention	Future Intention to Visit (Q7) Future Intention to Spend (Q8)

Point Form Notes of TV

Eye Guides for TV Mean time spend and Rscore

Justification for Segment 2

BACK YARD BURGERS
STUDY FINDINGS

Final Report
December 2022

Prepared for:
Back Yard Burgers

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ADMS 4260 ASSIGNMENT #2 BACKYARD BURGERS

EXECUTIVE SUMMARY

Research Breakdown:

- Primary data was gathered through telephone interviews in the geographic markets served by Back Yard Burgers
- Use of a cluster sample of 516 adult fast-food consumers in the US
- Market research and analysis done to identify a profitable target market

Key results

- Back Yard Burger's target market is segment 4, with consumers who have a high annual income and children in their household
- Back Yard Burger's target segment spends an average of $9.93 per visit. There is a distinction between the user segments
- Unique IV's (images, attributes, behaviours, etc...)

Recommendations:

- Potential positioning changes would need to be implemented for Back Yard Burgers to attract customers and increase brand awareness by emphasize attributes to help with their brand image

TV Ads

Target Segment

Service/Product Marketing

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BACKGROUND
AND DECISION PROBLEMS

Background

- Backyard Burgers is a well-known fast food chain within the US market.
- Has multiple locations in both Southern and Mid-Western US states.
- The company has hit a wall within the past decade and has been experiencing slower growth and low profitability.

Decision Problems

- Identify what the company needs to change in order to cater to the needs of the ever-changing consumer market through market research in order to determine which potential segment within the fast-food industry is more profitable.
- Our decision problem is how do we restore growth and profitability.

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Back Yard Burgers is a fast-food restaurant chain that has locations in both Southern and Mid-Western US states. The company is well known and considered a popular chain but within the past decade, has been experiencing slower growth and low profitability. The issue here is identifying what changes the company needs to cater to the ever-changing consumer market. In addressing this challenge, the company decided to segment the consumers within the fast-food market to better help identify if any of them would be more profitable. In terms of the specific decision that Back Yard Burgers needs to make to restore growth and profitability, is how to choose the most popular segment and properly position their company to appeal to the target segment.

RESEARCH OBJECTIVES

- Conduct Market Quantitate Research on Consumer State of Being, Mind, Behaviour & Intention Within the population of Fast-Food consumers.

- Determine Target Segment using key Insights from Future Intentions of participants.

- Analyze Research Result Through Segmentation of the market (generalized from sample of participants).
- Encompass research in order to Analyze/Recommend potential areas for brand positioning.

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RESEARCH
METHODOLOGY

- Descriptive Research – Quantitative & Qualitative

- Questionnaire: One-On-One (Telephone) Survey

- Length: 10 minutes

- Sampling: Random sample, aged of 18 or older, fast-food consumers

516
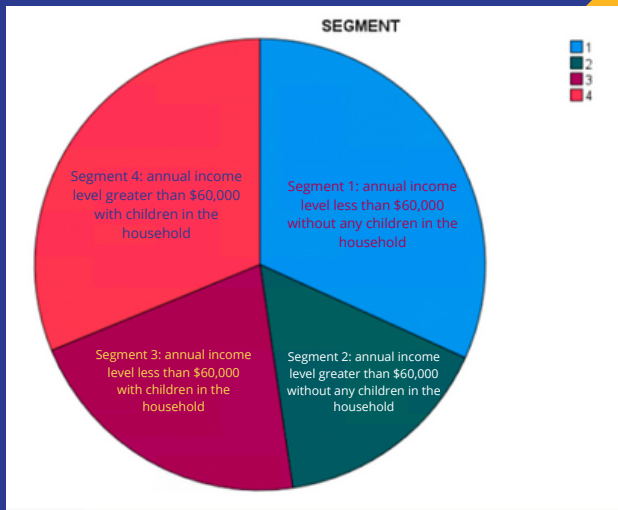Participants
N= (no of observations)

17
No. Of Questions

4
No. of Metrics (intention, state, behaviour, mind)

6

MARKET SEGMENT BY INCOME AND NUMBER OF CHILDREN

SEGMENTATION
& TESTING FOR DIFFERENCES

	Low Income (less than $60,000/yr)	High Income (more than $60,000/yr)
No children	1 31.8%	3 21.1%
Children	2 15.9%	4 31.2%

- Top two categories are segment 1 with 31.8% and segment 4 with 31.2%

- Smallest segment being segment 2 with 15.9%

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Q12. How many children aged 18 or younger currently reside in your home? (All respondents n= 516)
Q13. Which of the following categories best describes your household's total annual income, before taxes, for last year? (All respondents n= 516)

Look at the descriptive statistics over our fast food consumers and which segment is the most popular within the population.

After analyzing our 4 segments, we have discovered that our largest segment is segment 1 with 31.8%, and the second segment is 4 with 31.2%. With the lowest segment, segment 2 with 15.9% .

WHY WE CHOSE SEGMENT 4

Visits per Month
F-SCORE = 4.191
Sig = .006

Dollars Spent per Visit
F-SCORE = 28.768
Sig = <.001

Group Statistics

|	SEGMENT	N	Mean	Std. Deviation	Std. Error Mean
Dollars Spent per Visit	4	161	4.47	1.617	.127
	1	164	2.99	1.304	.102

- Although segment 1 is the highest frequency, the amount of money they spend is the least $5.98 per visit
- Segment 4 is the second highest frequency and the highest spending group in terms of mean $9.93 per visit

Q4.On the last visit to a fast-food restaurant, how much did you spend on food and/or beverages?(All respondents n= 516

After seeing that are two most attractive segments were one and two, we used an ANOVA test to see if previous visits (Question 3) and dollars spent per visit (Question 4) have an impact on the segments. The results indicated that the F- score for visits per month is relatively small (4.191) compared to dollars spent per visit. (28.768). Due to visits per month having less of an impact between our segments, we decided to measure based off dollars per visit.

We then checked the difference in the means level of the spending in order to determine which of the two segments is more attractive. We found that although segment 1 is the highest frequency, the amount of money they spend is the least at $5.98 per visit. While segment 4 with the second least highest frequency was found to be the highest spending group in terms of mean at $9.93 per visit

SEGMENT 4 HAS HIGHEST MEAN DOLLARS SPENT PER VISIT
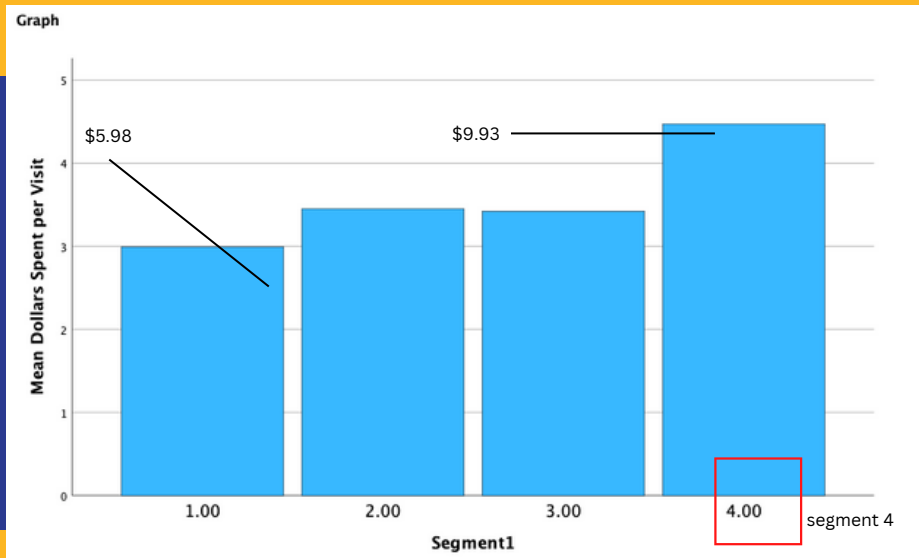
FAVOURITE FAST- FOOD RESTAURANTS

F SCORE = 3.548

We asked respondents to select their favourite fast-food restaurant. To determine whether the importance of question 2 was influencing our segment 4, we used an ANOVA test to compare the means of dollars spent per visit (Q4) and favourite fast-food restaurant (Q2)

The results indicated that Back Yard's customers choices are not influenced by their favourite fast-food restaurants

Q2: Which of the following is your favourite fast-food restaurant? (All respondents n= 516)

FUTURE INTENTION TO SPEND BASED ON ATTRIBUTE IMPORTANCE

R-SQUARED SCORE = 0.205   F-SCORE = 2.659

DEPENDENT VARIABLE = FUTURE INTENTION TO SPEND

Independent Variable = Informative advertising (beta = 0.317), p = 0.003

- Has the highest, positive beta score to be consider as the most important attribute for what is in a restaurant.
- Targeted Customer segment would consider informative advertising as an important feature associated with a brand when choosing which restaurants to choose from.

Independent Variable = Large portion sizes (beta = -0.478), p < = 0.001

- Correlation between large portion sizes and high-income customers with children.
- Target customer segment would prefer smaller portion sizes more importantly than larger portions.

Independent Variable = Restaurant cleanliness (beta = -0.296), p = 0.002

- Correlation between restaurant cleanliness and high-income customers with children.
- Target customer segment does not consider restaurant cleanliness as a most important attribute to a fastfood restaurant.

Q5: Rate the importance of the following features when choosing a fast-food restaurant. (All respondents n=516)

To find out what features of a restaurant high income customers with children will consider the most important, we conducted an analysis on association of importance of features in a restaurant that is connected with future intention in spending at their favourite fast food restaurant through the linear regression model. We found the sum of squares in the linear regression was 70.524 which means for the linear relationship between high-income customers with children and importance of attributes, there is less significant fit of the regression model as the value was not high enough compared to other sum of squares data from other segments. In addition, the R squared value for high income customers with children being 0.205. In addition to the failure of the R squared value, we also find that the probability would be 2 out of 1000 out of chance together with the F statistic (2.659) will be below the a 95% confidence interval. The reason why there were these unexpected findings is in the coefficients table (See Appendix B) with the coefficients such as informative advertising (b_{11} = 0.317, t = 3.068, p = 0.003) and cleanliness of the restaurant (b_{12} = -0.296, t = -3.227, p = 0.002) are not confident results except large portion sizes (b_{14} = -0.478, t = -4.278, p < = 0.001). Nonetheless, this analysis shows which features are considered the most important which will help in determining which features Back Yard Burgers emphasize to customers and we understand that high-income customers with children to be the most profitable customer segment without the inverse correlations of several attributes.

Independent Variable = Conveniently located (beta = 1.137), p < = 0.001

- Has the highest, positive beta score to be consider as the most important feature for brand image.
- Customer would consider conveniently located as an important feature associated with a brand image.

Independent Variable = Friendly employees-staff (beta = 1.082), p < = 0.001

- Positive correlation between friendly employees-staff and high-income customers with children.
- Target customer segment would prefer friendly employees to be part of a brand and its image.

Independent Variable = Trendy (beta = -4.572), p = 0.002

- Correlation between trendy and high-income customers with children.
- Target customer segment would consider old-fashioned to be a featured part of a brand and its image, than trendy features in favourite restaurant.

Q6: Rate your favourite fast-food restaurant on the following features by circling the number that best represents how you feel. (All respondents n=516)

We next looked into the high-income customers' perception on fast food restaurants and its brand image. This allows Back Yard Burgers to implement any changes to their brand aligned with their customer's behaviours. We find that the sum of squares in the linear regression was 43.893 which means for the linear relationship between high-income customers with children, there is less significant fit of the regression model as the value was not high enough compared to other sum of squares data from other segments. Also, the R squared value from this question is 0.128 which failed to be above 50% with the probability being 3 in 1000 out of chance together with the F statistic (3.162) will be below the 95% confidence interval. What has led to these results would come from the coefficients table of linear regression (See Appendix C). There is significant importance in conveniently located (b = 1.137, t = 4.108, p < = 0.001) and friendly employees-staff (b = 0.225, t = 3.708, p <= 0.001) as they were the two coefficients to have high correlation with the high-income customers with children and the sigma being shown as less than 0.001 indicates a high level of confidence the majority of the coefficients which would mean these coefficients are significantly related towards future spending. Also, there is one notable feature, trendy (b = -4.572, t = -3.231, p = 0.002), that has an inverse effect on future spending for high-income customers. This analysis shows what companies need to look for in their customer's behaviours to provide their needs.

FUTURE INTENTION TO SPEND BASED ON VALUES/LIFESTYLES

R-SQUARE SCORE = 51.4%   F SCORE = 16.382

DEPENDENT VARIABLE: FUTURE INTENTION TO SPEND

INDEPENDENT VARIABLE

TRY ANYTHING ONCE

beta= .633 p = <.001
- beta score is the highest of the groups making it the best motivator
- consumers are more motivated to try anything once

INDEPENDENT VARIABLE

OLD-FASHIONED TASTES AND HABITS

beta = .468 p = <.001
- positive beta score but not as high
- positive correlation between consumer and future spending

INDEPENDENT VARIABLE

NATIONALLY ADVERTISED BRANDS ARE USUALLY BETTER THAN GENERICS

beta = -.473 p = <.001
- negative beta score results in a negative correlation
- reaction where generic brands are usually seen as better

Q9: Please indicate the extent to which you personally disagree or agree with each statement by circling the number that best represents how you feel (All respondents n = 516)

In order to better motivate our target segment (high income households with children) we tested the association between future spending and question 9 regarding the consumer's futures, values and opinions. In analyzing the responses, the R-square score was above 50% at 0.510 and with the probability being less than 1 in a 1000, meaning that there is a low probability that the f score (10.697) has occurred by chance and our results are more accurate. The F score is is 16.382 would occur by chance alone about 1 in 1,000 times, well below the α < .05 threshold that corresponds to 95% confidence. Therefore, some, or all, of the independ variables are related to Future Intention to Spend.

Looking at the relationships between the coefficients, we can see that there is a positive correlation between "try anything once" and future spending (b14 = .633, t = 9.238, p <.001). The standardized regression coefficient for "try anything once" has the most powerful effect on future spending while "old-fashioned tastes and habits" (b8 = .468, t = 4.283, p = <.001) is much less so. This result shows that in order to best motivate our target segment, we should be implementing advertising that follows along the "try anything once" notion. Meanwhile, because of our results, we should also be avoiding advertising that our brand is better than generics as the category "nationally advertised brands are usually better than generics" had a negative correlation (b7 = -.473, t = -5.471, p = <0.001). This is because our segment had an inverse reaction to this category and would negatively affect their intention to spend money at our restaurant. Therefore generic brands are usually seen as better than nationally advertised brands; our target segment does not care as much about brand names.

TELEVISION VIEWING HABITS
& PAST VISITS TO FF RESTAURANTS

- Low R value (.425a) as a measure of goodness of fit and accounts for low % of variation in No. of past visits.

- Can still help us find key insights as it is in line with the unpredictability of consumer behaviour (<.50). The R value.

- Segment 4 yields a unstandardized beta of .044 (.613 standardized Beta).

- High significance level with >.0001 (99% confidence), signifies that the result happens 1 time out of 1000 out of chance).

- Results are real and meaningful as well as significant as Cable viewing has a much lower b of .024 and influences consumers past visits less.

r value Coefficient of Determination — **42.5%**

Confidence Invterval — **99%**

Q10: Roughly what percentage of your weekly television viewing time is devoted to traditional TV networks such as CBC, CTV, Global, ABC, CBS, NBC and Fox? (All respondents n= 516)
Q11: Roughly what percentage of your weekly television viewing time is devoted to cable TV networks such as CNN, MSNBC, ESPN and HBO? (All respondents n= 516)

Q10 and 11 were analyzed using Linear regression with the intention of measuring Segment 4's (high income with kids) purchasing intentions, specifically how % of time watching network & cable television (IV) have influenced their past visits to FF restaurants (Q3) (DV) in order to better understand potential positioning opportunities in regards to TV advertising.

LR yielded a Low R (.425a) which could signify a low significance between the variables as a measure of goodness of fit (would be scattered plots through line) but can still help us find key insights as it is in line with the unpredictability of consumer behaviour (<.50). The R value accounts for low % of variation in No. of past visits.

% of weekly Network viewing time of segment 4 yields a Unstandardized b of .044 (.613 standardized Beta) and a high significance level with >.0001 (99% confidence) and signifies that the result happens 1 time out of 1000 out of probability) this result can be real and meaningful as well as significant as Cable viewing has a much lower b of .024 and influences consumers past visits less. The T-Score of % of network viewing is 5.7.

RECOMMENDATIONS FOR BACK YARD BURGERS FOR TARGETING HIGH-INCOME CUSTOMERS WITH CHILDREN

POTENTIAL POSITIONING

- Conveniently located and friendly staff features to be considered when adapting to customer's needs.

- Avoid trendy product/service features.

- Place less emphasis on large portion sizes & restaurant cleanliness for Back Yard Burgers.

- Consider implementing informative advertising campaign along the "try anything once" notion.

- Avoiding advertising that our brand is better than generics.

The media consumption habits of potential target segments can be avenues for future advertising streams.

- Recommended focus on Network TV advertising in order to increase visits to restaurants.

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Avoiding large portion sizes and reduce focus on the attribute of restaurant cleanliness for Back Yard Burgers: Inverse correlation with high spending with customers probably not buy meals in large portions at a restaurant and does not consider cleaning to be the most important attribute. Consider informative advertising to be associated with their brand: It would be the closest to not be a feature from customers that is only known by chance and it is very important to high-income customers with children. Conveniently located and friendly staff features to be considered when adapting to customer's needs: They are considered important and has a low probability that these features would happen by chance. Avoid trendy features in the restaurant itself: It has no significant importance and relation to high-income customers due to an inverse correlation found in relation with future spending. Implementing advertising that follows along the "try anything once" notion.

Avoiding advertising that our brand is better than generics: The category "nationally advertised brands are usually better than generics" had a negative correlation. Traditional TV networks should be the main advertisement channel to advertise Back Yard burgers instead of cable TV networks. Potential Positioning BYB can be informed by how the targeted segment behaves in their everyday lives. The media consumption habits of potential target segments can be avenues for future advertising streams. Reasoning for focus on segment 4 can be further justified with independent t- tests where mean % watching both watching network television is higher among segment 4 than segment 3. Even though there is a slightly higher mean for cable television, network television would impact Visit's to restaurant more.

APPENDICES

APPENDIX A : Anova table test comparing dollars spent per visit and favourite fast-food restaurants

APPENDIX B & C : Coefficients Tables for Attribute Importance and Brand Image

APPENDIX D: TV Viewing Habits Linear Regression

APPENDIX E: Independent T-Test Segment 3 & 4 Mean % Cable TV Viewership

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APPENDIX A

ANOVA - TESTING DIFFERENCE BETWEEN DOLLARS SPENT PER VISIT AND FAVORITE FAST-FOOD RESTAURANT EYE GUIDE

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Dollars Spent per Visit	Between Groups	187.779	3	62.593	28.768	<.001
	Within Groups	1114.010	512	2.176		
	Total	1301.789	515			
Favorite FF Restaurant	Between Groups	17.763	3	5.921	3.548	.014
	Within Groups	854.537	512	1.669		
	Total	872.300	515			

Q2: .WHICH OF THE FOLLOWING IS YOUR FAVOURITE FAST-FOOD RESTAURANT? (ALL RESPONDENTS N= 516)

APPENDIX B:

COEFFICIENTS TABLES FOR ATTRIBUTE IMPORTANCE

Coefficients[a,b]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	7.257	1.028		7.063	<.001
	Convenient Location	.225	.144	.161	1.559	.121
	Healthy-Nutritious Food	-.181	.126	-.162	-1.441	.152
	Value for Money	-.244	.103	-.247	-2.374	.019
	Coupons or Promotional Specials	-.023	.090	-.026	-.258	.797
	Menu Variety	-.039	.119	-.030	-.329	.742
	Quality Ingredients	-.057	.132	-.039	-.434	.665
	Correct Order Taking	.243	.092	.252	2.645	.009
	Friendly Employees	.110	.119	.097	.926	.356
	Prices	-.109	.107	-.094	-1.021	.309
	Convenient Hours	-.075	.093	-.072	-.805	.422
	Informative Advertising	.317	.103	.278	3.068	.003
	Restaurant Cleanliness	-.296	.092	-.354	-3.227	.002
	Quality of Food	.093	.101	.090	.920	.359
	Large Portion Sizes	-.478	.112	-.441	-4.278	<.001

a. Dependent Variable: Future Intention to Spend at Favourite FF Restaurant

b. Selecting only cases for which segment1 = 4.00

Q5: RATE THE IMPORTANCE OF THE FOLLOWING FEATURES WHEN CHOOSING A FAST-FOOD RESTAURANT. (ALL RESPONDENTS N=516)

APPENDIX C:

COEFFICIENTS TABLES FOR BRAND IMAGE

Coefficients[a,b]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	4.068	.811		5.017	<.001
	Friendly Employees-Staff	1.082	.292	.748	3.708	<.001
	Menu Variety	.740	.271	.487	2.727	.007
	Speed of Service	.580	.220	.538	2.632	.009
	Conveniently Located	1.137	.277	.673	4.108	<.001
	Quality of Food	.667	.339	.444	1.967	.051
	Portion Sizes	.701	.273	.469	2.568	.011
	Trendy	-4.572	1.415	-2.238	-3.231	.002

a. Dependent Variable: Future Intention to Spend at Favourite FF Restaurant

b. Selecting only cases for which segment1 = 4.00

Q6: RATE YOUR FAVOURITE FAST-FOOD RESTAURANT ON THE FOLLOWING FEATURES BY CIRCLING THE NUMBER THAT BEST REPRESENTS HOW YOU FEEL. (ALL RESPONDENTS N=516)

Model Summary

Model	R Segment1 = 4.00 (Selected)	R Square	Adjusted R Square	Std. Error of the Estimate
1	.425[a]	.181	.170	1.763

a. Predictors: (Constant), % of Weekly Cable Viewing Time, % of Weekly Network Viewing Time

Coefficients[a,b]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.275	.653		1.952	.053
	% of Weekly Network Viewing Time	.044	.008	.613	5.794	<.001
	% of Weekly Cable Viewing Time	.024	.007	.368	3.478	<.001

a. Dependent Variable: Visits per Month

b. Selecting only cases for which Segment1 = 4.00

Potential Positioning BYB can be informed by how the targeted segment behaves in their everyday lives. The Media consumption habits of potential target segments can be avenues for future advertising streams.

T-Test

Group Statistics

	Segment1	N	Mean	Std. Deviation	Std. Error Mean
% of Weekly Cable Viewing Time	3.00	109	43.58	27.166	2.602
	4.00	161	50.06	29.208	2.302
% of Weekly Network Viewing Time	3.00	109	36.97	22.464	2.152
	4.00	161	43.66	26.732	2.107

Reasoning for focus on segment 4 Can be further justified with independent t- tests where mean % watching both watching network television is higher among segment 4 than segment 3. Even though there is a slightly higher mean for cable television, network television would impact Visit's to restaurant more.