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MKT 404, Consumer Behavior

### **Biggby Evaluation**

To better understand the marketplace, research was conducted to determine where Biggby stands as a company, and how the brand is perceived compared to its competitors when it came to coffee. In addition to the main competitor, Starbucks, potential competitors reviewed in research included: Dunkin Donuts, Panera, and Tim Hortons.

Questions were asked in a two part survey with five local coffee consumers. Each participant was issued a single question survey asking to rate the importance of five coffee attributes on a 1-10 rating scale, with 10 being highest/best. The attributes used were flavor options, coffee quality, customer service, price/sensitivity (does cost matter?), and status. After the initial survey was conducted, participants were given additional questions. Participants were asked how they viewed each attribute at each coffee retailer, reasons behind their purchase, how often they purchase coffee, if they reorder the same beverage or mix up their routine, if promotions influence their decision making, familiarity with Biggby and Starbucks, their likelihood to recommend Biggby and Starbucks, and what comes to mind when thinking about Biggby and Starbucks. Along with the previous questions, the consumers were asked to rank their preferred way to obtain coffee and their usual way to obtain their caffeine fix. Participants ranked the following options by favorability and actuality: Starbucks, Biggby, Panera, home, Tim Hortons, Dunkin Donuts, local café, restaurant, McDonalds, gas Station, other.

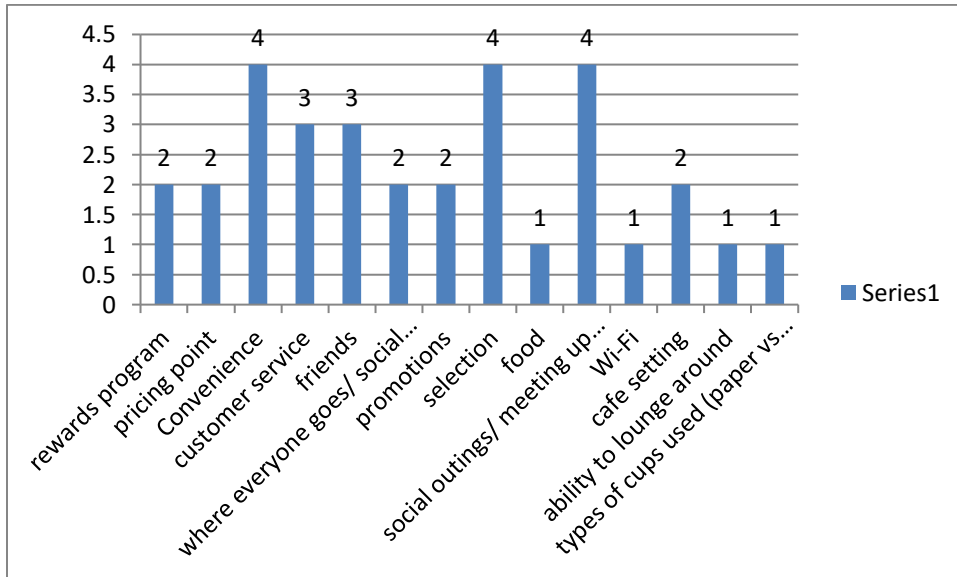
Results from the limited sample suggested that Starbucks really is the chief competitor, but it also suggested that Biggby actually met more of the consumers' standards than Starbucks did. Below illustrates the results on how people perceive each attribute and brand.

<b><u>In General</u></b>	
<b>Attribute</b>	<b>Average Importance</b>
flavor options	8.20
coffee quality	8.40
customer service	5.80
Price/ sensitivity: does cost matter?	6.20
status	3.00

<b>Attribute</b>	<b><u>Average Brand Evaluation</u></b>				
	<b>Biggby</b>	<b>Starbucks</b>	<b>Dunken Donuts</b>	<b>Panera</b>	<b>Tim Hortons</b>
flavor options	9.6	10	5.2	5	6.4
coffee quality	8.2	8.8	5.2	5.8	6.8
customer service	8.6	9.8	5.6	6.8	6
Price/ sensitivity: is it a reasonable price?	2.2	1.8	6.2	4.4	5.4
status	9	9.8	4	5.8	6.4
<b>Average</b>	<b>7.52</b>	<b>8.04</b>	<b>5.24</b>	<b>5.56</b>	<b>6.2</b>

<b>Attribute</b>	<b><u>Average Brand Evaluation x Importance</u></b>				
	<b>Biggby</b>	<b>Starbucks</b>	<b>Dunken Donuts</b>	<b>Panera</b>	<b>Tim Hortons</b>
flavor options	78.72	82	42.64	41	52.48
coffee quality	68.88	73.92	43.68	48.72	57.12
customer service	49.88	56.84	32.48	39.44	34.8
price/ sensitivity: does cost matter?	13.64	11.16	38.44	27.28	33.48
status	27	0	36	56.84	25.6
<b>Overall Total</b>	<b>238.12</b>	<b>223.92</b>	<b>193.24</b>	<b>213.28</b>	<b>203.48</b>

Participants were given a list of incentives they found relevant. Results for their ideal incentives are shown below.



Results from the limited sample suggested that Starbucks really is the chief competitor, but it also suggested that Biggby actually met more of the consumers' standards than Starbucks did. Attributes that consumers deemed most relevant were flavor options and coffee quality, but the three main incentives behind consumer's retail selection were convenience, flavor selection, and social setting. Biggby met the demand for flavor options and was close to coffee quality standards, but has room for improvement. Suggestions for Biggby would be to open more convenient locations with a comfortable lounge area for consumers. Location possibilities for this include popular shopping plazas, mall locations, and around school campuses. In conclusion, Biggby is perceived well but is not actively preferred because it lacks the space and convenience.