

## Brand awareness of 'generation y' customers towards doughnut retail outlets in India

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### Key Words

Recall, Generation Y, Social Media, Customer Traffic

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### Abstract

*The Research is all about knowing the customers acquiring top of mind recall about doughnut retail outlets in Bangalore city, India through various methods. Once the brand is established in the minds of the consumers, it occupies a unique position and special meaning and value is generated. Brand awareness is the consumer's conscious or unconscious decision, expressed through intention or behavior, to repurchase a brand continually. In order to create brand loyalty, advertisers must break consumer habits, help them to acquire new habits and reinforce those habits by reminding consumers of their purchase and encourage them to continue purchasing those products in the future. 'Generation Y' refers to customers millennial, the generation of people born during the 1980s and early 2000s. 'Generation Y' consumer's access social media on daily basis but they often ignore advertisements that are targeted to them. The previous research works on 'Generation Y' customers emphasize that marketers must focus on social media marketing to draw the attention of these customers. Determining the brand awareness of 'Generation Y' customers was considered, in order to know the present level of awareness about the doughnut brands, increase the customer traffic and sales as 'Generation Y' customers are the target customers for doughnut retail outlets.*

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### 1.0. Introduction to the study

Doughnuts are the trendy food products which came to India in 2000's. The major players are Krispy Kreme, Dunkin doughnuts, Starbucks, Donut bakers, Mad Over Donuts etc. The research is conducted to know about the brand consciousness among 'Generation Y' customers about doughnuts and doughnut retail outlets. The survey is conducted in the doughnut retail outlets in the Forum Value Mall and the Inorbit Mall, Whitefield area, Bangalore City. Whitefield is a cosmopolitan area where IT companies and colleges are located in and around a radius of 10 Km. A Structured questionnaire was administered to the customers who visited the mall and 150 customers were surveyed. Survey was conducted by the researcher in the evening time in week days and weekends. Data analysis was done to find out the level of brand awareness towards doughnut retail outlets among 'Generation Y' customers.

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## 2.0. Need for the study

Brand awareness is an important factor to draw customers to any retail entity. 'Generation Y' customers are the target customers of doughnut retail outlets. In the present study, the researcher attempts to determine the brand awareness of doughnut retail outlets in order to identify the areas of improvement for enhancing the brand awareness as many of the target customers are unaware of doughnuts and doughnut retail outlets in the city.

## 2.1. Scope of the study

The investigation is done for doughnut retail outlets. The results obtained can be used not only by doughnut retailers but also any similar player in food retailing. The doughnut retail outlets can make use of the findings and devise strategies to improve the brand awareness among the target segments. Apart from Generation Y customers, the study can also be extended to customers of other age groups and appropriate strategies can be formulated to target an additional segment. Research can be extended to other metro cities in India.

## 2.2. Review of Literature:

(Vasudevan, Senthilkumar, & Sasikumar, 2013) highlighted that promotion forms the most important component of retail marketing mix. (Drake-Bridges and Burgess, 2010; Racolta-Paina and Luca, 2010; Noble et al., 2009; Smith, 2012) highlighted that 'Generation Y' is a completely unique and highly influential consumer group whose behavior is often discussed by the researchers and marketers but not fully understood. (Lester et al., 2005) emphasised that 'Generation Y' customers are heavily influenced by technology and the internet, this consumer cohort has evolved very differently from previous generations making it a challenging group to target. (Yoganandan, Saravanan, & Ruby, 2013) highlighted that the success or failure of a business is determined by the consumers' perception. The ability to attract and retain consumers is important to the success of online businesses.

They found seven factors namely Information, Company and product perception, Safety, Purchase intension, Easiness, Value and Assurance influences the behaviour of the customers towards online shopping. (Yoganandan, Saravanan, & Ruby, A study on households' consumption pattern of Aavin milk in Erode district, 2013) examined the household's consumption pattern of Aavin milk in Erode district. Majority of consumers have been purchasing and consuming Aavin milk for more than 10 years. It shows that they are brand loyalist. This group of consumers should be recognized in the form of "membership schemes", gifts etc., because of this positive word-of-mouth can be enhanced. (Kumar, Swaminathan, & Srinivasan, 2005) Kumar, V. and Swaminathan, Srinivasan (2005) 'analyzed the influence of coupons on brand sale. The researchers understood that the effect of doubling the face value of coupon result in more than a proportionate increase in promotional elasticity. (Yoganandan & Prabhukumar, Consumer buying behaviour towards books in Erode city, 2015) identified that most of the respondents bought books during book festivals. The study suggested that book exhibitions can be conducted twice or thrice in a year which will improve the awareness about the reading habit among the people and make them to purchase more books. (Malik, 2013) illustrated that, to identify the brand awareness and brand loyalty, questionnaire was designed and circulated to the customers. With descriptive data and analysis, it was revealed that awareness about a particular brand creates the positive response that leads to purchase intention motive.

Rossiter (2014), in his article explains 3 types of brand awareness namely, a. brand recognition, b. brand name recall and c. brand recall-boosted recognition. He emphasised new levels of brand attitude as follows, unaware, reject, accept, most preferable brand and preferred brand. (Schmitt & Geus, 2006) highlighted that the main motive of his paper is to develop inclusive model that combines brand knowledge and relationship brand perspective and to show how relationship and knowledge affect current and future trends in purchase. (Percy&Rossiter,1987), describes how

brand awareness is being most essential for communication. It is the foremost step in the process, without brand awareness, no other communication effects can occur. Consumers must be aware about a particular brand, otherwise brand attitude might not be possible and their intention of buying may vary unless brand awareness is created. (Hoyer & Brown, 1990), the researcher conveys that brand awareness is optimal for any common business. This leads to repeat purchase of products.

## **2.3 Research Methodology:**

### **2.3.1 Sampling:**

Stratified random sampling technique is used while conducting the survey. The population is divided into homogeneous groups based on age group and random sample is drawn from stratum. The 'Generation Y' customers were divided based on the age group. Respondents in the age group of 20 years and above are classified as one stratum, teenagers as other stratum. Efforts were made to collect samples equally from both of the strata.

### **2.3.2 Sample Size:**

The sample size of this survey was **150**. There are three doughnut retail outlets in the study area, two outlets in the Forum value mall and one in the Inorbit mall in Whitefield area of Bangalore city.

### **2.3.3. Tools for Analysis:**

Percentage Analysis, Chi-Square Analysis, Weighted Average Analysis

## **2.4 Data Analysis & Interpretation:**

### **2.4.1 Percentage Analysis:**

The following are the opinion of the respondent's towards awareness provided by different factors.

- 75% of the respondents opined that word of mouth provides very high awareness about doughnut retail outlets, 24% opined that word of mouth provides high awareness.
- 13% of the respondents feel that advertisements of doughnut retailers provided high awareness, 56% of the respondents feel that advertisements creates low awareness and 10% of the respondents opined that the awareness created by advertisements about doughnut brands and retail outlets is very low.
- 64% of the respondents feel that social media provides very high awareness, 29% opined it provides high awareness about doughnut retail outlets.
- 52% of the respondents' opinion is websites of doughnut retailers provides very high awareness, 35% opined it provides high awareness, 2% opined it provides low awareness.
- 79% of the respondents expressed that employees of the store provide very high awareness about doughnuts, 14% opined that employees provide high awareness, 2% opined that employees provide low awareness about doughnuts.
- 91% of the respondents feel that self-visit provides very high awareness and 9% opined it provides high awareness.

### **2.4.2 Chi-Square Analysis:**

- Relationship between age group and customer preference towards products was examined. At 5% significance level, calculated value (8.7529) is less than the table value (16.92), so null hypothesis is accepted. Hence there is no significant relationship between age group and customer preference of products offered by doughnut retail outlets. The customers were divided into two strata as mentioned before and the hypothesis testing revealed that there is no relationship between age group and customer preference.
- Relationship between gender and customer discussing about doughnut retail outlets was analyzed. At 5% significance level, calculated value (1.2216) is less than the table value (9.49), so null hypothesis is accepted. Hence there is no significant relationship between gender and

the customers discussing about doughnuts with their friends. Irrespective of gender, majority of the customers discusses frequently about doughnut outlets.

- Relationship between occupation of the respondents and brand awareness of doughnut retail outlets was checked. At 5% significance level, calculated value (5.175) is less than the table value (26.30), so null hypothesis is accepted. Hence there is no significant relationship between occupation and the awareness towards doughnut retail outlets.

### 2.4.3 Weighted Average Analysis

**Table 2.4.3**

**Table representing ranking of the factors based on their degree of influence on respondents' purchase at doughnut retail outlets**

S.No	Particulars	Weighted score	Weighted average	Rank
1.	Taste	1092	7.28	I
2.	Variety	953	6.35	III
3.	Quality	1039	6.93	II
4.	Price	786	5.24	IV
5.	Service offered	447	2.98	VI
6.	Offers and	482	3.21	V
7.	Advertisements	264	1.76	VIII
8.	Store environment	429	2.86	VII

#### **Interpretation:**

The factors influencing customer purchase at doughnut retail outlets are ranked based on the weighted average scores. Taste (7.28) is ranked I, quality (6.93) is ranked II, variety (6.35) is ranked as III, price (5.24) is ranked IV, offers and discounts (3.21) is ranked as V, service offered is ranked as VI (2.98), store environment (2.86) is ranked as VII and advertisements (1.76) are ranked as VIII.

### 3.0 Findings

- 58% of the respondents are male and 42% of the respondents are females. Efforts were made by the researcher to choose respondents equally from both the genders but the walk-ins of male customers were more than the female customers.
- 68% of respondents are students
- It was inferred that majority of the respondents' (47%) monthly income level of the family ranges between Rs. 21000-25000.
- Most of the respondents (85%) prefer doughnut than any other products offered in the store.
- Only 51% of respondents are familiar with the other brands of doughnut retail outlets. Few customers came to know about doughnuts only after visiting the store.
- 55% of the respondents disagree that they could remember the recent advertisements of doughnut retail outlets.
- 96% of the respondents strongly agree that they could get good number of reviews about doughnut retail outlets in the social media.
- 52% of the respondents strongly agree that websites provide all the required information to the customers.
- 53% of the respondents agree that the store environment is appealing and creates positive brand image.
- 62% of the respondents feel that store space can be enhanced for better socialization and interaction among fellow customers and vendors.
- 75% of the respondents strongly agree that they frequently discuss about doughnut retail outlets with their friends.

- 63% of the respondents strongly agree that store employees provide complete information about all the products available in doughnut retail outlets.
- 58% of the respondents strongly agree that they refer the doughnut retail outlets to friends for the offers and gift coupons they provide.
- Chi-square analysis examined the relationship of the demographic variables such as gender, age and occupation with different dependent variables like customer preference of products, customers discussing about doughnuts with their friends, brand awareness respectively. The findings revealed that there are no significant relationships between the dependent and independent variables chosen.
- Weighted average analysis indicates that taste is the most influencing factor, followed by quality and variety (flavours) that influences the purchase decisions of the customers. Advertisements of doughnut retail outlets are the least influencing factors. This indicates that advertisements are not effectively provided by the doughnut retail outlets.

#### 4.0. Suggestions

- The target customers are majorly students, so advertisement or promotional campaigns targeting colleges and pre university colleges can be designed and implemented.
- Social marketing is the best tool to reach the 'Generation Y' customers. Digital Marketing campaigns especially through social media like facebook can be meticulously planned and implemented to attract the target segment.
- Websites of doughnut retail outlets must be improved and communicated to enhance the brand awareness. Offline promotions about websites can also be concentrated. Online sales and door delivery can be enhanced.
- Store environment must be improved by providing proper space with effective signage boards.
- Doughnut retail outlets can also concentrate on creating awareness about other complementary products like coffee, cold drinks offered by them which may bring in new customers who are unaware of doughnuts.
- Offers and coupons can attract customers towards the brand and consistently ensures positive word of mouth and store traffic. Doughnut retailers can design attractive strategies to enhance the same.
- Celebrity endorsements can be considered by the marketers as 'Generation Y' customers are highly influenced by the same. They are inclined to make decisions based on the endorsements made by the celebrities they like.

#### 5.0. Conclusion:

The major target customers for doughnut retail outlets are found to be youth population and hence the research is restricted to 'Generation Y' customers. A structured questionnaire was administered to 150 customers and the data analysis was done, findings were listed. The research has few limitations like it is focused on the doughnut retail outlets in Whitefield area of the Bangalore city only. The survey was conducted in the evening time as the customer traffic was found to be more during evening time. Findings of the study revealed that the respondents are not having awareness about the doughnut retail outlets in Bangalore city. It is suggested that the marketers must improve their promotional activities like advertisements; social media marketing; in-store promotions etc. The store environment and space must be enhanced to have a greater appeal and to build a long-term affinity with the customers. Significant efforts must be taken by the marketers to focus the target segment with right strategies to enhance the brand awareness.

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