

The case study of dunkin donuts marketing essay



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For more than 50 years, Dunkin Donuts has offered customers throughout the United States and around the world, a consistent experience – the same donuts, the same coffee, the same store décor – each time a customer drops in. Although the chain now offers iced coffee, breakfast sandwiches, smoothies, gourmet cookies and Dunkin Dawgs in addition to the old standbys, devoted customers argue that it's the coffee that sets Dunkin Donuts apart. To keep customers coming back, the chain still relies on the receipt that founder Bill Rosenberg crafted 50 years ago.

The company is so concerned about offering a consistent, high quality cup of coffee that managers in Dunkin Donuts “ Tree-to-Cup” program monitor the progress of its coffee beans from the farm to the restaurant. The result? Dunkin Donuts sells more cups of coffee than any other retailer in the United States – 30 cups a second, nearly one billion cups each year. Building on the success the company plans to more than triple its current number of stores, amassing 15, 000 franchises by the year 2015.

Q1. How does Dunkin Donuts build long-term customer relationship?

Ans. Dunkin' Donuts has been operating as a chain of restaurant for nearly fifty years. Dunkin Donuts was able to build long term customers relationship by sticking to their original values crafted 50 years ago by the founder Bill Rosenberg. They have stuck to their values by providing the consumer with a great customer service experience with ease of access and affordability. Dunkin' Donuts puts quality control first by doing this; they are able to provide a consistent cup of coffee at any location. Through the years Dunkin' Donuts have expanded nationally and globally. Dunkin' Donuts also has

added new flavors of coffee. Dunkin' Donuts was able to adapt to the new generation of coffee consumers but have kept it simple while doing so. Although the chain now offers iced coffee, breakfast sandwiches, smoothies, gourmet cookies and Dunkin Dawgs. They have continued to give the customer the value that they were looking for.

Q2. What is Dunkin' Donuts' value proposition?

Ans. Dunkin' Donuts value proposition promise to offer fresh food, fast and to offer more choices, served quickly in a quality way. That means lots of innovative new products such as iced coffee, breakfast sandwiches, smoothies, gourmet cookies and Dunkin Dawgs, served fresher and faster than ever before. Dunkin's customers include blue- and white-collar workers across all age, race, and income demographics.

Q3. How is Dunkin Donuts growing its share of customers?

Ans. Dunkin' Donuts is growing its share of customers by adapting. They do blind test and also listen to customer inputs when developing new products. Dunkin' Donuts also has made new drinks and offers a variety of sandwiches other than just donuts and coffee. The chain has added iced coffee, breakfast sandwiches, smoothies, gourmet cookies, and Dunkin' Dawgs to its standard line up of breakfast foods and coffee. The launching of new products is conducted with the brand strategy in mind. Products are launched only if they are of high quality, simple, and for the " every man."

Case Study 2: [https://encrypted-tbn1.gstatic.com/images?q=tbn:](https://encrypted-tbn1.gstatic.com/images?q=tbn:ANd9GcQAEvusZqy5tcUzpm0ramWkY77TZNAAt1_ionkWfi1uVmeKkoqMeoA)

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Harley Davidson

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Few Brands engender such intense loyalty as that found in the hearts of Harley Davidson owners. Why? Because the company's marketers spend a great deal of time thinking about customers. They want to know who their customers are, how they think and feel and why they buy a Harley. That attention to detail has helped build Harley Davidson into a \$5 billion company with more than 900, 000 Harley Owners Group (HOG) members and 1, 200 dealerships worldwide.

Harley-Davidson sells much more than motorcycles. The company sells a feeling of independence, individualism, and freedom. To support that lifestyle, Harley-Davidson offers clothes and accessories both for riders and those who simply like to associate with the brand. Harley further extends the brand experience by offering travel adventures. Through Harley website, customers can book a trip to Milwaukee to visit the Harley factory in the company hometown or turn a Las Vegas vacation into “ an authentic Harley Davidson adventure.”

Q1. List several products that are included in Harley Davidson's business portfolio. Analyze the portfolio using the Boston Consulting Group growth-share matrix.

Ans. Harley-Davidson engages in the production and sale of heavyweight motorcycles. It operates in two segments, Motorcycles and Related Products. The Motorcycles segment designs, manufactures, and sells cruiser and touring motorcycles for the heavyweight market. While related products such as general merchandise, apparel and related services. All goes down to what the company represent. Harley Davidson stands for independence, freedom, individuality and adventure. Part of Harley's success stands from

their consistency to the brand message that they do not vary from who they are, and they do not try to be something that they are not. Brand is the same no matter where you are in the world.

Q2. Which strategies in the product/market expansion grid is Harley Davidson using to grow sales and profits?

Ans. Harley Davidson uses market penetration to make more sales to new customers. Harley Davidson has long since continued with its products without changing them. Harley around the world is all the same, which is because the company's marketers spend a great deal of time thinking about customers. Harley-Davidson sells much more than motorcycles. The company sells a feeling of independence, individualism, and freedom. To support that lifestyle, Harley-Davidson offers clothes and accessories both for riders and those who simply like to associate with the brand. Harley further extends the brand experience by offering travel adventures.

Q3. How has Harley Davidson maintained brand consistency over many years?

Ans. The company is careful not to respond to recent trends in Hip/Hop, Rap or pop culture and the motorcycle market such as racing and electric fuel bikes. Rather, Harley Davidson maintains to its core message of independence, freedom, the open road, and adventure in all branding vehicles. Much of the branding is left to riders and the ownership groups, who project the image that Harley Davidson has built over the previous century.

Q4. Does Harley Davidson's merchandising of clothing and other products fortify or leverage the brand?

Harley Davidson's merchandising does both. It leverages the brand by taking advantage of the high level of awareness and positive brand image to sell products that are related to the core motorcycle product. It also fortifies the brand by developing products that are related to the activity of riding the company's bike. All of the merchandise supports the central theme of independence and freedom.

Q6. How does Harley Davidson manage its brand globally? Are they standardizing their brand management or customizing it to foreign markets?

Ans. Harley Davidson is using both standardization and customization. They work hard to standardize the core brand message of independence and freedom, while allowing country managers to implement that core brand message in a manner that is appropriate for the foreign market.

Case Study 3: [https://encrypted-tbn2.gstatic.com/images?q=tbn:](https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcRpiiQPMfjdaBwPRYjvZ_pTid7Ne1drMgkuNkYUuAN-eHc_IdpG)

[ANd9GcRpiiQPMfjdaBwPRYjvZ_pTid7Ne1drMgkuNkYUuAN-eHc_IdpG](https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcRpiiQPMfjdaBwPRYjvZ_pTid7Ne1drMgkuNkYUuAN-eHc_IdpG) American Express

Understanding consumers and their needs can be a challenge. As the American population diversifies, and as consumers redefine their values and preferences, marketers work to provide relevant products and services that meet consumers changing needs and wants for American Express, keeping up with environmental shifts translates into creating new marketing offers. American Express issued its first charge card in 1958. Within five

years, it had more than one million cards in use. Eight years later, the company introduced the American Express Gold Card.

The company now offers more than 20 consumer cards and 14 small business cards, in addition to its customizable corporate cards. Some cards target very specific consumers. For Example, the IN: CHICAGO, IN: NYC and IN: LA cards offer cardholders special perks, including saving 10% at select retailers, saps and nightclubs, skipping lines at some of these cities hottest clubs; access to select VIP rooms; and savings on concert tickets. By targeting such specific consumers, American Express builds strong relationships with the right customers.

Q1. Visit the American Express website (www.americanexpress.com) to learn more about the different cards that American Express offers. Select three of the macro environmental forces discussed in chapter. How do the different card options reflect the changes in those forces?

Ans. The following are the three macro environmental forces:

Demographic Environment: American Express issued their first card back in 1958. They only had one card for everyone. But as time changed, population increased and so did the consumer needs. American Express produced and offers different cards to meet consumer needs. American Express offers many different card options for personal and business use, as well as cards geared towards the young, and wealthy.

Economic Environment: American Express has adjusted its marketing trends with the changing economy. They generally don't influence any law, it is continuously changing, therefore becoming flexible in order to adapt to the <https://assignbuster.com/the-case-study-of-dunkin-donuts-marketing-essay/>

changing environment and customer demands. They have developed cards for personal use, travelling, business purposes and this gives customers a vast choice to choose for their different spending types.

Technological Environment: Although there may be competition in a market, Globalization means that there is always the threat of substitute products and new competitor. With a wider environment and continues change, the marketer's need to pay and adjust for changes in culture, politics, economics and technology. American Express has given their customers the technological benefits; financial flexibility and extraordinary rewards.

Q2. Is American Express taking a proactive approach to managing its marketing environment? How?

Ans. American Express does a great job with their efforts to provide their wide variety of options for different people. The company offers many consumer cards and small business cards, in addition to its custom-make corporate cards. Some cards target very specific consumers. Cards offer cardholders special benefits, including saving at select retailers, nightclubs, skipping lines at some of these cities hottest clubs; access to select VIP rooms; and savings on concert tickets.

Q3. How was the American Express brand limiting the company's growth?

Ans. Consumers strongly associated the American Express brand with travel and relaxation spending. It was the preferred card for making travel and dining purchases. Consumers did not associate the American Express brand with everyday purchases.

Q4. How did American Express use new brand associations to drive consumers to use their American Express card for everyday purchases?

Ans. American Express associated its brand through marketing its product for using in everyday life of a common person and his public persona is one of the “everyman.” Advertisements using American Express card to make everyday purchases such as gas helped extend the American Express brand and by minimize credit interest and services charges and giving additional days for payment all dues.

Case Study 4: [https://encrypted-tbn2.gstatic.com/images?q=tbn:](https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcQYTDmfRPMxRSlit4c5FeJKwqo82rM8hphNReVKIY62tqCYqE0R7g)

[ANd9GcQYTDmfRPMxRSlit4c5FeJKwqo82rM8hphNReVKIY62tqCYqE0R7g](https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcQYTDmfRPMxRSlit4c5FeJKwqo82rM8hphNReVKIY62tqCYqE0R7g) Wild Planet Toys

Chances are that when you hear the term socially responsible business, a handful of companies leap to mind, companies such as Ben & Jerry’s and The Body Shop. Although these companies and their founders led the revolution of socially responsible business, a new generation of activist entrepreneurs has now taken up the reins. Today, socially responsible businesses and their founders not only have a passion to do good, they also have the know-how to connect with consumers.

For example, Wild Planet markets high-quality, non-existent, nonviolent toys that encourage kids to be imaginative and creative and to explore the world around them. But Wild Planet sells more than just toys. It sells positive play experiences. To better understand those experiences, the company conducts a tremendous amount of consumer research to deliver into consumer buyer behavior. Wild Planet even created a Toy Opinion Planet to evaluate current <https://assignbuster.com/the-case-study-of-dunkin-donuts-marketing-essay/>

products and develop new product ideas. The panel helps Wild Planet to understand why Parents and Kids buy the toys they buy.

Q1. Which of the four factors affecting consumer behavior? Do you believe most strongly affect consumer's choices to buy toys from Wild Planet?

Ans. Consumers make many buying decision every day. Such as where they buy, what they buy, how they buy and how much they buy. But the four factors affecting consumer behavior are cultural, social, personal and psychological. Wild Planet markets high-quality, non-exist, nonviolent toys that encourage kids to be imaginative and creative and to explore the world around them. But Wild Planet sells more than just toys. It sells positive play experiences.

Q2. What demographic segment of consumers is Wild Planet targeting?

Ans. Wild Planet targets kids, both boys and girls, and parents, all of which behave quite differently. Thus, it must have a brand that has positive associates with all of these target segments. How these segments judge the brand (based on quality, credibility, consideration, and superiority) will be vastly different? For example, to a kid, the brand must communicate fine and exciting. To a parent, the brand must communicate that the toys are educational.

Q3. Visit the Wild Planet website at www.wildplanet.com to learn more about the company. How does the website help consumers through the buyer decision process?

Ans. Wild Planet created a Toy Opinion Planet to evaluate current products and develop new product ideas. The panel helps Wild Planet to understand why Parents and Kids buy the toys they buy.

Q4. When conducting ethnographic research, what might Wild Planet watch for?

Ans. The key is to watch children's behaviors for communication of interest and feelings for the new toy or indicators for why the child does not like the toy. These might include: how quickly the kids pick up the toy (or the order they play with a selection of toys); what features the kids use or explore on the toy; what the kids say to each other as they play (positive and negative adjectives regarding the toy, play-acting scenarios); what features or components seem to be confusing or hard to use; whether play with the target toy is integrated with play with other toys; how long the kids play with the toy; any post-play report comments.