

Research design assignment



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BUSTER**

For this project you're going to read the Donates: Finding the New Pizza (Attached) case and answer the discussion questions. Discussion questions:

1. Map the research design used by Donation for new product development.
2. Evaluate the Wausau meetings as an exploratory methodology to help define the research question.
3. Evaluate the test marked Donates used.

What were its advantages and disadvantages? 4. What measurement scales would you have used on the survey that was part of the in-restaurant product tests? Writing Guidelines Read the assignment carefully and answer each question. Limit your submission to the questions asked and issues mentioned. ; Be specific. ; Proofread your work carefully. Check for correct spelling, grammar, punctuation, and capitalization. ; There is no word limit.

Content * Addresses the questions in complete sentences, not just simple yes or no statements * Supports his or her opinion by citing specific information from the text * Stays focused on the assigned issues * Writes in his or her own words and uses quotation marks to indicate direct quotations Provides clear organization (for example, uses words like first, however, on the other hand, and so on, consequently, since, next, and when) Donates: Finding the New Pizza > Abstract The pizza segment of the fast-food industry is very aggressive.

As people's tastes change and new diets become the rage, restaurant chains must decide if and how to respond. This case focuses on the research behind the introduction of Donation low-carbohydrate pizza, and how the company collapsed its normal product-development research process to take advantage of a current trend. Wwww. Donates. Com > The Scenario Used with

permission of Pamela S. Schneider 02004. Some strategic windows remain open for an extended period optima; other, don't.

One of those slim windows faced Tom Grouse, chief concept officer with Donation, an independent premium pizza restaurant chain, headquartered in Columbus (Ohio). Grouse, who is reprehensible for new product development, had to answer a question facing many restaurants: Is the low-Carr diet a flash fad or a trend-and should we respond? " Restaurants are influenced my many factors: product, message, weather, reputation, and competition, to name a few. But mostly we are influenced by changing eating habits.

As a result, we monitor a variety of sources. One of these is syndicated research obtained from The Hanoverian Monitor and NYPD Eating Trends. Another is e-urn ail comments from customers received via our web site. We also hold monthly WAUSAU Meetings," shared Grouse, " where each employee brings knowledge of an element from popular culture and explains its affect on Donates. "! Donates, recently divested by fast -DOD giant McDonald's, had, for four years, access to tremendous amounts of research on the eating habits of Americans.

In late July, according to the 2003 Healthfully Trend Report, 26% of eaters were " Carr aware. " This meant that they were incorporating low-Carr habits into their diets. We had a multitude of evidence, over several months, that the interest in low-Carr eating plans was increasing," concluded Grouse. The time was July 2003. Grouse, who himself was following the Atkins diet,' was noticing that at company meetings, where pizza is a staple refreshment, "

little piles of crust” were being left behind. At first, we worried that something might be wrong with the crust,” shared Grouse. While to some degree food quality is important to any restaurant, Donates stakes its reputation and its position in the pizza segment on two actors: premium quality and an abundance of toppings-Edge toas its slogan goes. Donates discovered that nothing was wrong with the crust; its employees were avoiding the carbohydrates inherent in the grain-based foundation of every pizza on no fad, Donates started its research-based product development process.

The process typically starts with developing the product prototype, followed by employee taste testing, concept screens (where participants, usually in a central location, are shown photographs of food products, and then queried about the item’s uniqueness, rand fit, price attractiveness, and the likelihood of purchase if the product were available), and ultimately in-restaurant tests in two or more restaurants within the chain. ‘ In-restaurant tests also include participants completing a self-administered intercept surveyor, for delivery customers, a callback phone survey.

In the product prototype phase, Donates was running into problems. “ We were getting in low-Carr crusts, and they were awful. ‘ Awful’ is not a good fit with who we are,” emphasized Grouse. “ Then we had one of those creative recognitions-people were willing to Business Research Methods, 1 1 e, Cooper/Schneider [pick] Donaldson: Finding ‘ he New Pizza eat the toppings without the crust. ” That changed Donates direction: could the company market a pizza without crust. “ Our director of distribution said, ‘ That’s Just goofy enough to take off,’” chuckled Grouse. With all the emphasis on quality

toppings, a no-dough pizza captured our personality. ” By November 1, Donates had decided to proceed with the concept of a dough-free pizza. One break-through came in finding the plate. “ Simplicity of innovation is sometimes the best innovation,” explained Grouse, “ especially when your product is made by 16-17 year olds. ” Donates found a make-bake-serve plate. It’s made of paper, but obviously one that can stand intense heat. ” But in employee taste tests of the first prototypes, something wasn’t quite right.

Donates did central location taste tests to test some recipe variations. “ We introduced a recipe which includes soy crisps, to give it texture and added protein without the crabs. ” Statistically, the recipe with soy crisps was only a marginal winner over the recipe without the crisps. And adding the crisps would add significant cost to the new product. “ Sometimes you have to step away from the numbers, and look at the central issue of what and who you are. We pride ourselves on being the very best. Adding protein for those customers watching carbohydrates was what we should be doing. Due to the somewhat negative connotation that soy has in the marketplace, Donates’ special ingredient isn’t mentioned in its ads or on its Web site. They describe the pizza as having “ protein-enriched crumbles. ” A pizza without dough is built essentially the same as one with dough, with one obvious difference. The doughiest pizza is layered on a plate with sauce first, followed by the protein crumbles and then the toppings. For every pizza, Donates’ measures all its topping servings to . 01 of a pound to ensure consistency from pizza to pizza and restaurant to restaurant.

So from a much new training of store-level employees. So what do you name a doughiest pizza? Do you use the “ No Carr” or “ Low Carr” banner as did many new food entries in the latter months payoff, or do you choose a name in keeping with your positioning? “ We toyed with almost 70 names. Some were clever, like ‘ NADIA pizza,’ even ‘ Not-A-Pizza,’ and we put several through trademark search. Finally, we put three names to the test using a weekend omnibus phone survey. No[(#)]was the winner for clarity of message and understanding of the low-Carr benefits. All this time Donates was watching the calendar.

By December 22 it was testing the new product in two stores in Columbus. Ads proclaiming the new No[(#)]pizza were featured in restaurant windows of the test stores. “ Starting January 2, we usually see a 25% increase in salad sales,” described Grouse. Not surprising, given that for years “ losing weight” has been one of Americans’ top- three New Year’s resolutions. “ And we wanted to own the idea of a crust-free pizza; we saw it as a significant marketing advantage. ” So a new product development process that routinely takes 12 to 14 months took just 6 months-to take advantage of what Donates saw as a very important strategic window.

On January 19, Donation rolled its No[(#)]pizza into all its 184 stores. “ We like to think of ourselves as a ‘ smart speed organization,’” explained Grouse. “ We have the discipline to make fact- based decisions but move quickly. ” When you order a Donation pizza, No[(#)]is one of three crust options, so people wanting to eat low-Carr can do so without changing their pizza topping preference. According to Value Group, a Cincinnati-based marketing research firm, in January 2004 about 28 percent

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of all Americans-59 million people-were watching heir intake of carbohydrates. And how has that market segment responded? Donates is tracking interest and response through a variety of techniques: ongoing telephone tracking studies conducted every quarter using a sample of approximately 600 to 800 adults (done by Wilkinson and Associates, Louisville, Kentucky), as well as customer e-renal sent through the Donates' Web site, and in-restaurant comment cards. " Nois meeting our expectations," shared Grouse. " And we are getting incremental business, as well as more frequent visits/calls from regular customers. "

But one big surprise in this story is the gluten-free market segment, a segment Donates had not identified. " We are getting e-rains that say, " Thank you! Now I can eat pizza again! " > Discussion > Notes 1 Map the research design used by Donation for new product development. Research question. 3 Evaluate the test market Donates used. What were its advantages and disadvantages? 2 4 What measurement scales would you have used on the survey that was part of the in-restaurant product tests?