

## **PRODUCT PREFERENCE AT THE PARK CAFÉ & GRILL MAKILING BRANCH: BASIS FOR CUSTOMER TASTE PREFERENCE**

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### **ABSTRACTS**

*The study aimed to propose ways on how The Park Café and Grill would develop its current product based on the customer's taste preference. The researchers aimed to determine the demographic profile of the customers; to know the characteristics of the target market in terms of age and gender; to know the product preferences of customers; to determine the product preference of the students; and to determine rate of the products of The Park. The researchers gathered the respondents' answers and came up with the conclusion that The Park must focus more on its grilled items with rice because both their customers and target market like them. Majority of the respondents of the customer survey belonged to the age group of 16 to 20. There were more female than male respondents-customers and more male than female target market. Forty-four percent of the respondents were employed. The result also shows that the grilled items were the prefer foods that the customer preferred to eat at The Park followed by the budget meal. While Majority of the respondents of Students of the Lyceum of the Philippines-Laguna belonged to the age group of 18-20 and most of them are males. The students of LPU-L preferred to eat the rice meal and followed by pasta. Soft drinks were the most preferred beverages that the customer and students usually ordered. In term of the budget the customers and the students preferred to spend an amount range from 151 to 200 pesos.*

**KEYWORDS:** *product preference, target market, customer*

### **INTRODUCTION**

Vanniarajan and Kubendran (2005) describe that consumer perception and usage of any product can be changed due to change in food eating habits. If income and urbanization increase among consumers, then the percentage of income spent on consumption increases. The urban consumer mostly like branded products as compared to rural consumers.

Customer perception is a marketing concept that encompasses a customer's impression, awareness and/or consciousness about a company or its offerings. Customer perception is typically affected by advertising, reviews, public relations, social media, personal experiences and other channels.

This study focused on customer preference as basis on customer taste preference at The Park Café and Grill Restaurant, Makiling Branch. The Park Café and Grill Restaurant serves different well known cuisines and own recipe meals which can customers pick whatever they want. It is located near Lyceum of the Philippines Laguna (LPL) and is owned by the Torres family. There are two branches of The Park Café and Grill: one in Tanauan, Batanagas and the other one in Makiling, Calamba City, Laguna. The Park Café and Grill Restaurant in Makiling, Calamba is the first branch that was established about three years ago (2011). It is only a coffee shop way back then, but because of customers' demand, it later serves different meal to its customers. It offers heavy meals like pasta, rice and even sandwiches. Its bestselling dishes are pasta and pizzas. Later, The Park offered grilled food as an addition to its customers' choices. It is also known as an acoustic bar for its customers wherein they can enjoy the different kinds of foods, drinks and music. Since customers enjoy the good music and the affordable meals, The Park was able to establish loyalty among its customers.

The purpose of this study was to make an effective strategy for the product of The Park based on customer preference. Customers' preference is a marketing concept based on advertisement, reviews, public relations, social media, personal experiences and other channels. The researchers realized that The Park needed to improve its personal product presentation and pricing to attract more customers. At the same time, The Park needed to improve its advertisements to encourage more customers.

The Park Café and Grill needed to come up with effective strategy to attract more customers and to innovate the product so that it could be more attractive. Another purpose of this study was to get new loyal customers that would patronize the products of The Park Café & Grill.

## **Review of related literature**

In 1903 the Gilbey's Gin Distillery invented the home carbonation machine that adds bubble to still water called SodaStream. It became popular in some country like United Kingdom. Soda Stream became part of the daily life every customer then sudden lost its popularity and left behind by its competitors. The Israel-based company acquires Soda Stream and helps regain its popularity. Because of it, the SodaStream recovered and is now sold in 45 countries. What was really amazing is that the new owner

invested a lot in the innovation and development of the product. If a company has a good coherence; which means that all the things in a business is working harmoniously, the business will survive against the competition ahead of it. A company must capitalize in using all its resources, not just money but also time, attention and creativity for the success of the business. (Kandybin & Michaels, 2013)

Segmentation is the process of dividing the marketplace into parts, or segments, which are definable, accessible, actionable, and profitable and have a growth potential. In other words, a company would find it impossible to target the entire market, because of time, cost and effort restrictions. As the company may find its target market, there are still things to consider like the different kinds of people, and how they display different buying patterns. That simple truth is well understood by those responsible for market research, product development, pricing, sales, and strategy. But they have not been getting much help from a venerable technique—market segmentation—which, if properly applied, would guide companies in tailoring their product and service offerings to the groups most likely to purchase them. Segmentation gives businesses the opportunity to develop their strengths further. Through using segmentation analysis, it is possible to target and position markets more effectively. (Yankelovich & Meer, 2006)

Target marketing allows a company to focus on consumers that will surely buy its products rather than buying products from different markets. To gain more customers, a company must know its current customer base. By knowing them, the company should also study why the customers patronize its products and why they always buy it. The company should also understand the common interest and the consumers' buying behavior towards a product. The purpose of having a high quality design is to attract more customers that will eventually provide more profit. Other type one must know is the psychographics (personality, attitudes, values, interests/hobbies, lifestyles, behavior) of its target customers. It is about when the product can be used and what it is purpose and if the products are attractive. A company must also evaluate its decision if the messages really reach its target customers. If the message is effective, one can gain a lot more customers and the range of its target customers will be wider. (Porta, 2010)

Product positioning is an important element of a marketing plan. Product positioning is the process where marketers use to determine how to best communicate their products' attributes to their target customers based on customer needs, competitive pressures and available communication channels and carefully crafted key messages. Effective product positioning ensures that marketing messages resonate with target consumers and compel them to take action. (Richards, 2015)

It is worth noting that consumer buying behavior is studied as a part of the marketing and its main objective is to learn the way how the individuals, groups or organizations choose, buy use and dispose the goods and the factors such as their previous experience, taste, price and branding on which the consumers base their purchasing decisions. (Kotler and Keller, 2012)

A consumer purchase decision involves a choice between two or more alternatives products or service, the consumer decision-making is concerned with how the consumer makes a judgment when choosing one from of these alternatives. (Yan, 2006)

McDonald's features several products on its menu that are permanent and do not change. These are basic hamburger and cheeseburger, the Big Mac and the Quarter Pounder. After the initial development, these items remain on the menu for extended periods of time without undergoing significant changes. This strategy ensures that there is always something familiar for consumers on the menu. In addition to its permanent product offerings, McDonald's regularly develops temporary products. The McRib, for example, is a product that is offered only seasonally. (Clark, 2015)

There are two methods to know the target customer. First is to create a fictional buyer whose needs were met perfectly by the company's product. For the past 10 years, creating a "buyer persona" is on demand. It is making a fictional character of one's target customer or client that one can name which can help in making easier strategy for marketing the product. It a little bit costly and needs a lot of time for research and data. Second, think about one's best clients, most profitable customers or most reliable donors. (Altman, 2014)

Segmentation is the process of clubbing together similar customers in a group, so that they can be served by a marketing mix especially designed for the group or segment. A company can continue to segment its market into smaller and more homogeneous groups and design special marketing mixes for them. The idea is that more homogeneous the segment, more appropriate will the marketing mix be for every customer in the segment. Segmentation can be used as a vehicle for entering a market. An entrant can segment the existing market in a way which is not being done by incumbents. (Chand, 2015)

Good product/service to customers is one of the primary goals of service organizations like libraries and is the ability of any service provider to provide promise product services. Customer perception is a marketing concept that encompasses a customer's impression, awareness and/or consciousness about a company or its offerings. Customer perception is typically affected by advertising, reviews, public relations, social media,

personal experiences and other channels while service quality is a comparison of expectations with performance. (Singh, 2014)

Customers' perceptions of product quality—as opposed to objective quality—drive preferences and consequently satisfaction, loyalty, sales, and profitability, but customers' perceptions of quality are imperfect and slow to take into account changes in objective quality. They hypothesize that objective quality does have a positive effect on perceived quality contemporaneously, in the short term, and in the long term. They also hypothesize that a decrease in objective quality has a greater effect on customers' perceptions than does an increase. Further, they suggest that increases in quality will have larger short-term effects for brands with good reputations than for brands with poor reputations and that decreases in quality will have larger short-term effects for brands with poor reputations than for brands with good reputations. (Mitra&Golder, 2005)

### **Objectives of the study**

The research objective of this study was to determine the primary problems about the products of The Park. The study examined the perception of its target and current customers for the development of the product. Researchers wanted to know the demographic profile of the customers of The Park. It was very helpful in this study because knowing what kind of customers the The Park have would help the researchers to know what kind of recommendations they could give to the restaurants to attract more customers with the same demographic profile. Knowing the demographic of the customers helped them to know the potential customers of the resto bar which could increase the number of people who were eating in The Park. One objective also of the study was to know what the customer usually eat and like to order in The Park and also knowing what do the students of LPU-Laguna preferred in choosing what they were going to eat.

## **METHOD**

### **Research Design**

In this study, the researchers used quantitative method to gather data to come up with better marketing strategy for The Park Café & Grill. All data were gathered through questionnaires. This research was conducted inside the establishment of The Park Café & Grill Makiling Branch and at Lyceum of the Philippines University Laguna. There were

200 numbers of participants for this research and they were divided into two (2). First 100 were the customers of The Park café and grill Making Branch and second 100 were the students of Lyceum of the Philippines University Laguna who were considered as potential customers.

### **Instrumentation**

In this study, researchers used quantitative data gathering by the use of Yamane's sample method with 5% (margin of error) for the customer of The Park café and grill and 10% (margin of error) for the target market which are the students of LPU-Laguna. The Yamane formula undertakes a normal distribution. Yamane provides a simplified formula to calculate sample sizes.

The main data gathering device that the researcher used were survey questionnaires. The questionnaires were checked and validated to ensure reliable results.

The survey questionnaires were divided into two (2) parts, the demographic profile and the customers thinking about The Park's products and their preferences on the products. The researchers used Likert Scale for their survey. To ensure the reliability of the questionnaire, the researchers tested their instrument in a reliability test. The researchers ran the reliability test and based on the result, the two questionnaires passed the test.

The Reliability test of the 6 items of questions from the questionnaire for the customers of The Park Café and Grill resulted .960 for the Cronbach's Alpha test and .974 from the Cronbach's Alpha based on standardized items.

The Reliability test of the 5 items of questions from the questionnaire for the students of Lyceum of the Philippines-Laguna resulted from .871 for Cronbach's Alpha and .897 for Cronbach's Alpha based on Standardized Items.

### **Research Ethics Protocol**

Before the researchers started their study, they thought of a topic about their chosen company and asked advice from their adviser. Then, the researchers visited the company and submitted a letter of request to seek permission. They also provided a copy of the survey questionnaire that the researchers used to gather information. Then, the researchers, upon securing permit from the management, personally administered the survey. These were done to ensure ethical considerations of the study.

The study should also be free from plagiarism. The allowable percentage of plagiarism must be 18%.

## **RESULTS AND DISCUSSION**

The researchers used two survey questionnaires to obtain the needed information. In the questionnaire, they wanted to know the demographic profile of the customers and target customer of The Park. Based on the result of the survey, majority of the customers were in the age of 16-20 years old and most of them also were female. Majority of them also were singles and college graduates but almost 56% of them were unemployed.

For its target customers, majority of the respondents came from 18-20 years of age and 53% of them were male.

### **Food that the customer's order at The Park Café and Grill**

Results show that 37% ordered grilled items, 36% ordered budget meal, 13% ordered pasta, 7% ordered finger foods, 6% ordered pizza and 1% ordered sandwich.

### **Beverages that customer's order at The Park Café and Grill**

Results show that 37% of the customer's ordered soft drinks, followed by juice and beer which were both 20%, frappe which was 14%, cocktail which was 6% and coffee which was 3%.

### **Budget of customers of The Park Café and Grill**

Results show that 39% of the respondents had the budget of Php151 to 200 for food, followed by 27% with the budget of Php101 to 150; 23% with the budget of Php 51 to 100; 11% with the budget of P201 to 500.

### **Food that LPU-Laguna students order at The Park Café and Grill**

67% of LPU-Laguna students ordered rice meals, followed by 17% who ordered pasta, 11% ordered pizza while 5% ordered finger foods.

#### **Budget of LPU-Laguna students for food**

Results show that 37% of the respondents spent around Php151 to 200 for their food, followed by 26% who spent Php101 to 150; 24% spent Php51 to 100; 9% spent P201 to 500 and 4% spent less than Php50.

## **CONCLUSION**

The chapter presents the summary of findings and discussions of the gathered data. This also presents the recommendations for Product Development of The Park Café and Grill.

Based on the survey conducted, the consumer demographic of The Park reveals that the respondents belong to age ranges 16-20, female, single, unemployed and are college graduates.

In terms of the demographic profile of The Park's potential market, results show that they belong to age ranges 18-20 years old and male. The researcher found out that 18-20 years old age group, mostly singles and students, who know what they want, are less sensitive to prices and foods that they pick. The Park's customers and potential market are teenagers, single and mostly college graduates.

The Park's customers usually order grilled foods and soft drinks. The Park's potential markets prefer rice meals and spend Php151 to 200 for food. The researchers found out that the amount of Php151 to 200 can satisfy the customer's appetite.

The Park's products are rated by its customers as good in terms of food presentation, menu choices, nutritious freshness, size of portion, variety of offering, taste and flavor and reasonable price. Food presentation got the highest rating whereas size of portion got the lowest rating.

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