

ANALYSIS OF A SPECIAL PROMOTION
PROGRAM FOR CHEESE

A Preliminary Report on
Methodology and Findings

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A major investment of resources is involved in many advertising and promotion programs. It is an important function of management to determine, to the extent possible, the response which results from these expenditures. This report concerns a research study designed to examine the response to a promotion program for cheese in the Houston, Texas market during October of this year.

The evaluation of this promotion program was undertaken with two approaches in mind. First it was desired to obtain a measure of response to the promotion in terms of actual sales changes. Secondly, a measure of consumer awareness of the promotion campaign was considered important. Both measures of response are necessary to obtain the fullest possible amount of information concerning the impact of the various parts of the promotion program as well as the total effect on sales.

The promotion campaign consisted of television and newspaper advertising, in-store point-of-purchase material and information releases through food editors. The program was begun during the last week of September and continued through the month of October.

The evaluation of sales changes required collection of data from representative stores in the Houston market. Due to the lack of lead time it was necessary to find stores which had back records

which could be used for establishing a base period. Two chains with a total of 24 stores were selected for this part of the study. Weekly cheese delivery records were obtained for each store for thirteen week period beginning six weeks prior to the start of the mass media advertising program and ending four weeks after completion of media advertising. In addition six of the test stores were audited during the period to observe changes in inventory levels.

Examination of consumer awareness of the advertising program was done through use of a telephone questionnaire. After the second week of the advertising schedule, a selected sample of 291 interviews were completed. The interviews covered all parts of the promotion program. As an additional check on recall 161 shoppers were interviewed personally as they left the stores. This provided an opportunity to examine more closely the recall of in-store promotion efforts.

Preliminary Results

Initial tabulation of the data from the telephone interviews provides information of a preliminary nature concerning the consumer awareness of the advertising program. The basic recall percentages are summarized in Table 1. In general the television and newspaper advertisements were more generally recalled than the in-store promotional material.

About 21 percent recalled seeing some kind of cheese advertisement in the newspaper while 7 percent described the ADA advertisement. Approximately 25 percent remembered seeing a cheese advertisement on television while 8 percent described the ADA television

advertisement. The recall of the in-store material was lowest with 11 percent remembering some cheese ads in-store and 4 percent describing the ADA point-of-purchase material. In general about one-third of those who recalled seeing a cheese advertisement could describe the ADA ad. This held true for television, newspaper and in-store.

TABLE 1.

RECALL OF ADVERTISING; TELEPHONE INTERVIEW,
OCTOBER 18 - 21, 1969.

	Recall any Cheese ads	Identify the ADA ads
	(Percent)	
Newspaper ad ¹	21	7
Television ads ¹	25	8
In-store ²	11	4

¹ Total of 291 interviews.

² Total of 239 interviews. This represents the number of persons interviewed who had been exposed to the in-store promotion material.

The data from the store exit interviews are summarized in Table 2. About 10 percent of all store customers recalled seeing some cheese point-of-purchase material. Of those who visited the cheese display about 28 percent recalled seeing some cheese material. A smaller proportion recognized the ADA point-of-purchase material. About 6 percent of total store customers identified the "jester" part of the display. This represented about 16 percent of those who visited the cheese section of the store. About 9 percent of all store customers recognized the cut of the newspaper ad. This

represents about 24 percent of those visiting the cheese section. The higher recall on the newspaper ad cut may be due to the fact that it appeared in the newspaper earlier and was also on display in the store thus the recall was reinforced.

TABLE 2.

RECALL OF PROMOTION MATERIAL;
INTERVIEW AT STORE EXIT,
OCTOBER 31 - NOVEMBER 1, 1969.

	Percent of total store ¹ customers	Percent of customers passing the cheese display ²
	(percent)	
Recalled seeing any advertisement at cheese counter	10	28
Recalled seeing the jester	6	16
Recalled seeing the newspaper ad cut	9	24

¹ Based on 161 total interviews.

² Based on 58 customers who visited the cheese section.

The data collection phase of the analysis of sales is currently being completed. Since there are many factors which affect sales levels all of which must be carefully considered, any conclusions from this data at this time would be premature. There were over 150 separate cheese products involved in the analysis with data covering a 13 week period in each of 24 separate stores.

An interview with two of the largest cheese suppliers in the Houston market has provided us with an initial indication of the

sales changes which occurred during the month of October. One supplier who sponsored an additional brand promotion program during October reported an increase in sales of about 15 percent over previous months. Another supplier who did not use any promotion other than normal programs, reported an increase in sales of around 6 percent during the month of October.

Analysis of the store delivery and inventory data is currently under way. When other sales factors have been accounted for the net effect of the promotion program on sales of cheese will become more apparent.