



Identifying and Understanding Customer Preferences in Baked Snacks

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INTRODUCTION

Customer satisfaction is crucial for the success of baked goods manufacturers, and understanding customer needs and preferences is essential in today's competitive business environment. Customer feedback, which includes opinions, suggestions, complaints, and compliments, plays a vital role in gathering valuable insights. Analyzing customer feedback involves collecting data from various sources such as surveys, online reviews, social media, and customer service interactions. Baked goods or food manufacturers, can utilize these channels to gather feedback on satisfaction levels, preferences, and pain points. After gathering the feedback, the company can analyze it by cleaning the data, performing descriptive analysis, sentiment analysis, and text analytics. Data visualization can also be used to present the findings effectively. The insights gained from customer feedback analysis can be utilized by Baked goods or food manufacturers to enhance customer experience through product development, customer service improvement, targeted marketing strategies, and brand reputation management.

Industry Profile

The baked snacks industry offers a healthier alternative to traditional fried snacks and has been experiencing steady growth due to increasing consumer demand for healthier options. The global market was valued at \$33.2 billion in 2020 and is projected to grow at a CAGR of 4.9% from 2021 to 2028. Key players in the industry include PepsiCo, Kellogg Company, Mondelez International, Campbell Soup Company, and Nestle S.A., who invest in marketing and advertising to boost brand awareness and loyalty. North America and Europe are major markets, while the Asia Pacific region is expected to witness significant growth. The industry's growth is driven by rising demand for healthier snacks and innovative flavors. The market offers a wide variety of baked snack types such as crackers, pretzels, chips, and cookies, which are distributed through supermarkets, convenience stores, and online retail. Consumer trends include a preference for natural and organic ingredients. Overall, the baked snacks industry is poised for continued growth.

Statement of the Problem

The aim of the study is to identify and understand the customer preferences in baked snacks. This involves conducting research to gather information on what types of baked snacks customers prefer, such as flavour, texture, packaging, and pricing. Understanding these preferences can help businesses in the baked snack industry to develop and market products that are more appealing to their target customers. Additionally, this research can also aid in identifying emerging trends and areas for innovation in the industry.

REVIEW OF LITERATURE

Customer feedback is essential for business success. Studies show that using feedback to improve service quality enhances customer satisfaction and loyalty (Gremler & Brown, 1996). Actively seeking feedback builds strong customer relationships (Vavra, 1997). Feedback improves financial performance and loyalty (Homburg & Giering, 2001). It helps retain customers and increase market share (Ranaweera & Prabhu, 2003). Prioritizing feedback analysis identifies loyal customers (Reichheld et al., 2006). Feedback boosts online customer behavior and trust (Matos & Rossi, 2008). It enhances supply chain performance and customer value (Keh & Xie, 2009). Feedback improves retail experience and loyalty (Van Doorn et al., 2010). Feedback analysis drives marketing effectiveness (Haumann et al., 2018). In conclusion, feedback plays a vital role in improving customer satisfaction, loyalty, and business performance.

OBJECTIVES OF THE STUDY

- To understand the current customer experience of baked snacks in the market.
- To identify the factors that influence customer satisfaction with baked snacks, such as taste, texture, packaging, price, and availability.
- To analyze the strengths and weaknesses of different brands and types of baked snacks in terms of customer experience.
- To explore the impact of advertising, promotions, and brand reputation on customer experience and loyalty.

- To investigate the potential for new and innovative baked snack products to meet customer needs and preferences.
- To gather feedback from customers on how baked snacks could be improved to better meet their expectations and needs.
- To identify opportunities for companies to differentiate their baked snack products and improve customer loyalty and retention.
- To provide recommendations for companies to enhance their baked snack offerings and overall customer experience

RESEARCH METHODOLOGY

Research Design: Descriptive Research

Source of Data: Primary data was collected through experimentation, self-administered questionnaires, interviews, and observation Primary data collection methods. Secondary data has been gathered using a variety of records, including books, magazines, newspapers, documents, websites, and other materials.

Population/ Sample Size:

Sample population: The total population in the study area is 100.

Sampling size: The sample size chosen for the study has been 100.

Sampling Technique: Simple random sampling

Tools for Data Analysis: Percentage Analysis and T – Test

DATA ANALYSIS AND INTERPRETATION

Relationship between age and what do you think of the snacks quality.

Hypothesis

H₀: With respect to the products sold by Singventure, there is no discernible correlation between age and quality.

H₁: With respect to the products sold by Singventure, there is a considerable relationship between age and quality.

T-Test

Group Statistic

	VAR00002	N	Mean	Std. Deviation	Std. Error Mean
VAR00001	1	24	2.42	1.100	.225
	2	13	2.62	1.044	.290

Interpretation: Sig(2-tailed) is less than 0.5 in value. As a result, the null hypothesis is disproved and the alternative hypothesis is approved. Age and Quality are significantly correlated with the products that are offered.

Oneway ANOVA

VAR00001	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.333	1	.333	.285	.597
Within Groups	40.910	35	1.169		
Total	41.243	36			

ANOVA Effect Sizesa,b

	Point Estimate	95% Confidence Interval	
		Lower	Upper
VAR00001 Eta-squared	.008	.000	.142
Epsilon-squared	-.020	-.029	.117
Omega-squared Fixed- effect	-.020	-.028	.114
Omega-squared Random- effect	-.020	-.028	.114

- a. Eta-squared and Epsilon-squared are estimated based on the fixed-effect model.
- b. Negative but less biased estimates are retained, not rounded to zero.

Interpretation: The value of Sig(2-tailed) not quite 0.5. Therefore null hypothesis is proved and alternate hypothesis is accepted. There is significant relationship between age and Quality with the products.

FINDINGS

- The majority of respondents (22.4%) are between the ages of 18-30, followed by 29.3% between 30-40. Only 31% are between 40-50, and there were no respondents above 65.
- Most respondents (54.4%) are married, while 31.6% are single and 14% fall into other categories.
- When asked about their preferences, 43.1% of respondents answered "NO," 43.1% said "May Be," and 13.8% responded "Yes."
- In terms of financial status, 25.9% of respondents consider themselves poor, 44.4% consider themselves great, and 27.9% fall into other categories.
- 66.1% of respondents prefer in-store shopping, while 33.9% prefer online shopping, and none selected both options.
- When asked about willingness to pay more for organic/all-natural ingredients, 62.1% of respondents are willing, 24.1% are not willing, and 13.8% are dependent on the cost difference.
- Regarding the importance of factors in their purchasing decision, 35.1% of respondents consider nutritional content and taste equally important, 14.6% consider brand reputation, and 15.8% consider price.
- In terms of satisfaction, 23.6% of respondents are somewhat satisfied, 52.7% are satisfied, and 23.8% fall into other categories.
- The product range offered was considered satisfactory by a significant proportion of respondents (42% agreed, 38% strongly agreed). The majority also perceived the quality of products as high (53% agreed, 20% strongly agreed), while 25% had a neutral opinion. Furthermore, respondents agreed (41%) or strongly agreed (22%) that the products offered were value for money.

SUGGESTIONS

When considering snack options, it's worth thinking about creating a range of savoury crackers with unique flavours like rosemary, garlic, jalapeno, or curry. These crunchy crackers are perfect for customers looking for a salty snack. Additionally, energy snacks are gaining popularity, and offering energy bites made with healthy ingredients like nuts, seeds, and dried fruits can attract health-conscious consumers. Bite-sized quiches with various flavors such as feta and spinach, bacon and cheddar, or gruyere and mushroom are a great choice for those seeking a heartier snack. Fruit bars, available in flavors like strawberry, blueberry, or apple cinnamon, provide a delicious and healthy option for a wide range of customers. Little muffins, including flavors such as chocolate chip, lemon poppyseed, and banana nut, are an ideal choice for those wanting something sweet but not too indulgent. Lastly, pretzel nibbles are a popular snack that can be served with various dips like hummus, cheese, or mustard.

CONCLUSION

In order to maintain competitiveness in the market, baked goods manufacturers should focus on improving the quality and originality of their products, as recommended in the findings. As a baked goods or food manufacturer, the business should implement new technology to enhance production procedures and reduce costs. To attract new customers, it should also strengthen its distribution network and expand into untapped markets. By increasing marketing efforts and establishing a strong online presence, the company can improve the perception of its brand. Prioritizing customer satisfaction and establishing a feedback system to understand customer needs and preferences are crucial. These strategies can help the company overcome obstacles and achieve sustainable long-term growth.

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