

Consumer Focus Groups

Parkay vs. Butter, ICB & Shedd's Spread

Tampa, FL (November 5-6, 1997)

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Executive Summary

From November 5-6, 1997, Schwartz Research Services conducted consumer focus groups in Tampa, FL on Parkay, I Can't Believe It's Not Butter (ICB) and Shedd's Spread. Each session included cognizant and blind taste tests of each of these products and butter. Participants were also surveyed on their perceptions and emotional ties to butter and margarine in general.

These focus groups revealed the following:

- Consumers associate butter with family, love and security.
- The smell of movie theater popcorn topping is considered %butter+ and had a strong, universal and positive association with gratification.
- Consumers thought margarine was healthier than butter, but were uncertain how much so.
- Brand loyalty is often established in childhood or early adulthood.
- Parkay suffers from an image as lowbrow and out-of-style.
- Most ICB users were won over to Parkay through blind taste tests. However, Shedd's users were not.

These findings have implications for Parkay's product appearance, marketing and future reformulation.

Organization of the Study

NTC Marketing studied the tablespread market in Tampa, Florida because of its cultural diversity and high Parkay usage. This study followed a similar one in Indianapolis the previous week (which I did not attend). In the Tampa study, a moderator interviewed two groups each of Parkay and ICB users and one group of Shedd's users. Each group's session lasted two hours.

The market research firm, Schwartz Research Services, selected the participants based on tablespread use and creativity. Creativity was determined by asking the screening question, %What uses can you think of for a paper clip?+ The participants were offered \$50 for participating and were only told that the research was for a %margarine manufacturer.+

All of the groups were entirely female. Judith Rubin of NTC Marketing told me this was because women make most tablespread purchases. Beyond that commonality, the participants in each group varied in age from early adult to senior citizen, high school graduate to post-graduate candidate, employed and unemployed, parent and not. Although most participants were white, African-Americans and Hispanics were represented in three of the five groups.

The study was held at the facilities of Schwartz Research Services in Tampa. The seven to nine participants in each session sat at an oval table in a small room. Behind the moderator was a one-way mirror, about which the participants were told. Behind this mirror, we observers sat in another room. Each session was videotaped.

After each session, the moderator would meet with us observers. Several times at our request the moderator changed the questions and tests. In the data charts that follow, we used %N/A+ where a question or test was not given. Despite these changes, each session sought to determine the following:

1. Emotional connection to butter / margarine.
2. Perceptions and reality of opinion of butter, Parkay, ICB and Shedd's.
3. What will make Parkay better and more sellable?
4. Evaluating photos of margarine on food.

Emotional Connections to Butter & Margarine

The moderator would ask each group how and when they use butter and margarine. The responses for all groups were similar and reveal the following:

- Butter is used to send a message: to impress guests and tell your family you care.
- Butter is chosen over margarine for certain foods: corn on the cob, butter cookies and seafood.
- Squeeze margarine is used for convenience, such as when camping or preparing quick dinners.
- Butter is used for personal indulgence. Some participants used the term %comfort food.+

When each participant had been invited to the survey, they were asked to bring something representing their %best butter / margarine moment.+ The moderator now asked each participant to show their item and tell their story. Since participants used %butter+and %margarine+interchangeably, it's impossible to tell which moments were uniquely associated with margarine. Almost all the stories were about family gatherings and family moments.

Many participants said that they used their brand because their mother did. Many of the moments were very emotional, causing the teller to be near tears or become very animated. Some of the moments that stood out were:

- Memories of the family's monthly drive to Illinois in the 1940s to buy margarine (since it was illegal to sell it in their native Wisconsin at the time) and the adventure of mixing the beta carotene into it.
- The woman who, as a child, had her pancakes buttered by her late father.
- A seaside clambake where one woman experienced her first kiss.
- Receiving a warm muffin with hot butter from a friend while outside on a cold day.
- Preparing the first meal as a young adult out on their own.

Later in the focus group, the moderator showed videotape of a Velveeta commercial. He asked the group to give him feedback on whether or not it reflected their feelings toward butter / margarine. In the commercial, Ray Charles sings "let me wrap you in my warm and tender love." There are happy images of people wrapping other people in warm coats, blankets and towels. No one in any group seeing the commercial said it did not reflect their feelings toward butter / margarine. However, the responses were not as enthusiastic as the earlier story telling had been.

The smell of butter had a universal, strong and positive association with the movie theater. Movie popcorn came up in every group and elicited enthusiastic nods and responses from most participants. The smell was associated with both the anticipation of eating the popcorn and the adventure and indulgence of seeing a movie. All the participants used the term "butter" to describe the movie theater's flavoring for popcorn.

Although most of the women associated the male model Fabio with ICB, not a single woman thought he was attractive. One mother said she hated his commercials because her kids went around the house saying in Fabio's accent, "can't believe it's a toaster," etc.

Product perceptions vs. taste

"Perception is 200 tenths of what reality is" --- ICB user-participant

Although this area of questions and tests changed during the two days of the study, it followed this general outline:

1. Ask participants to rate butter, Parkay, ICB and Shedd's based only on perception.
2. Ask participants to do word associations for each of these products.
3. Ask participants, "If [product] were a person, what kind of a person would they be?"
4. Taste and evaluate each product while knowing what each one was (cognizant test).

5. Blind taste & evaluation (same products, but now under the guise of prototype products).

Land O'Lakes Unsalted Butter was used to represent butter in all of the groups. However, stick and soft product alternated between each group. For soft, Parkay 70%, Shedd's 48% Churn-style and ICB 70% were used. For stick, Parkay 70% and ICB 70% were used.

The chart on the next page compares the average score for before, during and after perceptions of these four products. Note the poor scores that butter got on blind tests. The word bland came up repeatedly. This is probably due to the use of unsalted butter. Laura Santella said the market research firm had made a mistake in using it. However, other negative terms were used to describe butter, including not creamy and not as buttery as the others and metallic taste. So butter's blind test results are still significant.

In the chart on the next page, notice the numbers marked with an asterisk (*). These scores come from a test where the participants were to rate the products in order 1, 2 and 3 --- where 3 was best. All other tests used a 1 to 10 scale. To allow for comparisons with other groups, I translated these 1-2-3 scores into 1, 5 and 10, respectively (10 being highest) before determining the average score. Therefore, the drop from 8 to 7 in Parkay users pre-taste and blind taste perceptions is due to a point being lost in translation.

The question, "If [product] were a person, what kind of a person would they be?" was only asked of ICB and Shedd's users. Nonetheless, the results are interesting. Parkay definitely suffers from an image as out-of-style and lowbrow.

| | Butter | Parkay | ICB | Shedd's |
|---------------|---|--|--|--|
| ICB users | Grandmother w/ apron; chef at elite restaurant; likes baking; loving; can be healthy; country; Amish; Mrs. Walton (The Waltons); Mark Twain; Burl Ives; Santa Claus; James Earl Jones | Old, bad substitute teacher; grouchy; cheap; unkempt; dirty; uninformed; Throw Momma from the Train; mom; Minnie Pearl; Ernest (I know, Vern?); June Cleaver (Leave it to Beaver); old-fashioned (negative connotation); Brady Bunch; out-of-date; not successful; goody-two-shoes; keep up appearance | Kid; sociable; outgoing; sensible; thoughtful; Arnold Swartzenegger; June Cleaver (Leave it to Beaver); Naomi Campbell; The Cosbys (Bill Cosby et al.) Gymnast; successful; confident; healthy; hip | N/A |
| Shedd's users | Rich people; not weight-conscious | Old person (70/80 yrs); condo or mobile home; buys in bulk; no money; The Bunkers (All in the Family) | Sweethearts; independent; stays at home a lot; contemporary; young (30/40 yrs) | Old-fashioned (positive); family; real people; conservative; Packs a lunch; Budget-conscious; tries new things; down-to-earth; The Waltons |

| | Parkay users | ICB users | Shedd's users |
|---|--|---|--|
| Butter perceptions <i>Pre-taste</i> <i>Cognizant taste</i> <i>Blind taste</i> Blind comments | Pre-taste associations: N/A N/A N/A 6 N/A | Pre-taste associations: Elegant, versatile, formal, classic, old, overrated, heart attack, creamy, sweet, Land O'Lakes, salt, traditional, thicker & creamier than ICB, wonderful smell, rich taste. 10 10 6 Positive: Sweet Negative: Not salty; bland | Pre-taste associations: Baking, lobster, hard, sweet. N/A N/A 3 Positive: None Negative: Bland, hard, too white, metallic taste. |
| Parkay perceptions <i>Pre-taste</i> <i>Cognizant taste</i> <i>Blind taste</i> Blind comments | N/A 8* N/A 7* Positive: more like butter, sweet, good melting Negative: bland, greasy | Pre-taste associations: cute ads, no reason to try it, chemical, unhealthy, outdated, %Butter+(just the Talking Tub phrase, not the flavor), not real good, out-dated, 1970\$. 3 4 5 Positive: Creamy, good salt, least artificial, good color, good texture Negative: Not as buttery as ICB, too salty, artificial | Pre-taste associations: little tub, creamy, more expensive 4 5 4 Positive: N/A Negative: looks too oily, terrible taste, artificial look, too salty, too oily, didn't look buttery |
| ICB perceptions <i>Pre-taste</i> <i>Cognizant taste</i> <i>Blind taste</i> Blind comments | N/A 7 N/A 5 Positive: Creamier taste, smooth Negative: Not as creamy as Parkay; too salty | Pre-taste associations: Decadent, creamy, economical, easy, Fabio, squeezes, varieties, excellent compromise in families with marg/butter preferences, old people, healthy, more like butter than Parkay, less oily, %margarine is not natural, but ICB isn't guilty of that+, sweet, melts well, chemical initial taste --- but after-taste of butter, more buttery taste than Fleischmann\$. 8 8 6 Positive: good flavor, likes artificial flavor(!) Negative: artificial, unnatural, chemically | Pre-taste associations: N/A N/A N/A N/A |
| Shedd's perceptions <i>Pre-taste</i> <i>Cognizant taste</i> <i>Blind taste</i> Blind comments | Pre-taste associations: N/A 1* N/A N/A N/A | Pre-taste associations: N/A N/A N/A N/A | Pre-taste associations: %Greatest quantity of good-tasting margarine for the price+, good flavor, reusable tub, soft, spreads well, %burn-look+ 9 9 7 Positive: looks natural, sweet, good texture, creamy, pleasantly unsalty Negative: None |

For the blind taste tests, the participants were told they were going to evaluate product prototypes. When a group scored Parkay well on a blind test, they were told the truth about the samples. However, as in the case of ICB users (who rated Parkay poorly), they were left with the prototype explanation. In only two instances did a participant later say, "I knew that was [product]!" when told the truth about the samples.

The most interesting scores are those of the ICB users. The average scores suggest parity between Parkay and ICB preference. This would have been remarkable in itself. However, the average score hides the fact that **most of the ICB users were won over to Parkay!** Of the 16 ICB users tested, 10 gave Parkay a higher score than their own preferred ICB in the blind taste test. Three users even rated Parkay a 9! The averages appear low because some ICB users still gave Parkay a 1 (lowest score) and ICB a 9 in the blind test. This skewed the average.

The "Parkay Company Board of Directors"

Where a group scored Parkay low on a blind test, they were asked how the product could be made better. Where a group scored it high, they were asked how others like them could be convinced to try Parkay. If the participants were told that Sample A was Parkay, they were specifically told to imagine themselves as the Parkay Company Board of Directors. Here is what the groups said:

| Parkay users | ICB users | Shedd's users |
|--|--|--|
| Get rid of shine (it makes product look oily). | <ul style="list-style-type: none"> Change the name (Parkay sounds whiny). Use the terms soft, fresh and light in packaging / title. Make it less greasy. Use the phrase Natural Butter Flavor in packaging / title. Packaging needs updating. Needs New to be stated more loudly on packaging. Coupon (from \$0.50-off to a free sample). | <ul style="list-style-type: none"> Change packaging (too 1960s-looking). Show that it's changed and that it's smooth. Emphasize lower fat, better flavor and lower cholesterol. Emphasize taste. Get rid of shininess (big turn-off for most of the group). |

Evaluating photos of margarine on food

Four of the five groups preferred photos that had the following:

- Trickles of butter / margarine running down food.
- Butter / margarine clearly coating all or most of the surface of the food.
- Pat of butter still with recognizable pat-shape, but clearly melting.
- A pool of butter / margarine at the bottom of the food.
- A drop of butter / margarine dripping off the edge of a morsel of food.
- Steam rising off of the food.
- Close-ups of food (as though it was in biting distance).

What they did not like was:

- Unmelted pat or knife scoop of butter / margarine.
- Bread, etc., that didn't show butter / margarine soaking into it.

Conclusions

When you've got'em by the butter, their hearts and minds may follow

- There seems to be a strong family, love and security association with butter / margarine. We can seize the emotional high ground in our marketing (this was the consensus among observers).
- Brand loyalty for tablespreads is very often established in childhood (it's what Mom used) and when moving out of the parents' nest as a young adult (it's what I first used and I've stuck with it). These are two very different but promising marketing angles.
- Smell was only used to describe movie theater butter. There was a universal and very strong positive association between this smell and gratification. If we had a product that emulated that smell, we might have a winning product.

Image

- Parkay needs a new, vibrant image.
- Although people do use butter as the gold standard for tablespreads, many of them don't like butter (and don't realize it). There is also their use of the word butter for the

oil they put on their movie popcorn. Therefore, the true %gold standard+is the perception of butter, not butter itself (this was the consensus among observers).

- Consumers almost unanimously thought margarine was healthier than butter, but were uncertain how much so.
- If Parkay is to be a premium brand that is comparable to butter, it needs to take on butter's perceptions: elegant, traditional, elite, indulgent, loving. The whimsical Talking Tub advertising may not be the best approach. This is solely my opinion and I state it here for the first time. If Parkay is already perceived by consumers as %old-fashioned+in a bad way, it may be easy to reposition it in butter's %old-fashioned+ positive way --- with the advantage of being seen as healthy enough for everyday use.

Product appearance

- We need to eliminate the %shine+from our high-oil product --- the perception is that the product is excessively fattening and unhealthy.
- The appearance of creaminess, melting, %churn-style+is important. %Churn-style+is something that even Shedd's users couldn't define, although they parroted the term from the packaging when asked why they like Shedd's. One way of achieving this appearance may be to work on the %swirl+at the top of soft product in the bowl.

Whom to target

- Shedd's users have a strong prejudice against Parkay that stands up to blind taste testing. However, ICB users were largely won over to Parkay through blind tests. Therefore, we should concentrate our marketing efforts against ICB.
- Several consumers say they sometimes use squeeze margarine over butter only because of convenience. They said that was because there was no squeeze butter on the market. Therefore, squeeze butter is a threat we need to anticipate and address in R&D and Marketing.