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Section: 0201

II. Core Target Market Profile

The Naked Fruit Juice target consumer is comprised of males (110), ages 18-24 (197). This group is currently working on completing a university degree (128), but also having a part time job is common (118). This group is not married (148) and has no children. They are either single or involved with a partner.

The majority of the target segment lives on the west coast (168). This is a very mobile population (175) as many members of this group will likely move to several different locations while attending university (175). But this group mostly lives in major metropolitan areas (118), as this is where many universities are located. While Naked Juice is distributed throughout the United States the warmer climate of the west coast, where the juice is most popular, likely keeps demand constant among the target group all year round. However, due to this likely correlation between drinking cold drinks and warm climate, it is also likely that for parts of the country that experience cold weather the product is more seasonal, with larger percentages of sales coming in the warmer months.

Young men comprising this target consumer group are very image conscious and desire customization. These individuals likely comprise the lifecycle stage single 1. This core segment keeps up with and follows sporting news (400) and the latest trends in the automotive (249) and music (206) industries. These activities have great importance, as they are not only for personal enjoyment, but also for the purpose of staying connected and knowledgeable about what is relevant to this target group. Time is also of great importance, which increases demand and desire for customization to fit their needs. Therefore the Internet (168) is a far more popular medium than Television (191), which is hardly ever watched.

The Naked Juice target segment is both the user and the purchaser of this product. There are several plausible explanations for why young men purchase this premium product. Whereas previously mom provided healthy food and ensured a healthy diet, this group is now likely living on their own for the first time. Therefore without healthy food readily available this product is a way to get daily servings of fruits and vegetables, while drinking something that tastes good. This is convenient and coincides with their desire to maintain a fit and healthy appearance. This group is also very concerned with how they are perceived by others. Appearance wise, the brand name and packaging allow this to be a socially acceptable product for both men and women to drink. This target group treats Naked Juice as a product that, while expensive, is a necessary purchase for their health and has the added benefit of tasting good.

II. Applications of Consumer Decision Process

The five stages of the consumer decision process: need recognition, information search, alternative evaluation, purchase, and post-purchase are all relevant to the Naked Juice core consumer.

Need recognition occurs through the feeling of thirst. When thirst occurs there is a gap between the consumer’s current state, thirsty, and their desired state of quenching their thirst. Most, however, do not recognize a need for Naked Juice. In a survey of 16 respondents the average response to the question “I visit retail stores having already decided I am going to buy Naked Juice Smoothies” scored very low (-1.5). “I plan on buying Naked Juice in the next 10 days” also had a very low average (-.7). This gives a strong indication that the need is not brand specific.

This also indicates that the information search process occurs quickly. This target group considers this purchase a medium to low-risk shopping product, although this perception is changing as the healthy drink category expands. But still to gather information about the product they rely on an internal search. The most important sources of information in this decision are likely past experience with the brand and memory of past searches. Most consumers will not do an in depth external search such as doing research about the nutritional values of ready-to-drink smoothies (-.5). But seeing family and friends with the product may inspire them to inquire further.

Alternative Evaluation is the most critical phase for Naked Juice. In most cases Naked Juice competes with multiple product categories, but in grocery stores it is also usually next to its largest competitor Odwalla. The decision to buy the product category *ready-to-drink smoothies* is likely made first, as shown by consumers not having a strong preference toward either Naked Juice or Odwalla (.06).

They then use evaluation criteria to make their selection. Determinant attributes, those that actually determine the purchase choice, for ready-to-drink smoothies appear to be taste and price (2 and 1.9 respectively). While salient attributes, those that are important, but not determining, are texture and healthiness (1 and .75 respectively). Both of these brands would likely be in most of the target markets evoked set as taste, healthiness, and texture were all rated high in a survey indicating they are aware of the brands and view them favorably.

It is very likely that consumers use non-compensatory rules due to the nature of the product and the relatively low-risk of the purchase. These rules would prefer Naked Juice to Odwalla. In three out of the four important metrics Naked Juice scored better than Odwalla on average. Naked Juice was, however, perceived as being more expensive (Appendix B). In terms of taste, the most important attribute, Naked Juice scored over .5 better than Odwalla.

 The decision to actually purchase occurs when the target market is actually in the retail location. Most purchases are generally planned, where they enter the store with just the drink product category in mind. But unplanned purchases and suggested impulse purchasing can also be common where they enter a store with a different purpose and decide to purchase only when inside.

 The perceived risk of the purchase also plays a role. While the overall purchase price of one bottle is not significant the target group perceives Naked Juice as expensive and as a premium product (1.75 and 1.5 respectively). This causes some perceived financial risk. However, the social risk measured with a question about confidence when drinking the product scored relatively high (.88). This indicates that there is not really a concern of others thinking less of them when they drink the product.

 Post-purchase behavior usually leads to consonant cognitions. Naked Juice is marketed as a healthy and environmentally brand. Consumers like that the company is environmentally friendly (1.75) and when they see the company doing positive things for the environment this reinforces their beliefs. Due to a wide variety of flavors there are bound to be some they do not like. If they buy one and they do not like the taste this could lead to dissonant cognitions because it is perceived as a premium product (1.5). This could lead the consumer to avoid the brand in the future. Another possible soured of cognitive dissonance are the recent legal developments that now prevent Naked Juice from labeling their product as natural. Consumers may have believed they were drinking something healthy, but after seeing the negative press may question their beliefs. However, this does not seem to be the case with most surveyed still believing the product is healthy (1).

III. Learning

The cognitive information processing approach to learning deals with “internal process in the consumer’s mind that leads them to purchase” (Bonavia). There are three different systems at work: sensory register, short-term memory, and long term memory. Each influences Naked Juice core consumers as they are making their purchase.

 The sensory information register is where consumers become aware of the product. Most likely by spotting in on a shelf. The vibrant colors of Naked Juice “catches the consumer’s attention” (Berry, 2012). Once the information is gathered cognition kicks in.

 Short-term memory searches the nodes of long-term memory and allows consumers to think. In this case the color may be analyzed in terms of what consumers know about what colors represent in food. Naked Juice is trying to portray itself as a healthy product with natural ingredients. The colors are ideally supposed to match and they expect from the color consumers will equate the two. Past experiences with the product or anything heard on the news may affect the consumer’s decision on whether or not to buy.

 Finally, long-term memory is where all information is supposed to remain. Consumers will store past experiences with the product and, depending on the strength of the linkages between the nodes in long-term memory, this will impact consumer decision making in the future.

IV. Attitude

The survey, designed to measure the three components of attitude: cognitive, and conative, gave insight into the attitudes of the Naked Juice Core Consumer group.

The four attributes tested under the cognitive section were taste, healthiness, price, and texture. Taking the mean of each attribute lead to the conclusion that the two most important attributes, and likely also determinant attributes, were taste (2) and price (1.9). These two were followed by texture (1) and health (.75), both of which are likely salient attributes. On three out of the four categories Naked Juice scored better than Odwalla: price, taste and texture. However Naked Juice was also perceived as being more expensive by approximately .32. Using the equation from the multi-attribute model discussed in lecture Naked Juice was an average of 1.23 higher than Odwalla.

Affective questions, those that measure the way consumers feel about market place stimuli, indicated a limited amount of brand loyalty toward Naked Juice. Enthusiasm about Naked Juice was low (.81) and only slightly higher than the enthusiasm for Odwalla (.69). There was also a low average agreement with the assertion that consumers had a preference between Odwalla and Naked Juice. There is, however, very strong approval for Naked Juice’s environmentally work with a strong majority indicating they like the idea that Naked Juice is environmentally friendly (1.75).

Several questions were asked regarding social risk and the potential impact that has on consumers. While the results contradicted the belief that social risk was an issue there are several reasons to suspect this may not be accurate. The first is the wording of the question “I feel confident when drinking Naked Juice.” This was meant to be alternative way of saying do you feel at all embarrassed about drinking a so called healthy drink. The intention was to see if the drink was viewed as being a feminine product. However, the two do not directly equate. It is also possible that answering those type of questions made guys feel uncomfortable. Three respondents did rank themselves as more confident drinking Naked Juice compared to Odwalla which leads to the second hypothesis that Odwalla is perceived as a feminine drink and Naked Juice as a masculine one. However both of these statements were on average disagreed with by those surveyed.

Finally four conative questions were asked dealing mostly with the frequency of purchase. A low number of respondents indicated they plan to purchase Naked Juice in the next 10 days (-.69) and even lower claimed they purchase the drink regularly (-1.06). This leads to the conclusion that this target group likely considers this a shopping product. A majority indicated they believed Naked Juice was a premium product (1.5) and that it is expensive (2.19). Additionally only an average of .56 indicated that Naked Juice is everywhere they want to buy it.

V. Perception

The process of perception deals with sensing, selecting and interpreting information. Each is connected with a component of memory. These concepts can be applied to Naked Juice to understand how consumers perceive the brand.

Sensing, which is related to the sensory register receptor, deals with detecting a stimulus from the outside world. In the case of Naked Juice that stimulus is sight. The distinct coloring of the packaging is enough to cross customer’s differential threshold. Consumer sight, which is still strong for this demographic detects the difference which is enough to get consumers attention. These products next to dark colors such as sodas will stand out. If this target market is conscious of their health and they detect colors that look natural that may be enough to draw their attention.

Selecting which corresponds with short-term memory deals with the degree to which the stimuli are noticed. The color and the distinct name on the packaging attract attention. The rest of the labeling on the packaging, which goes into detail describing the nutritional benefits of the product are meant maintain their attention. The position of the product on store shelves therefore plays a large role in determining if it gets detected.

Finally the interpretation of the product pulls information from long-term memory to add meaning to the stimuli. Memories and associations regarding the visual stimuli detected play a large role in creating meaning. Naked Juice has a green smoothie. To some this may be interpreted as healthy, but to others it could bring not so pleasant memories. On their packaging they write “looks gross, but it tastes great” to try and ensure the core customers are not getting the wrong message.
VI. Suggestions for Research Approach

 The survey gave a good preliminary qualitative assessment of the consumer. It provided insight into attributes they deem most important and buying patterns. However, the interpretive approach must be further explored. Why they took certain actions was never answered. The motive behind the consumers action and the reason for doing what they did is still unknown. An initial hypothesis that there may be a social risk to drinking Naked Juice was contradicted by the quantitative results, but the inability to gage their opinion about the topic still leaves many questions.

 In terms of consumer analysis principles the consumers

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