IPRO 336: Marketing Strategy for Pasteurized Eggs to Create Informed Customers

The Safety Eggsperts of IPRO 336 Final Report: Spring Semester 2009 Advisors: Jim Braband, Suzanne Mueller

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Abstract

Our team was presented with a very real problem, a problem which our sponsor, National Pasteurized Eggs, encounters every day:

"How can we, on a limited budget, educate consumers on the safety and value of pasteurized eggs, as well as how to get these consumers to *rethink* their egg buying behavior."

To help our sponsor solve this problem, our team organized our semester project into two phases:

- Research Phase This phase was organized to help our team establish a foundation of knowledge which we could later build our marketing activities upon.
- 2) Marketing Phase This phase leveraged the research of Phase 1, allowing us to develop alternative marketing tactics to help deliver the message of safety and value of Davidson's Safest Choice eggs, a brand of pasteurized eggs which our sponsor markets.

Our hard work and effort throughout the semester allowed our team to recommend a number of tactics which our sponsor can begin to use to solve their problem.

Background Information

Our Sponsor

National Pasteurized Eggs, Inc. is a privately owned manufacturer of pasteurized shell eggs. While pasteurization of liquid egg product is a common practice in the food industry, the pasteurization of shell eggs is far different. By using a patented process, National Pasteurized Eggs, Inc. (NPE) is one of very few egg manufacturers which sell pasteurized shell eggs. These eggs have a 5 log reduction of Salmonella and other bacteria which can lead to significant health problems in humans.

NPE markets its eggs under the Davidson's Safest Choice® brand, claiming "Nature's Perfect Food Perfectly Safe!". While these eggs are superior to competing products in safety, NPE is failing to understand the consumer marketplace. Considering company history, NPE wishes to continue with caution in the retail market by utilizing low-cost methods for marketing its eggs and improving awareness within consumers.

Our IPRO

This is currently the second semester of running IPRO 336 with National Pasteurized Eggs. The previous IPRO team accomplished many of their goals, including a large market research survey of egg consumers. While this survey was completed during their term, analysis of the data and recommendations were not provided to the sponsor. Our team followed through with the analysis of said survey and used the discoveries of this analysis extensively in all of our project activities.

Objectives

The purpose of The Safety Eggsperts' project was to research consumer egg buying behaviors, what causes these behaviors, and how these behaviors can be leveraged, with the help of buzz and other marketing tactics, to sell safe eggs.

The Safety Eggsperts:

- Performed extensive research, such as market and competitor analysis, relating to the egg industry as a whole, as well as smaller segments within this industry.
- Performed consumer research to better understand the consumer buying decisions made in the grocery stores.
- Discovered how to effectively deliver the message of "safety" and value which pasteurized shells eggs exhibit.
- Developed a marketing tactics which support the buying of pasteurized shell eggs, using alternative forms of marketing such as Buzz, Viral, and Guerilla Marketing, as well as leveraging Public Relations (PR).

Methodology

The main problem facing our team this semester is conceptualizing the value proposition of the Davidson's Safest Choice brand. We also face the challenge of improving the product and finding ways to create a larger "buzz market" to improve sales. This IPRO seeks to increase the retail sales of Davidson's pasteurized eggs by researching then improving the current marketing strategy of the company and increasing consumer awareness of the pasteurization process and product.

To accomplish the problems set forth, our IPRO group began analyzing the current marketing tactics employed by Davidson's Safest Choice Eggs and identified areas in need of improvement. Six sub-groups were then formed consisting of one to two members working on an area requiring growth and improvement. The following are the six sub-groups: Survey and Research, Defining the Product, General Research, Brand Identity, Public Relations, and Buzz Market Team. The team met with the President and Retail Marketing Coordinator of Davidson's Safest Choice Eggs to better understand the company's goals and what has already been accomplished in the way of a new marketing strategy. Each sub-group then identified all the tasks that needed to be accomplished to reach their goals as well as the main objective of the IPRO.

Each sub-group researched information to aid in their analysis phase. However, we recognized that many of the sub-groups would need the same information regarding the consumer and his or her buying behaviors. During the research phase, the sub-groups worked closely together conducting secondary research on marketing strategies as well as analyzing primary research done in the previous semester as a survey. Furthermore, we enhanced our understanding of the consumer's knowledge of the pasteurization process and the variety of eggs on the market by not only visiting our sponsors headquarters and factory, but also by looking closely at survey results and other research. The research also helped our team comprehend the consumer's buying intentions when buying eggs,

determining which images, words, or colors attract a buyer. Our team also conducted research on current marketing strategies of competitor egg brands.

After the initial research phase of our project, we then moved into the marketing phase. Our team decided to target these specific marketing activities: General Market Research, Public Relations, Brand Identity, and Buzz Marketing. The Brand Identity sub-group was responsible for comparing Davidson's eggs to competitor egg brands and using the research to brainstorm possible instruments for growth and improvement. The Public Relations sub-group determined methods to educate the average shopper on the pasteurization process and Davidson's brand as well as get word out to a variety of areas that may be potential selling spots and creating a campaign. The Buzz Marketing subgroup researched the best ways to market the eggs in-store and work with the Brand Identity sub-group in the research to make an initial prototype design for a package and label.

After the possible marketing strategies and tactics of each sub-group were identified, the viability of each option was considered and discussed with the whole team. After narrowing down the options, each sub-group put together concrete execution plans. An evaluation of each of the techniques tested was be performed for quality analysis. All results of research and testing was documented by the sub-groups and uploaded to team's iGROUPS website. Each sub-group was designated a file folder so that any team member was able to easily find the results of a sub-group's research and/or testing.

Once we reached the conclusion of our project, the entire group was informed of the strategies, techniques, and prototype designs of each sub-group as well as the results of initial testing. These results and ideas were then evaluated by the team as a whole and presented to the sponsor for consideration.

Team Information

Our team, composed of a number of intelligent students in diverse backgrounds, developed a team name, motto, and logo on the theme of "Safe Eggs".

Team Name: The Safety Eggsperts

Team Motto: It's all about the "P"

Team Mascot / Logo: A Safety Patrol Egg (See Image Below)



Team Member Roster

Name	Major	Contact Information	
Dorcas Boykin	Biology 4 th	<u>dboykin@iit.edu</u>	
Rachel Choitz	Biology 4 th	<u>choirac@iit.edu</u> 708-785-6933	
Francesco Fanizza	Civil Engineering 3 rd	<u>ffanizza@iit.edu</u> 312-213-4366	
Natalie Grabowski	Psychology 3 rd	ngrabow1@iit.edu 219-688-0019	
Carlissa Jackson	Psychology 4 th	<u>cjacks5@iit.edu</u> 773-979-1377	
Robert LaRue	Mechanical Engineering 3 rd	rlarue1@iit.edu 630-881-8316	
Eduardo Morales	Business 3 rd	emorale3@iit.edu 773-552-1704	
Katherine Rhee	Psychology & Business 2 nd	krhee1@iit.edu 847-508-9625	
Anthony Scatchell	BAAS 3 rd	<u>scatant@iit.edu</u> 773-505-8889	
Eli Schiff	Business 4 th	<u>eschiff@iit.edu</u> 847- 361-9115	
Jordan Sherer	Business 4 th	j <u>sherer@iit.edu</u> 517-425-2622	
Brian Sklena	Business 3 rd	bsklena@iit.edu	

Team Skills

Name	Strengths	Weaknesses	Expectations
Dorcas Boykin	-Reliable Perfec- tionist	-Too Serious -Perfectionist (Sometimes Overly)	-To learn a lot more about Business topics
Rachel Choitz	-Problem Solving -Creative -Artistic -Strong Writing Skills -Good with Power- point -Perfectionist	-Procrastinator -Busy Schedule -Perfectionist	-Team Building -Being #1 on IPRO day
Francesco Fanizza	-Teamwork -Effective -Hard-working	-Communication Skills -Researching	-To bring a different view to a marketing based pro- ject -To work hard to achieve goals set by the team
Natalie Grabowski	-Creative Edge -Good with People -Hard-working -Educated in SPSS -Experience in Business IPRO	-Busy Schedule -Can be hard to get a hold of some- times	-Hope to help in the achievements of this Company -Learn and become ac- quainted with Pasteuriz- ing Process
Carlissa Jackson	-SPSS Experience -Web Developing -Ethnographer Ex- perience (Field- work)	-Lacking Market- ing Skills	-Learn Marketing

Name	Strengths	Weaknesses	Expectations
Robert LaRue	-Creative Thinking -Visualizing the Problem -Honesty in Work -Respect of Others	-Organization -Time Management -Formal Writing	-Grow in skills and com- petency -Learn new skills and de- velop habits that benefit teamwork
Eduardo Morales	-Presentation -Organization -Prompt -Hard-working -Team Player	-Writing (Busi- ness) -Have the "my idea is the best" effect	-Get more experience in Marketing -Real World Simulation of Group Project -Help with my own busi- ness
Katherine Rhee	-SPSS Experience -Marketing -Organization -Planning -Hard-working -Creativity -Writing	-Conflict or Con- frontation	-Real world experience with Marketing -Team Building -Successful IPRO -Client Satisfaction
Anthony Scatchell	-Good with computers/ technology (study business and com- puter science) -Can give presenta- tions -Can think "outside the box" to imple- ment unorthodox ideas	-Bored easily and lose motivation with old ideas -Can be forgetful and late often -Organized at be- ginning of idea im- plementation but very disorganized in long term	-Learn about/utilize buzz marketing and other al- ternative marketing tech- niques -Real world experience in marketing -Social interaction skills (interacting with group – organizing project to- gether – meeting business professionals in the egg industry, etc.)

Name	Strengths	Weaknesses	Expectations
Eli Schiff	-Innovative -Analytical Think- ing -Honesty -Identifying Possi- ble Problems or Issues	-Frustrated with Unclear Goals -Can be untrusting if someone messes up early in the pro- ject -Busy Schedule this Semester	-Make real change for NPE -Gain an understanding of the customer
Jordan Sherer	-Planning -Ideas -Execution -Leading -Communication -Writing -Marketing	-Scheduling	-To succeed in IPRO -Come up with Great Ideas -Make the Client Happy
Brian Sklena	-Creativity -Communication -Writing	-Organization -Presentations	-Everyone in the group works hard and contrib- utes

Team Values

Communication: Communication will be critical to the success of our project. We will need to communicate effectively within sub-teams to effectively understand the roles of individuals, the goals of the sub-team, and the context of their sub-team to the entire project. Communication will be important during times of struggle of individual teammates. Without effective communications in these cases, we cannot work cohesively. Along with effective communication within sub-teams, the group will need to understand the progress of each sub-team. Our project manager will communicate expectations to sub-teams.

Quality: Our team will be dedicated to completing quality work for our client. The decisions and recommendations that come out of our group will create real-world results for National Pasteurized Eggs. Our work will be the highest quality of content, grammar, and aesthetics. If our group members do not have the skills to produce something to the desired quality, we will try hard to learn the skill or to attract talent that would be interested in our project.

Respect: Our group must respect each other to work cohesively. If we do not create a culture of respect, group members may feel apprehensive to voice their opinions. Additionally, group members may be hesitant to seek out help if they do not feel respected. Overall, our team must recognize the success of others and empathize with others during failures. This sort of respect will motivate the team to complete their work for each other.

Creativity: To effectively complete our project, we will need to be creative. Although individuals of our team may not be creative with developing radical ideas, our work should bring new ideas that National Pasteurized Eggs may have never considered. The ideas and recommendations that come from our team may not be radically original, but should be original to NPE's situation and the egg market. Our ideas should arise from a combination of ideas within other industries and radical ideas. To recommend potential ideas, we will need to back them up with research to justify changes.

Curiosity: To find the best solutions for National Pasteurized Eggs, our group will need to be curious in our research. Our group cannot take all of our observations at face value. We will need to seek out answers to difficult questions to understand why a potential idea could be a success or failure in the market place. If we find an opportunity to verify a hypothesis, we will pursue the opportunity to the best of our abilities. Our group will complete many different forms of research throughout the project.

Effort and Dedication: To complete the project to the desired quality, our group must be dedicated to the project. We will need to spend many hours in completing our tasks. We must be available outside of class so that we can meet with each other and understand the progress that we are making and what we should be doing next. Our team could lag if individuals lack effort, so we must keep each other accountable in our work.

Ethics: Ethics will be critical to our project. There are many ethical considerations concerning marketing. We will need to understand the legality of the possible claims that we could make in advertisements and on packaging. Also, we must be honest to our customers and should not be manipulative in our messages. Along with creating ethical messages, we must be honest in the research we complete. We should divulge the entire truth of our findings to National Pasteurized Eggs, even if they may not want to hear it. Also, we must use reputable research methods that will yield valid results and will not be manipulative of test subjects.

Team Assignments

Team Leader: Jordan Sherer

Project Manager: Eddie Morales

Sub-teams: Rather than having sub-team leaders, The Safety Eggspert team opted to have a Project Manager oversee and ensure that work is being completed on time. This will be beneficial to our team because of the smaller size of our sub-teams. We created our sub-teams by allowing people to choose which area of the project they have the most interest in.

Minute Taker: Katherine Rhee

Agenda Maker: Jordan Sherer and Eddie Morales

Time Keeper: Francesco Fanizza and Rachel Choitz

Weekly Timesheet Organizer: Natalie Grabowski

Master Schedule Maker: Katherine Rhee

iGroups: Robert LaRue

Budget

Item	Purpose	Requested	Approved
Supplies	Color copies, printing banners and flyers for our PR event.	\$200	\$0
Services	Renting tables, speakers, electricity and other essentials for our PR event and other activities.	\$180	\$180
Travel	Gasoline reimbursement for traveling to and from the NPE headquarters in Lansing, IL	\$120	\$100
Participant Support	Incentives for attending and participating in Buzz and PR events. This includes prizes for the participants of the No Bake Eggstravaganza PR event.	\$690	\$500
TOTAL		\$1,190	\$780

Code of Ethics

"Be true to your work, your word, and your friend." - Henry David Thoreau

The following canons are based on the seven layers of ethical integrity. Each cannon adheres to the overarching ethical attribute of Honesty, not only in our words and actions, but also in our work and towards each other. These principles establish ideals to which all team members should aspire to achieve.

Each member of our team must:

Follow the law established by our government to protect the interests of consumers.

Be honest in all claims made to each other and to consumers.

Report results of research honestly as to not mislead or misrepresent our findings.

Refrain from divulging any information deemed to be confidential.

Identify and mitigate any conflicts of interest which may skew decision making.

Refrain from misleading our connection and affiliation with our sponsor, National Pasteurized Eggs.

Evaluate each decision with the established ethical standards of the team.

Results

The Safety Eggsperts delivered tremendous value to National Pasteurized Eggs, Inc. in the following forms:

- We completed a knowledge base of information about egg consumers, their behaviors, their buying decisions, and other criteria in the egg buying process.
- We researched the value proposition for the pasteurized eggs based on information gathered throughout the semester.
- We developed alternative marketing tactics, focusing on unique, low-cost activities which will provide the greatest value for our sponsor.
- We provided an example marketing activity which NPE can immediately use to help develop their "Marketing Arsenal."

During our project, each sub-team focused on a particular activity of the project. After completion of these activities, each sub-team was held responsible for writing a sub-team conclusion report. These reports can be found at the end of this document.

Obstacles

When the Safety Eggsperts team formed, we were faced with a very real and challenging problem. This problem was one which our sponsor was also facing; how can we, on a limited budget, educate consumers on the safety and value of pasteurized eggs, why these eggs *matter*, and how to get them to *think* about their egg purchases in the supermarkets. Since our sponsor was also facing this problem, they did not have an answer to these questions.

Our sponsor, National Pasteurized Eggs, expected a lot from our team this semester. These expectations drove us to work hard on all aspects of our project. While there was expectation to put forth effort and hard work, there was also extreme pressure to deliver results on this work. It was not good enough to do research and marketing activities which we thought were interesting, but instead those activities which would bring the most value to our real-world sponsor.

During our project we dealt with numerous interactions with consumers on behalf of our sponsor. These interactions had to be carefully executed, as we had to maintain clear and non-misleading communications. This, along with other marketing activities, forced our team to lead our engagement with consumers with an ethical mindset.

Recommendations

Since we had a very successful PR event, the No Bake Eggstravaganza, we'd like to recommend to our client to recreate events like it on a larger scale to attract even more people. One thing that we learned was that we could have used more time for planning and getting more media coverage.

Our group is very excited about our new shelving markers and trying them out in stores. We only have them in a few stores now, but we'd like to see how successful they are and if there's a possibility of putting them in more locations.

We had some great findings on buzz marketing in our research, but we'd suggest trying out more techniques and creating an egg community online.

Another recommendation is to use cross promotions to create further awareness. Many food products like mayonnaise and Caesar salad dressing use raw eggs and provide a great opportunity to create consumer awareness about Davidson's Safest Choice. Also, we'd like to see kitchen cleaning products like Clorox wipes team up with Davidson's Safest Choice eggs to promote each other's message of safety and being germ-free.

Many premium priced eggs are found in both supermarkets and specialty stores. Davidson's Safest Choice is only found in supermarkets and rely on their sales. We suggest Davidson's Safest Choice to also break into specialty stores like Whole Foods and Trader Joe's because the people that shop there are already expecting to spend more money and tend to be health conscious. Not only do we want Davidson's to branch out to more stores, but we'd like to see them reach out to new markets such as body builders, the health industry, safe moms, and recipe bloggers.

Finally, we suggest building new marketing relationships with organizations such as culinary schools, fitness centers, public health departments, the health industry, and not for profit organizations.

Acknowledgements

Our Sponsor: National Pasteurized Eggs

Our Faculty Advisors: Jim Braband, Sue Mueller

Illinois Institute of Technology and the IPRO program

The Participants and Judges of the No Bake Eggstravaganza

Appendix: Activity Reports

During our project, each sub-team focused on a particular activity of the project. After completion of these activities, each sub-team was held responsible for writing a sub-team conclusion report. These reports follow this page.

Final Report: Defining the Product Research



Davidson's Safest Choice Rachel Choitz, Dorcas Boykin, Francesco Fanizza

IPRO Group 336: Marketing Strategy for Pasteurized Eggs

Value of Davidson's Safest Choice Eggs

Benefits

- Patented process to help eliminate the risk of salmonella poisoning by pasteurizing their eggs while still in the shell. This is done by taking the eggs through a warm water bath that results in a 5log reduction in bacteria in the egg before it reaches the consumer. They are the only pasteurized shell egg on the market.
- Davidson's Safest Choice eggs can be prepared in any way and are not limited in food preparation methods like liquid pasteurized eggs. They're even safe enough to eat raw!
- Davidson's is very successful in the food service and health industry, especially for people with compromised immune systems.
- Many other benefits in addition to pasteurization:
 - Hens that lay the eggs are not given any hormones, antibiotics, or steroids.
 - The hens are also given a special vegetarian feed that makes the eggs taste better. They are even American Vegetarian Association Certified.
 - The eggs are kosher certified.
 - Davidson's Safest Choice eggs have won the Gold Medal for Taste three years in a row.
 - Davidson's Safest Choice eggs are recommended and supported by the United States Food Code and FDA approved.
 - They are a complete protein source because they contain all the essential amino acids that the human body cannot synthesize. They have 6 grams of protein, which is important to building muscle tissue. They are an excellent food source for heart healthy diets.
 - The eggs also contain vitamins and minerals:
 - 6% Vitamin A
 - 2% Calcium
 - 6% Folic Acid
 - 4% Iron
 - They truly are nature's perfect food made perfectly safe.

Salmonella Research

- Salmonella is a type of bacteria that is naturally found in eggs.
- It causes as many 1.5 million illnesses a year, unfortunately 500 of those leading to death.
- These numbers are not entirely accurate because salmonella poisonings are very unreported, since many just think they have a stomach ache or a generic type of food poisoning.
- The economic burden caused by Salmonella outbreaks has created an excess of \$2.4 billion annually. A number that can be significantly reduced by using Davidson's Safest Choice eggs.
- In 1998, due to these staggering figures, there was an intense assessment conducted by the U.S. Department of Agriculture's Food Safety and Inspection Service along with the Food and Drug Administration. It was estimated that if all shell eggs were pasteurized, there will be a drastic reduction in the number of illnesses caused by Salmonella enteritidis.
- Although salmonella may not cause death in those that are healthy, people with compromised immune systems, the elderly, or younger children, can become very ill without proper measures for prevention of salmonella poisoning.

Case Studies

Branding Commodity Products

- Marketing eggs in the retail market can be very difficult for the plain fact that it is a basic food commodity. To most consumers, commodities are seen as all being the same product, and, therefore, directly interchangeable.
- While Davidson's Safest Choice eggs are the only in shell pasteurized eggs available, many consumers do not see the value of pasteurization, either because the word pasteurization scares them and sends negative connotations, or because they don't fully understand its benefits.
- To launch a successful marketing campaign for eggs, it is useful to analyze previously used marketing strategies/tactics for different branded commodities.
- Some business selling commodities choose to combine their efforts to create a marketing campaign to increase consumption of the product in general. By doing this, all companies benefit from the increase in sales. One example of this included the milk industry's campaigns to promote the health benefits of drinking milk. This included facts such as the high amount of Vitamin D in milk. Other well known campaigns include the "Got Milk?" campaign with the milk mustache on celebrities. This campaign was able to increase consumption of milk greatly. By using the resources of the egg board, or a similar organization, Davidson's Safest Choice would surely benefit from a combined marketing campaign with other egg companies.



Case Studies (cont'd) Branding Commodity Products

- Another possibility for a marketing strategy comes from a corn company in the Midwest known as Wyffels. The company hired Randy Gunter, a marketing agent, to help them increase sales of their high corn-seed yielding corn. Gunter decided to study the demographics of the target consumer base, most notably, other farmers. After realizing that the typical farmer was very concerned with politics, Gunter decided to focus his marketing on the upcoming 2000 presidential election. He used 40% of the budget he was given on the night of the election on sponsorships and commercials. This aggressive marketing strategy brought Wyffels from an unknown company to reach the same level as other major companies in the eyes of the viewers. There was a 25% increase in sales following the campaign, which confirms the potential in this aggressive strategy.
- Another way that companies have distinguished themselves from other commodity items is through the use of catchy slogans. One such slogan, as mentioned earlier, "Got Milk?" was able to increase consumption of milk greatly. Another industry slogan that was used successfully was the line "Beef, It's what's for dinner". This was included in a campaign to inform the general public of the benefits of eating beef. A company that was able to use a slogan for its individual company, rather than an entire industry category, was Hillshire Farms. Hillshire Farms ran a series of commercials in which a phrase was chanted. The narrator in the commercial would declare, "When I say Hillshire', you say 'Farm'". Then the rest of the cast of the commercial would exlaim "Go Meat!" in unison. This slogan helped the increase of the already rising sales of Hillshire Farms.



Rachel Choitz, Dorcas Boykin, Francesco Fanizza

Case Studies (cont'd)

Branding Commodity Products

 Other companies have used a combination of several marketing strategies to become successful. When Tyson switched to antibiotic-free chickens, they were forced to increase their price. However, consumers are willing to pay more for a higher quality product, so this was not as big of a concern for Tyson. Tyson created an initiative to change the look of its packaging, and also began a large advertisement campaign. The campaign included commercials showing the quality of Tyson products, and using the slogan "Powered by Tyson". They also put advertisements out through print, radio, and the internet.



 Oberweis was another company that leveraged several marketing techniques to increase sales. Oberweis emerged primarily through word of mouth advertisement. They are known for their quality dairy products, and unique style, including selling half gallon glass bottles and delivering milk. More recently, Oberweis has expanded to television ads to further the progress of their company.



Final Report: Ethnographic Research



Davidson's Safest Choice Natalie Grabowski, Eddie Morales, Robert LaRue

IPRO Group 336: Marketing Strategy for Pasteurized Eggs

Case 1: Jewel Osco 3128 W. 103rd Street, Chicago, IL 60655 • 773.238.4444

- Time of Observation: Approximately 6:00pm on Sunday
- Observer: Eddie Morales
- Observations:
 - Display: I spent about 25 minutes observing the egg display. I was able to glean a lot of information about competition, consumer behavior, marketing efforts, and Davidson's Safest Choice eggs. While approaching the egg section, the first thing that caught my attention was the shelving/channel markers under the egg cartons that spelled out words like ORGANIC or OMEGA 3 in big bright letters. Davidson's Safest Choice eggs' sign was hard to see from a distance compared to its competitors, because it was one, covered up by a booklet of coupons, and two was a darker blue sign with small letters that blended in. Whereas Davidson's competitors had signs with one word sayings, on brightly colored backgrounds, in big bold letters that appeal to the rational features of the product. Davidson's also didn't have as much shelf space as it's competitors. The amount of shelf space Davidson's had was only about 1/3 of a shelf compared to Eggland's Best, which had 1 and 1/3 shelves for its eggs. Land O'Lakes and Egg Innovations had about a half of a shelf each. I noticed that Jewel placed all the eggs in plastic containers on the top shelf, however, Davidson's was placed in the corner by themselves, next to the store brand eggs.



Case 1: Jewel Osco (cont'd) 3128 W. 103rd Street, Chicago, IL 60655 • 773.238.4444

- Time of Observation: Approximately 6:00pm on Sunday
- Observer: Eddie Morales
- Observations:

• <u>Packaging</u>: Eggland's Best has both plastic and styrofoam packaging for its eggs. The styrofoam packaging had a lot of information about the features of Eggland's Best eggs, as did most other egg cartons.



- <u>Price</u>: Davidson's was the only company that offered a coupon, however, there were sales on Eggland's Best eggs and the regular store brand eggs. Davidson's eggs were about \$3.29 with a \$0.50 coupon. This played out so that it was about the same as buying an 18 pack of Jewel eggs.
- <u>Customer Behavior</u>: While I was in Jewel, I noticed a couple of people buying eggs or selecting eggs. There were two males in their mid-20s that purchased eggs. The customers simply picked up the store brand eggs, which they seemed accustomed to, because thy didn't check the price, nor did they check the carton for any broken eggs. It seems to confirm thoughts of eggs being a low involvement purchase.

Case 2: Jewel Osco 4650 W. 103rd St., Oak Lawn, IL 60453 • 708.636.2520

- Time of Observation: Approximately 6:45pm on a Sunday
- Observer: Eddie Morales
- Observations:
 - <u>Display</u>: At this Jewel, the display was set up a bit differently from the first Jewel location described in Case 1. One thing that I noticed about this location was that they all had plastic containers grouped together and that there were a lot of Davidson's eggs available for purchase. They also had the shelving markers under the eggs next to the prices and Davidson's was offering a \$0.50 coupon. In this location, I noticed that there were different products sold next to the eggs, like instant potatoes and not products that would necessarily be considered complimentary breakfast products. Also, Eggland's Best had their liquid brand of pasteurized eggs a few sections away from the rest of the shell eggs.



Natalie Grabowski, Eddie Morales, Robert LaRue

Case 2: Jewel Osco (cont'd) 4650 W. 103rd St., Oak Lawn, IL 60453 • 708.636.2520

- Time of Observation: Approximately 6:45pm on a Sunday
- Observer: Eddie Morales
- Observations:
 - <u>Packaging</u>: One of the major things that stuck out in terms of packaging was that Davidson's cartons lacked some protection. At least two of the cartons had a broken egg in it at this store. I inspected some of the competitors and Land O'Lakes has this double layer of protection in its plastic container so that the eggs don't move around as much, and it seems that they would have less of a chance of breaking if they were limited in movement. It could also make the container itself more sturdy.
 - <u>Price</u>: As I mentioned, Davidson's was offering a coupon with their eggs for \$0.50 off. Jewel also had sales going and their brand was the cheapest, and seemed to be selling the most.
 - <u>Promotions</u>: Eggland's Best was linked with U Promise. This is a program where a portion of the proceeds or a percentage of every product that is purchased goes into an account that a consumer sets up to help their children pay for college.
 - <u>Customer Behavior</u>: At this location, I saw a few customers purchase eggs. Two males, in their mid-20s or early 30s, again just grabbed the cheaper store brand eggs, putting little time into the decision. There was also a younger mother with her child, that was actually looking and checking the eggs in the carton (for any that were broken), but she also purchased the store brand.

Case 3: CertiSaver 10601 S. Pulaski, Chicago, IL 60655 • 773.779.6650

- Time of Observation: Approximately 5:30pm on a Friday
- Observer: Eddie Morales
- Observations:
 - <u>Display</u>: I didn't spend too much time in this store for a number of reasons. First, the store was rather small, especially the aisles, and this made it hard and bit awkward to stand there and observe traffic at the egg display. Also, they didn't carry Davidson's eggs. I spent ten minutes in the store looking at the display compared to Jewel's, or a bigger chain grocery store, as this was more a local neighborhood store.

Case 4: Ultra Foods 8401 Indianapolis Blvd., Highland, IN 46322 • 219.972.0254

- **Time of Observation**: Friday, February 20, 2009 (11am to 12pm)
- Observer: Natalie Grabowski
- Observations:
 - <u>Store Layout</u>: Ultra Foods separates their store brand (Dutch Farm Eggs) from the premium brands, as illustrated in the diagram below






Case 4: Ultra Foods (cont'd)

8401 Indianapolis Blvd., Highland, IN 46322 • 219.972.0254

- Time of Observation: Friday, February 20, 2009 (11am to 12pm)
- Observer: Natalie Grabowski
- Observations:
 - <u>Price & Packaging</u>: I took note of each of the brands' prices at the store:

Competitor	Eggland's Best	Land O' Lakes	Davidson's Safest Choice	Rose Acres	Dutch Farms
Traits & Price	 White/Larg e/Dozen= \$2.69 White/ XL / Dozen = \$2.79 Brown/ Organic/ Dozen = \$4.19 Brown/ Cage-free/ Dozen = \$3.49 	 Omega 3/ Dozen = \$3.19 All Natural/ Large/ Dozen = \$2.39 Brown/ Large/ Cage-free = \$3.19 	• White/ Pasteurized/ Dozen = \$3.49	 Brown/ Large/ Dozen = \$1.99 Brown/ Half- Dozen = \$0.99 	 XL/ \$1.69 Med/ \$1.39 Jumbo/ \$1.79 L/ Grade A/ Dozen = \$1.49 3Dozen/ L/ =\$3.99
Packaging	 Styrofoam Styrofoam Plastic Plastic 	• All plastic	• Plastic	• All Styrofoam	 Pink Styrofoam Yellow Styrofoam Blue Styrofoam White Styrofoam Cardboard

Case 4: Ultra Foods (cont'd) 8401 Indianapolis Blvd., Highland, IN 46322 · 219.972.0254

- Time of Observation: Friday, February 20, 2009 (11am to 12pm)
- Observer: Natalie Grabowski
- Observations:
 - <u>Customer Behavior</u>: In the hour that I spent at this store, no one approached the premium egg shelf. Everyone went to the Dutch Farm eggs because they were the easiest to spot. Most people went for the white and blue Styrofoam packaged Dutch Farm eggs. When examining the Davidson's eggs, the package at the front of the shelf had a broken egg inside. Many half dozen packs were purchased here also.
 - <u>Promotions</u>: No coupons were available for Davidson's eggs here.
 - <u>Talking to a Representative from Ultra Foods</u>: Chuck Shropshire via email (shropshirecr@s-vt.com).
 - <u>Question 1</u>: I was just wondering how often you receive egg shipments and how often you restock your egg section. I'm doing a project on a brand of eggs and would be grateful for the information. Thank you.
 - <u>Response 1</u>: Hi Natalie. We receive egg shipments at this store 6 times per week. We do not receive eggs, except for special ads throughout the year, on Sunday. We sell enough eggs that we usually turn the racks over (sell through and replace the rack) about every 2 hours. When eggs are on sale, (example, a hot price on Large eggs), we probably turn the racks about every 15 minutes. I hope this will help you somewhat. Thanks for your inquiry.
 - <u>Question 2</u>: Thank you Chuck! I also have a few more questions for you. What days does Ultra have the most egg sales on average? What egg brand/type sells out the fastest? Do any of the organic/pasteurized/omega 3 eggs sell well? How many Davidson's Safest Choice eggs do you sell?
 - <u>Response 2</u>: Ok, here are a few quick answers. We sell more everything on Saturday. Saturday is traditionally the busiest day of the week, with only a couple of exceptions through the year (like the Saturday after Thanksgiving). Dutch Farms eggs are the largest seller by far. We sell a thousand a week. Organics and specialty eggs, while becoming slightly more popular, pale by huge huge numbers of traditional eggs. We do not carry Davidson's eggs.

Case 5: Jewel Osco 716 Ridge Rd., Munster, IN 46321 • 219.836.1118

- Time of Observation: Friday, February 20, 2009 (12pm to 1pm)
- Observer: Natalie Grabowski
- Observations:
 - <u>Display</u>: The eggs are between the yogurt and the quick and easy sections in this Jewel:





<u>Customer Behavior</u>: In the hour I spent at Jewel, I observered a few customers. A man and a woman both took a package of Jewel Large eggs without reading any material on the package. Another woman took an Eggland's Best pack of dozen large eggs. One man took a half dozen of the Jewel Brand package. There was a sign about recall of fish product right above the eggs and one women took a few minutes to read the sign carefully. A woman picked up a package of Davidson's Safest Choice eggs, but read quickly and didn't buy them. After some time, a woman reached for a half dozen package. Lastly, a man took 3 packs of the Jewel dozen, white, large eggs. I noticed that many people were buying the half dozen eggs that day. It was hard to locate the Davidson's eggs because of the lack of clarity in the display sign. The word size was much smaller than that of other brands.

Case 5: Jewel Osco (cont'd) 716 Ridge Rd., Munster, IN 46321 • 219.836.1118

- **Time of Observation**: Friday, February 20, 2009 (12pm to 1pm)
- Observer: Natalie Grabowski
- Observations:
 - <u>Pricing & Packaging</u>: Here are the prices for the different egg brands:

Competitor	Eggland's Best	Land O' Lakes	Davidson's Safest Choice	Egg Innovations	Jewel
Traits & Price	 Vegetarian /Large /Brown = \$3.89 Cage-free/ Large / Brown = \$4.29 Organic/ Large/ Brown = \$5.29 Large/ White/ Dozen = \$3.39 Large/ White/ 18 pack = \$4.79 White/ 18 pack = \$4.79 White/ XL/ Dozen = \$3.49 	 Omega 3/ White = \$3.49 Farm Fresh/ White = \$2.99 	• White/ Pasteurized = \$3.79	 Brown/ Organic/ Dozen = \$5.39 Brown/ Cage-free = \$4.29 Vegetarian / Large/ Brown = \$4.19 	 Half Dozen/ Large/ White = \$1.29 Grade A/ XL/ White/ 18 pack = \$3.89 Grade A/ dozen/ Jumbo/ White = \$2.19 Grade A/ XL/ Brown/ Dozen = \$3.89
Packaging	 Plastic Plastic Plastic Styrofoam Styrofoam Styrofoam 	• All Plastic	• Plastic	• All Plastic	• All Cardboard

Case 6: Strack & Van Til 12 Ridge Rd., Munster, IN 46321 · 219.836.8414

- Time of Observation: Friday, February 20, 2009 (1pm to 2pm)
- Observer: Natalie Grabowski
- Observations:
 - <u>Display</u>: Strack and Van Til use a different type of refrigeration unit than the other grocery stores. Like Ultra, there was an overwhelming number of Dutch Farm eggs on display. The specialty eggs only had a little section at the end of the fridge. I didn't see any broken Davidson's eggs in this display.



- <u>Promotions</u>: Davidson's did have their \$0.50 coupons but they were a bit out of reach.
- <u>Consumer Behavior</u>: During the hour I spent at Stracks, no one purchased eggs.

Case 6: Strack & Van Til (cont'd)

12 Ridge Rd., Munster, IN 46321 • 219.836.8414

- Time of Observation: Friday, February 20, 2009 (1pm to 2pm)
- Observer: Natalie Grabowski
- Observations:
 - <u>Pricing & Packaging</u>: Here is the pricing and packaging for the different brands at Stracks

Competitor	Eggland's Best	Dutch Farm	Davidson's Safest Choice	Egg Innovations	Rose Acre
Traits & Price	 Hard Boiled = \$3.99 Large/ Grade A / White = \$2.79 XL/ Grade A/ White = \$2.89 Organic/ Large/ Brown = \$3.49 	 Grade A/ Large/ Dozen = \$1.69 Grade A/ Large/ 18pack = \$2.19 Grade A/ XL/ 18pack = \$2.69 	• White/ Pasteurized = \$3.39	 Brown/ Organic/ Dozen = \$4.49 Vegetarian / Large/ Brown = \$3.29 	 Grade A/ Jumbo/ Dozen = \$1.99 Grade A/ Medium/ Dozen = \$1.49 Grade A/ XL/ Dozen = \$1.89 Brown/ Large/ Dozen = \$1.99 Brown/ Large/ Dozen = \$1.99 All half dozen sold out
Packaging	• All Styrofoam	• All Cardboard	• Plastic	• All Plastic	• All Styrofoam

Final Report: Competitive Research





Competitor One: Eggland's Best Value Proposition

- Due to the superior quality of Eggland's Best hen feed and strict quality and production standards, Eggland's Best claims to have the finest standards of taste, nutrition, and quality.
- Many producers of Eggland's Best eggs deliver within 24 to 48 hours of laying so that Eggland's Best eggs are very fresh.
- Eggland's Best has the most rigorous quality assurance testing in the industry.
 - Their state of the art laboratory conducts over 30,000 tests each year to ensure quality of their eggs.
 - At the farm level, the hen feed is tested by sampling the feed each month, checking for consistency, quality, and nutritional value.
 - In stores, an independent auditing firm randomly visits supermarkets and does product testing. The eggs are sent to an outside laboratory for testing. The testing is done continuously throughout the year and three independent labs confirm results.
 - Customer comments and concerns through phone or mail are also taken into consideration.
- Eggland's Best also has strict production standards:
 - All Eggland's Best eggs are processed under the watch of an on-site USDA or State Inspector.
 - Eggland's Best standards exceed those of the USDA
 - Each producer of Eggland's Best is selected for their ability to meet the strict quality standards and the ability to deliver fresh eggs as mentioned above. There are uncompromising standards of sanitation and refrigeration for maximum safety.
- The Hen Feed is Patented:
 - The US Patent #5, 246, 717 states "eggs compatible with a cholesterol reducing diet and method of producing the same".
- Eggland's Best Eggs are Kosher Certified:
 - They are certified Kosher by the Orthodox Union and all Eggland's Best Farms are inspected and approved by the Orthodox Union as well.
- Eggland's Best eggs carry the Grade A/USDA Shield:
 - As mentioned before, there is on-site grading and inspecting of Eggland's Best eggs, which is not mandatory for egg producers.
- American Vegetarian Association Certified:
 - This organization allows for vegetarian-minded people to make accurate food choices and be confident in their selection.

Value Proposition (continued)

- Eggland's Best Eggs contain no hormones, no antibiotics, and no steroids.
- They did an in-depth study about their packaging to protect their eggs as well as have recyclable materials as part of their Green Initiative.
- Some nutritional facts about Eggland's Best eggs:
 - 25% less saturated fat
 - 200 mcg of lutein (which can improve eye health)
 - 10 times more vitamin E than regular eggs
 - 19% less cholesterol than regular eggs (175 mg v. 215 mg)
 - contains 40% of the daily requirement of iodine
 - 3 times more Omega 3 than an ordinary egg

Positioning

- Eggland's Best uses their slogan of "Better Taste, Better Nutrition, Better Eggs" to signify their positioning to their consumers.
- They are considered to be the #1 branded egg in America.
- Prices range from \$3.39 to \$5.29

Awards

- The Gold Medal for Superior Taste by the Masters of Taste of the Chef's in America Awards Foundation
 - They have been judging retail and culinary products for over 20 years
 - It is a triple-blind judging process to help eliminate bias
- Winner of America's Best Tasting Egg Award by American Culinary Chefsbest for six years in a row (2002-2008)
 - This is a rigorous five-step judging process that groups products carefully into specific categories
 - Blind taste testing and take into consideration taste, texture, freshness, aroma, and feel.
- Good Housekeeping Seal from the publication's Good Housekeeping Research Institute
- Men's Health Magazine's Best Eggs in its Nutrition Awards for 4 consecutive years. One of its Top 125 Foods for Men
- Women's Health's Best Eggs and on its 2007 Best Foods List
- Crystal Egg Award from the International Egg Commission
- National Health & Wellness Club Stamp of Approval for flavor, quality, and nutrition
- American Culinary Federation (ACF), the nation's largest organization of professional chefs, awarded Eggland's Best with its ACF seal of approval for 7 of its products [EB classic, cage-free, organic varieties for each of its shell and pasteurized liquid eggs, and its hard boiled eggs]
 - considers ease of use, physical properties, application, & flavor

Rachel Choitz, Katherine Rhee, Brian Sklena

Competitive Research

Sponsoring & Affiliations

- Sponsor of the Pillsbury Bake-Off Contest
 - Contestants must use two or more eligible products: one from the primary list and one from the secondary list. Eggland's Best Eggs is on the secondary list.
 - Eggland's Best Eggs announced the official egg of the contest in 2007
 - Consumers help determine 10 out of the 100 finalists
 - \$1 million grand prize
 - Began in 1949
- Johnson & Wales University (JWU) serves Eggland's Best Classic, Cagefree, and Organic Eggs exclusively at its four campuses
 - On-campus foodservice
 - In college of culinary arts classrooms
 - It is the leading educational institute for foodservice industry professionals
- Affiliation with the American Vegetarian Association (AVA)
 - Eggland's Best eggs are certified to be an official vegetarian product because of the all natural vegetarian hen feed, their higher levels of Omega 3 fatty acids, and because their eggs are an ideal meat alternative.
- Sawyer's Gourmet Pancake House in Michigan exclusively serves Eggland's Best Eggs
 - Their restaurant is known for serving all natural breakfast and lunch by using natural and healthy ingredients
- Heart Healthy Diet
 - Eggland's Best tries to address health concerns about eggs by clearing up misconceptions and giving facts from their research. Their eggs improve heart health.
 - Omega 3 fatty acid consumption can reduce bad cholesterol and improve cardiovascular health. Eggland's Best eggs contain 3 times more omega 3s compared to a regular egg.
 - Eggland's Best eggs are a good fit for a cholesterol-conscious diet
- Eggland's Best is the official egg of the "Inn-credible Breakfast Cook-Off" for Select Registry: Distinguished Inns of North America
 - Select Registry made Eggland's Best one of its exclusive partners for the competition
 - It requires unique breakfast recipes but the common ingredient is Eggland's Best Eggs
- Sheknows.com
 - It's a leading gathering place for women on the internet
 - Offering a Eggland's Best Prize Pack: includes a year supply of their eggs

Future Plans & Innovations in the Egg Market

- Began a Green Initiative on January 1, 2008
 - Packaging:
 - Eggland's Best did an in-depth study which resulted in them choosing to package their classic eggs in polystyrene foam
 - It gives superior protection to their eggs
 - It takes 3 times more material in waste paper to make a pulp carton for a dozen eggs compared to polystyrene foam
 - It is recyclable and is used for many other consumer products
 - They also recommend sending clean cartons to their carton manufacturer
 - Their Cage-free and Organic varieties are packaged in polyethylene theraphthelate (PETE)
 - Provides excellent protection for the eggs
 - The manufacturer minimizes materials used, energy consumed, and waste generated
 - It is 100% recyclable and made from 100% recycled materials
 - Less energy and pollution compared to the paperboard and none of the plastic is wasted in production
 - Eggland's Best has also taken on the Sustainable Forestry Initiative (SFI)
 - all of the egg case shipping cartons are SFI certified and carry their logo

Miscellaneous Information

- Their website has its own blog which opens up doors for awareness through social media and creating buzz about their product
- They were featured in a lengthy piece on Fox News called the "Eggsellent Branding Plan". They interview the CEO of Eggland's Best: Charlie Lanktree.
 - The price of eggs has risen almost 35% in a year (from April 2007 to April 2008) but Eggland's Best has still seen a double digit growth
 - As the price of commodity eggs increases to almost reach the price of Eggland's Best premium priced eggs, the trial rates of Eggland's Best increases. From there, there is a lot of repeat purchasing.
 - Believes customers are willing to pay more for better nutrition and taste
 - Because of the way the organization is set up, it makes fast and fresh delivery of eggs possible
- Also on CNBC On the Money Report
 - Similar to Fox News story: talks about why leader in specialty egg domain and the "tattooing" of their eggs

Rachel Choitz, Katherine Rhee, Brian Sklena

Competitor Two: Land O' Lakes Value Proposition

- Focus on the egg's taste, stating that their taste is "as pure and wholesome as nature itself".
- Hens are fed a premium all-natural diet and are in the prime of their laying cycle when eggs are produced. They also treat their hens humanely.
- Eggs are certified Kosher by the Orthodox Union.
- Have all natural varieties in vegetarian, cage-free, organic, and omega-3.
- Claim to have an industry leading Salmonella prevention protocol to reduce to risk of internal egg contamination. Is is comparable to Davidson's Salmonella prevention protocol?

Positioning

- Well known brand name of dairy products that runs their egg business through Moark LLC. Moark also supplies eggs to Eggland's Best.
- Price is \$3.19.

Sponsoring & Affiliations

• Certified Kosher by the Orthodox Union

Future Plans & Innovations in the Egg Market

• Moark is becoming a dedicated environmental steward and is committed to reducing their environmental footprint

Miscellaneous Information

• Land O Lakes Eggs had an increase in sales from \$514 million to \$606 million in 2007, partially due to the 18% increase in their specialty egg sales

Competitor Three: Egg Innovations Value Proposition

- Cage-free and better feed for hens
- Most of the eggs come from farms that are owned by Amish or Mennonite farmers
- Cage-free, Omega-3, and Vegetarian egg varieties
- No hormones or antibiotics
- Kosher

Positioning

- Have a mascot: Heather Fedbetter and a story for her.
- "The Cage-Free Company"
- Prices range from \$4.19 to \$5.39

Awards

- Award winning 100% recyclable #1 plastic packaging
- Animal Care Certified: ensures humane treatment

Sponsoring & Affiliations

- Kosher
- Organic Trade Association (OTA)
- Quality Certification Services (QCS)
- International Dairy, Deli, Bakery Association (IDDBA)
- United Egg Producers (UEP)
- American Egg Board (AEB)

Future Plans & Innovations in the Egg Market

• Known as the Cage-Free Company

Miscellaneous Information

• Package over 15 million eggs per month from 30 different farms that are mostly Amish or Mennonite

Competitor Four: Phil's Fresh Eggs Value Proposition

- Their hens are cage-free and naturally vegetarian fed to produce better tasting eggs
- There are no antibiotics or hormones used.
- They have many different varieties (Omega 3 and Organic) and sizes of eggs

Positioning

- Phil Wubbena, their founder, claims to have pioneered the idea that cage-free and better fed hens will produce better eggs
- Their prices range from \$3.49 to \$4.49.

Sponsoring & Affiliations

• Phil's Fresh Eggs are American Humane Association's Free Farm Certified

Future Plans & Innovations in the Egg Market

• They were one of the first brands to be cage-free

Miscellaneous Information

- The hens are fed from corn and soybeans grown right on the farm that they live on.
- In general supermarkets (i.e. Jewel & Dominicks), there is only one variety of Phil's Eggs: the blue label Grade A large eggs, and they do not have a lot of self space. At Whole Foods, there are many more varieties and different sizes as well as more shelf space.
- Their eggs come from a farm in Forreston, IL.
- Their product is in a fiber carton for a dozen eggs. Each different variety has a different colored label on the carton.

Competitor Five: Generic Store Brand Value Proposition

- They are the lowest priced option for consumers
- For people that don't see buying eggs as a high thinking decision process, they just go to the store and grab a carton of eggs.

Positioning

- Cheapest eggs
- Going with what is known: store brand eggs are what previous generations have bought and used so that is what the current consumer will buy and use.
- Jewel-Osco has come out with a brand of organic eggs called Wild Harvest to hit more segments of the market.

Miscellaneous Information

• The price of commodity eggs rose 35% between April 2007 and April 2008 to almost reach the prices of premium eggs.

Competitors At-A-Glance

Competitor & Qualities	Eggland's Best	Land O' Lakes	Egg Innovations	Phil's Fresh Eggs	Generic
Value	 Superior Feed and Quality Standards Kosher Certified Vegetarian Certified Fresh Eggs USDA & Grade A Shield More nutritious Better packaging No Hormones, Antibiotics, or Steriods 	 Taste is "as pure and wholesome as nature itself" Kosher Certified Hens fed premium all-natural diet and they are in the prime of their laying cycle Industry leading salmonella prevention protocol Many varieties 	 Cage-free Vegetarian Feed No hormones & antibiotics Kosher Comes from farms owned by Amish or Mennonite farmers Cage-free, Omega-3, and Vegetarian varieties 	 Hens are cage-free and naturally vegetarian fed to produce better eggs No hormones or antibiotics Many varieties and sizes of eggs 	 Lowest price option for consumers Low commit decision choice What is known and has been used in the past
Positioning	 Number 1 Branded Egg Better Taste, Better Nutrition, Better Egg Price from \$3.39 to \$5.29 	 Well-known brand of dairy products that uses Moark LLC eggs Price is \$3.19 	 Mascot: Heather Fedbetter "The Cage Free Company" Prices range from \$4.19 to \$5.39 	 Pioneered the idea that cage- free and better fed hens produce better eggs Prices range from \$3.49 to \$4.49 	 Cheapest eggs Go with what is known Jewel came out with their own brand of organic eggs called Wild Harvest

Competitors At-A-Glance (continued)

Competitor & Qualities	Eggland's Best	Land O' Lakes	Egg Innovations	Phil's Fresh Eggs	Generic
Notable Awards	 Gold Medal for Superior Taste by Masters of Taste America's Best Tasting Egg by Chefsbest 	• None known	 Award Winning Recyclable Packaging Animal Care Certified 	• None known	• None known
Notable Sponsoring or Affiliations	 Sponsor of Pillsbury Bake-Off American Vegetarian Association Official Egg of Inn- Credible Breakfast Cook-Off 	• Certified Kosher by the Orthodox Union	 Organic Trade Association United Egg Producers American Egg Board Internation al Dairy, Deli, Bakery Association 	• American Humane Association	• None known
Future/ Innovations	• Green Initiative	 Environme ntal Initiative 	 Known as the Cage Free Company 	 First Company to be cage- free 	• None known
Misc.	• Blog on their website	 Moark also supplies eggs to Eggland's Best 		• The hens' feed is grown on the same farm	 Prices of commodity eggs have risen 35% in just a year

Final Report: Buzz Marketing



Davidson's Safest Choice Eggs: Jordan Sherer, Katherine Rhee, Rachel Choitz,

Eddie Morales, Brian Sklena

IPRO Group 336: Marketing Strategy for Pasteurized Eggs

Social Media Marketing Guide An Explanation for Buzz Marketing

- Buzz Marketing is an alternative form of marketing that utilizes word of mouth to create awareness rather than relying on traditional advertising methods (i.e. TV ads and billboards).
- It's more credible this way because it's coming from a reliable source, a friend or family member, rather than an impersonal advertisement. Television ads and billboards, for example, are targeted towards millions of people and don't relate to each consumer personally. Because of that, many consumers have learned to tune out all of the traditional advertising methods, especially since they come at us from all angles and are everywhere. We've become desensitized to traditional advertisement methods so marketers have found that they aren't as effective anymore. Buzz marketing gets around that by approaching consumers in a novel way. It doesn't even have to feel like marketing: it can be as simple as talking to a friend about a cool new product.
- We did research to become more knowledgeable about buzz marketing and to also teach others how to create buzz and implement its techniques. A book that we found, the Anatomy of Buzz, provided us with great insight and tips on how to go about creating buzz for our product. It, in a sense, gave us a road map of techniques to try.
- Social Media Networks make buzz marketing particularly effective because what used to take all day to reach a few people, takes a few minutes to reach thousands. It's a really powerful and exciting new way to market.

Trial on Social Media Networks Facebook and Twitter:

- The Buzz Marketing sub-team looked into many different methods and ways to create awareness for Davidson's Safest Choice Eggs and also to help promote the team's Public Relations Event.
- Two of the more popular outlets we used to create "buzz" were Facebook and Twitter. We decided to utilize these social media outlets, because we believed that it could reach a vast number of people and would take a "viral marketing effect" as there are over 200 million users on these social media groups. As explained earlier in the report, these social media groups are a great way to create "Buzz". With more and more users registering and interacting everyday, these networks seem to multiply two-fold weekly, creating a large audience of users that range from 10 - 60 give or take.
- These sites allow for ads to be created, for an event or product, and one can specifically pick which demographics they want to have the ad show to. There are also groups that can be created by anyone for anything they like, or don't like, such as politics, sports, food, etc. But in our case, food was important. We found a couple groups just talking about people who love cookies and people who love cookie dough.
- As shown in the figures below, there are many members of these groups and if one can just get there message across one might have significant results.

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Eddie Morales' Personal Experience

Eddie Morales engaged his own Facebook and Twitter pages and used them to create "buzz" for Davidson's Safest Choice Eggs and to also to create awareness for our group's P.R. Event. Some of his friends actually expressed curiosity for Davidson's Safest Choice Eggs. He was able to tell his friends more about the eggs. Hopefully they would then further research the product and spread word of mouth awareness. Even if people did not ask about it specifically, the interest would be visible on his Facebook and Twitter so that others can read about it. That will hopefully increase trial of the product.



YouTube

- YouTube videos can become overnight sensations and are aptly called viral videos. Utilizing this method of social media marketing correctly can have rewarding effects.
- At the P.R. Event, we took video of the contestants creating their recipes but also of our Safe Egg Mascot battling the Bacteria mascot. We also have footage of people playing ping pong with a Davidson's Safest Choice foam egg and a man juggling Davidson's Safest Choice eggs.
- In the future we'd like to create a YouTube video that involves a body builder trying an at home pasteurization technique and comparing it to someone that simply buys the eggs at home. This could appeal to the target market of body builders that value pasteurized eggs, so that they can eat them raw, but have resorted to strange at home methods that are not approved for true pasteurization. By utilizing humor, this can also attract the younger demographic of YouTube viewers.
- Taking into consideration the recent Domino's Viral Video scandal, where an employee defiled a pizza on camera, marketers have to be careful with the videos being used to increase awareness. Due to the viral nature, it's just as easy to ruin a brand as it is to create recognition and loyalty to a brand.

Buzz Marketing Agencies

Kbuzz

- They claim to create and sustain buzz through innovative marketing concepts, communities, and conversations.
- They recently announced several products geared toward sole proprietors and small businesses.
- These products will help them build a presence on the internet using social media networks such as Facebook, YouTube, LinkedIn, and Twitter.
- The offer products such as the PageStarter to help clients create web pages and the TwitterTrainer that can help jumpstart social media presence.
- Kbuzz also offers a free "conversation consultation" over the phone to see if Kbuzz is a good fit for your company.

Red Bricks Media

- They offer interactive marketing, creative services, buzz marketing, and email campaign services.
- Begins its buzz campaigns with in-depth research of customer profiles in order to spotlight relevant online communities and key market influencers.
- Keeping the target market in mind, their team develops creative assets, viral applications, and outbound messaging strategies that foster awareness, evangelism, brand advocacy, and conversion
- Their client list includes: Cosmopolitan, Microsoft, Hearst Magazine, Wells Fargo, BusinessWeek, Universal Studios, Nestle, Cisco, Powerbar, American Express, and others.
- Red Bricks Media has locations in San Francisco (415.255.0650) and New York (212.631.8110)

Buzzoodle

- This buzz marketing agency specializes in inbound marketing. This means using blogs to generate awareness, increase sales of products, and creating buzz. Specifically, they use proprietary business blogging to generate targeted leads using search engines and social media.
- Their goal is to bridge the gap between people that want a product and the companies that make them.
- Buzzoodle has re-engineered blogs to act solely as sales and lead generators by optimizing search engine results to targe the people who want to buy the product.
- Offer a free online demo where a representative will walk them through the system and claim that within 15 minutes the client will know if Buzzoodle will work for them.

Buzz Marketing Agencies Buzzoodle (continued)

• They have a 100% guarantee that if the initial research presented to the potential client is not desirable and the company chooses to discontinue using Buzzoodle, that the client will be refunded their money completely. They are so confident in their work that they claim results within two weeks and profit within a month for their client.

BzzAgent

- Their user-friendly website has a "fun side", providing a word of mouth media network for their 500,000 Agents located throughout the United States, Canada, and the United Kingdom. Their community of Agents is continually growing and comprised of consumers that are:
 - Viral: twice as likely as the general public to recommend products and services
 - Tuned In: twice as likely as the average consumer to keep up with a broad range of products and services
 - Leaders: four times as likely to qualify as a Conversation Catalyst (buzz hub) as the total public
 - Networked: twice as many friends, neighbors, and acquaintances as the general public

• Their Agents are eager to try new products and share their opinions throughout their social networks. Their members do more than increase awareness about products, their honest recommendations add a layer of trust that isn't in traditional media. BzzAgent's network provides credibility, something that no other marketing medium can provide. • We tried out the "fun side", and signed up to be a Bzz Agent. We received BzzKits, which included a sample of the product and coupons to give to the people we spread word of mouth conversation through. It also includes a BzzGuide that explains how to effectively use word of mouth and reminds Agents of the Bzz protocol or Code of Conduct. This includes writing BzzReports about people they have engaged in buzz, and also disclosing that they are a BzzAgent to maintain open and honest communication. They also remind BzzAgents that they are not salespeople and their goal is not to sell, but to create conversation and listen to what consumers have to say. When we submitted a BzzReport, we received individualized feedback about our buzz and compliments about the conversation we created.

• Before a BzzAgent is selected to work a BzzCampaign, they take a survey to see if they are compatible with the product. They also take a follow-up survey so that the company can have information about the before and after.

Buzz Marketing Agencies BzzAgent (continued)

- They offer a variety of programs that best meet the specific needs of their client. They can help with launching a new site through their affiliated site called Frogpond, introducing a new product, and supporting an initiative further down a product life cycle. These programs deliver measurable and actionable results.
- Some background on BzzAgent is that they were founded in 2001 and they have run more than 500 programs for major brands including Unilever, Kraft, and Proctor & Gamble. Their BzzAgents spread word of mouth to more than 110 million family and friends. They've received more than 1.7 million reports that detail first-hand branding related conversations.
- On the "business side" of their website, they offer case studies of a few of their campaigns. Their campaigns are categorized by the campaign goal, for example: consumer insights, create advocacy, drive sales, generate awareness, and increase trial.
- Some of their campaigns include Florida's Natural, Danon, Nature Valley Fibre Source, HPV awareness, Tropicana Pure, Dunkin Donuts, Barilla, Philips Electronics, and Silk Milk. We believe that the commodity branded products, like Florida's Natural and Silk Milk, increase confidence in their experience with products like Davidson's Safest Choice Eggs.
- Looking at the Silk Milk campaign case study, the objectives of driving trials, gaining consumer insights, and driving sales seemed very successful. They had 3,000 BzzAgents participate in their campaign. The demographics of the BzzAgents are 80% female, with an average age of 35, and 63% of them are parents.
 - 94% of the BzzAgents tried Silk Milk
 - 93% of the BzzAgents distributed coupons to their network of friends and family
 - 23% of the people in those networks redeemed the coupons
 - The consumer insights that they gained from the campaign was that trial of and education about the product dramatically increased opinion of the Silk Milk Soy Beverage: 80% of the Agents had a positive opinion at the end of the campaign (an increase of 300% from the beginning of the campaign). They also found out that nutritional value, a variety of flavors, and taste were the top contributors to Agents' positive opinion
 - The campaign drove sales: participation of the BzzAgents in the campaign strongly influenced purchase patterns. Household consumption of soy beverages nearly tripled at the end of the campaign. Over two-thirds of Agents are likely to continue purchasing Silk. 78% of Agents know at least one person who has purchased Silk based on their recommendation.

Recommendations Social Media Networks

- We'd like to recommend creating a Facebook fan page for Davidson's Safest Choice Eggs and also getting in contact with the groups that love cookie dough and cookies to collaborate with them. Facebook also offers advertising on their site, which Davidson's Safest Choice can take advantage of.
- Also leveraging a Twitter page can provide benefits for Davidson's Safest Choice. Once they establish a following, awareness will spread through word of mouth naturally. They can also put a link for people to follow them on Twitter on other blogs and websites that they have a presence in.
- As we mentioned, we'd like to create a clever viral video to launch on YouTube so that we can take advantage of the awareness and recognition that comes from utilizing YouTube.
- We also suggest branching out to other blogs and social networking sites that are specifically aimed for our target market of consumers. We believe that targeting recipe blogs, safe mom blogs, and body builder or health conscious blogs, will create awareness among consumers that fall into the demographic likely to have interest in purchasing Davidson's Safest Choice eggs.

Buzz Marketing Agencies

- Through careful consideration, we'd like to recommend the services of BzzAgent to our client, National Pasteurized Eggs for a buzz marketing campaign for Davidson's Safest Choice Eggs. They have a user friendly site with an established network of Agents in a variety of demographics. They also have experience in creating awareness and campaigns for branded commodity products like Florida's Natural Orange Juice and Silk Milk Soy Beverages. Their brands in general are in the similar category of Davidson's Safest Choice Eggs. This buzz marketing agency can also promote websites through their affiliated site called Frogpond.
- Also, after having tried BzzAgent ourselves, we definitely believe that they work hard to make their buzz campaigns a success and we had a very pleasant experience through the consumer end.

Final Report: Branding Initiatives



Davidson's Safest Choice Robert LaRue, Eli Schiff, Francesco Fanizza

IPRO Group 336: Marketing Strategy for Pasteurized Eggs

Branding Goal 1:

Improving Shelving Marker Design

- A shelving marker is a small banner just below a shelved product that usually lies next to the price. It can also be referred to as a channel marker.
- The original Davidson's Safest Choice shelving marker was found to be ineffective at attracting attention. Through the ethnographic research during the first half of the project, it was found that Davidson's Safest Choice eggs' marker was less legible and bold than other markers. Also the value propositions for other brands of eggs were much clearer to the consumer. For these reasons, a completely new design was created.
- To improve the legibility of the marker, a large, bold text with a border was chosen with a short phrase: either PASTEURIZED or SAFEST CHOICE. During the survey analysis from the first half of the semester, both pasteurized and safest choice were found to be effective slogans for the Davidson's brand. We presumed that these slogans would provide a clearer value statement than Davidson's current signage.
- The design also included a logo on one or both sides.
- From these basic designs, small alterations were made to the color scheme and the logo placement until three final designs were ultimately chosen. The final designs were chosen based on the preferences of the team and of the marketing staff from National Pasteurized Eggs (NPE). The final three choices were photographed in a store, where they were stuck on top of the original shelving marker, as illustrated below.



Branding Goal 1:

Improving Shelving Marker Design (cont'd)

- The photographs taken in stores were used to conduct a small-sample survey to gather information on the effectiveness of the final designs.
- That survey was conducted during the No Bake Eggstravaganza with a sample size of 39. From the survey, it was found that the most effective shelving marker was the one that read SAFEST CHOICE, had a red background with blue letters outlined in white. The logo on the marker was the Davidson's Safest Choice logo encapsulated by an egg on the left. Fifty-seven percent of respondents chose this marker as their favorite, and it received an average score of 8.05 on a 10-point scale.
- The second favorite marker also read SAFEST CHOICE, but had a light blue background with white letters and a red background. It had the Davidson's logo on the left and the "P" symbol that is printed on the eggs on the right. Thirty-seven percent of respondents chose this marker as their favorite and it received an average score of 5.79 on a 10-point scale.



Branding Goal 1: Improving Shelving Marker Design (cont'd)

• Along with providing their favorite design and scoring the designs, respondents also detailed the reasons on why they favored a particular design. The most important aspect highlighted by respondents was the color of the markers, and the second most important reason was that a particular design would "pop" off of the shelf.



• After completing analysis for the surveys, we decided to test if the new shelving markers would have an effect on sales. In the stores, we will be testing the two shelving markers that gained the highest scores and were most preferred by survey respondents. We have placed the two shelving markers in separate Jewel stores. By contacting the dairy managers of these stores, we have taken the necessary steps for National Pasteurized Eggs to track sales at these stores to evaluate which marker they would like to use as their standard marker.

Branding Goal 2:

Packaging Changes

- Another task of the branding team was to consider a new packaging for Davidson's Safest Choice eggs. This task was not taken as far as the shelving marker task because Davidson's recently developed a new more environmentally friendly package on their own.
- Even so, we researched different options for packaging that are available. To find more on the potential for changing their packaging, we asked National Pasteurized Eggs for information on the supplier of their packaging. We were told that their current supplier for packaging was Brodrene Hartmann, a company that specializes in egg packaging.
- From the research, it was found that there was a possibility to make packaging of different shapes, sizes, and colors. There are many case studies on Brodrene Hartmann's website highlighting the benefits of differentiated egg packaging. Some of the egg packaging featured on the company's website has increased space on the front for specific branding. This space could be used similarly to a shelving marker.
- Since Davidson's recently changed their packaging, we decided that changes in design would not be reasonable.

Branding Goal 3:

Materials for the No Bake Eggstravaganza P.R. Event

- The final task of the branding team was the establish the brand as part of the No Bake Eggstravaganza, the event held by the Public Relations sub-team. The event focused around the concept of making cookie dough a safe food to enjoy, so branding had to be altered to reflect this.
- As part of the event, banners and flyers were made to inform people of the event. Flyers provided necessary information on how to participate as a contestant, while also providing information on Davidson's Safest Choice eggs. The banner was created to gain attention during the event. The banner featured information on the event while also providing information about the product, reiterating the flyer's message.



Branding Goal 3: Materials for the No Bake Eggstravaganza P.R. Event (cont'd)

• Magnets were also made to highlight the fact that Davidson's Safest Choice eggs are great to use to make worry-free cookie dough. The magnets featured a background of cookie dough and the Davidson's logo encapsulated by an egg and one of two slogans, and below the egg the safeeggs.com website. The two slogans were: "Perfect for Cookie Dough and More" and "Cookie Dough made Perfectly Safe". Both slogans trid to use wording that was similar to that of Davidson's main slogans.



Final Report: Public Relations Event



Davidson's Safest Choice Natalie Grabowski, Dorcas Boykin, Anthony Scatchell, Carlissa Jackson, Katherine Rhee

IPRO Group 336: Marketing Strategy for Pasteurized Eggs

No Bake Eggstravaganza P.R. Event

Goals:

- Develop a concept and event for National Pasteurized Eggs and Davidson's Safest Choice eggs that would relate the message that these eggs could be eaten raw.
- We wanted to increase public awareness of the benefits of Davidson's eggs and publicize that they were salmonella free and safe.
- See if this event has potential to grow into a larger scale event.

Concept:

- We came up with the No Bake Eggstravaganza cookie dough competition where contestants would use Davidson's Safest Choice eggs in their recipe. The key idea was that these recipes would not be baked, as to highlight the safety message that these eggs are perfectly safe to eat, even raw.
- The winning recipe would be chosen by a group of judges based on the best taste.

Promotion:

- To advertise for this event, we used several outlets. Flyers were sent to a variety of culinary schools in Chicago, as well as spread around the Illinois Institute of Technology Campus.
- Media, such as local newspapers and TV stations were contacted. With more time to plan, we could have had more media coverage at the event.
- We also leveraged social networking sites like facebook and twitter to spread the word.

No Bake Eggstravaganza P.R. Event

Event:

- The No Bake Eggstravaganza took place on a very sunny Friday, April 17th, 2009 at the Illinois Institute of Technology (IIT) MTCC Southlawn near the volleyball court from 11am to 1pm.
- Ten contestants took part in this contest with their unique cookie dough recipes.
- IPRO 336 member, Dorcas Boykin, was our master of ceremonies and opened the event with an introduction about our event. This explained the contest and information about the safety of Davidson's Safest Choice eggs. After the introduction, Beth Patrick of National Pasteurized Eggs (NPE), gave more details about the benefits of Davidson's Safest Choice eggs.
- The cookie dough contest then got started. Contestants were given basic raw materials of flour, sugar, butter, and Davidson's Safest Choice eggs to create their cookie dough. Any other ingredients the contestants had to bring to the event. All participants signed a release form stating that NPE and IPRO 336 had all rights to publish and use their recipes.
- As the contestants were whipping up their cookie dough, other IPRO 336 subteams were informing and advertising Davidson's Safest Choice eggs. The branding team were handing out surveys regarding the newly designed shelving markers for supermarket displays. Anyone that filled out a survey was automatically entered into a raffle for a variety of prizes.
- Rachel Choitz, another IPRO 336 team member, created two costumes for the event, a Davidson's Safest Choice Pasteurized egg and Salmonella Bacteria. Two of the IPRO 336 team members went around campus in these costumes to attract attention to the event and to get more people to stop by and learn about our product. They staged a fight and handed out small giveaways like brochures, foam eggs, coupons, and hats.
- As contestants completed their recipes, samples were collected for a blind taste test for the judges as well as for the public to try. The three judges were: Beth Patrick (Head Judge) of National Pasteurized Eggs, Dr. Robert Schleser of the IIT Institute of Psychology, and Kelly Lass of the Center of the Study of Ethics and Professions. Once the judging was complete, we tallied up the points and found a winner.

No Bake Eggstravaganza P.R. Event Event (cont'd):

- Every contestant received a \$5 giftcard to Starbucks for participating and the winner received a grand prize of a Nintendo Wii. The winning recipe would also be published on the NPE website, safeeggs.com, and featured at the IPRO 336 exhibit on IPRO day.
- Overall the event was a great success due to a variety of reasons. First, the free cookie dough samples attracted a large crowd and IPRO members could talk to them and tell them about Davidson's Safest Choice eggs, and why they could eat the cookie dough worry-free. Furthermore, we created buzz and enthusiasm about the product. Not only did the costumes promote the safety aspect, but also captured people's attention. We were also able to get a lot of people to come to the event because IIT was hosting the Taste of IIT in the MTCC. These people were already looking for food, and were delighted that our samples were free. Finally, we accomplished our goal of relating the message to the public that these eggs can be eaten raw due to the fact that they are pasteurized and therefore salmonella free.
- National Pasteurized Eggs could definitely take this event to a larger scale in the future and see great results.

Contestants:

- Shanon Ludden
- Peter Olney
- Tom Bergland
- Jeremy Young
- Nick Pierce
- Meagan Sarratt
- Lexy Scatchell
- Carliss Jackson
- Frank Woodward
- Jennifer Keplinger **Winner!



No Bake Eggstravaganza P.R. Event

Recommendations for the Future:

- Media: TV Stations (ABC, WGN), Radio(AM780, IIT Radio), Newspapers in the Chicagoland area, TV Networks (Raw Food Network, Cooking Channels, Food Network)
- Public Messages: More posters, ads, flyers, brochures
- Celebrity Endorsements: Health experts, popular chefs, body builders
- Promotions/Sponsorships from Other Companies: bakeries, restaurants, etc
- Cross Promotions: work with different products that relate same message of safety, such as sanitizers
- Street Fairs: set up a booth and hand out cookie dough