OREO

group 2.4

OU-REO TEAM

Agenda

1. Executive Summary & Info
2. Research Objectives
3. Survey Design
4. Sample Demographics
5. Concept Test
6. Factor Analysis
7. Linear Regression
8. Managerial Insights

Executive Summary

- Our reserach is seeking insight into whether or not Oreo should continue diversifying its product portfolio
- Our research aims to offer valuable recommendations to Oreo regarding its product differentiation strategy.
- This will be beneficial for the brand in ensuring alignment with their consumer preferences and market trends.

We are excited to share our results with you based on the following tests we conducted through SPSS:

- factor analysis
- regression
- correlation

Oreo Background

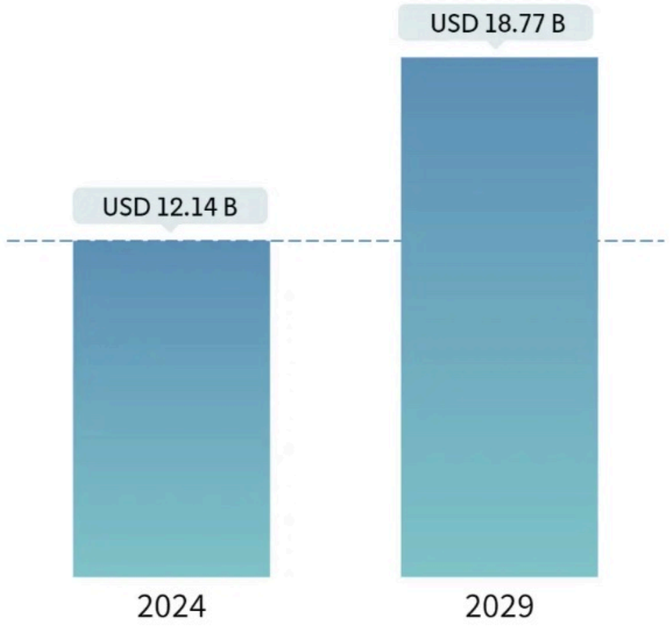
- Nabisco, an American manufacturer of cookies and snacks, launched Oreo in 1912
- Oreo has now been under the owner by Mondeloz International since 2012
- Oreo's original cookie was first known as Oreo Biscuit
  - Changed to Oreo Sandwich in 1921
  - Then finally, Oreo Chocolate Sandwich Cookie in 1974
- Double Stuffed Oreos were first produced in 1974 and were followed by the different flavors we know today
- Now there are 85+ flavors in total

Industry Background

Cookies Market

Market Size in USD Billion

CAGR 9.10%



Source : Mordor Intelligence

Study Period	2019 - 2029
Market Size (2024)	USD 12.14 Billion
Market Size (2029)	USD 18.77 Billion
CAGR (2024 - 2029)	9.10 %
Fastest Growing Market	Asia Pacific
Largest Market	Europe

Major Players

General Mills · Mondelēz International · McKee Foods · Campbell's · Ferrero

*Disclaimer: Major Players sorted in no particular order

Research Questions & Objectives

1. Are consumers aware of the amount of flavors Oreo produces?

2. Does the size of the product portfolio affect customers purchasing decision?

3. Should Oreo continue to produce more flavors or focus on their most popular products?

Research Purpose

Our research aims to explore consumer awareness of the variety of flavors from the Oreo brand. We want to see the impact that the diverse flavor portfolio has on attracting more customers to the brand. Our research aims to provide insight into whether or not Oreo should continue to produce both its limited edition and mainstay flavors.

Research Design

EXPLORATORY RESEARCH

Research conducted on Oreo's brand, flavors, and target demographic

SECONDARY RESEARCH

Statista

TARGET POPULATION

Adults and teens with purchasing power at grocery stores, who are aware of the Oreo brand

DATA COLLECTION METHOD

Qualtrics Survey sent through text

PRESENTING PROCESS

Responses were gathered and analyzed in order to test our hypothesis

Survey Design

Market Segmentation

Attitudes & Behaviors

Brand Perceptions

Concept Exposure

Applications

Demographic

Survey Design

Likelihood to Purchase

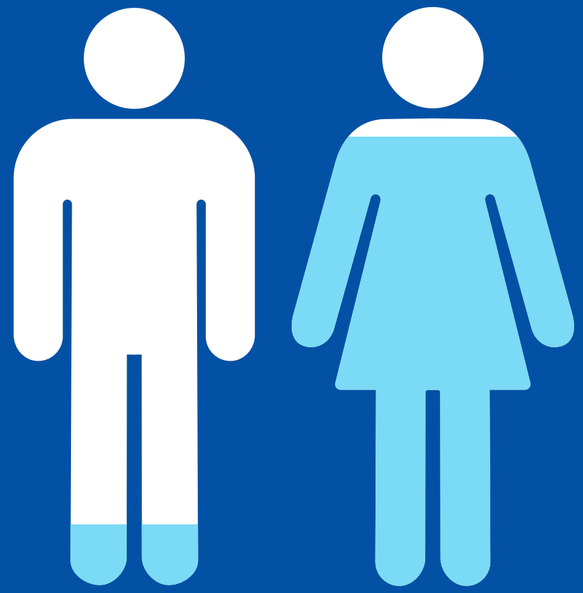
Perceived Value of Flavors

Hypothesis

If consumers are overwhelmed with the amount of flavors Oreo offers, then their purchasing desire will decrease.

If consumers are excited with the amount of flavors Oreo offers, then their purchasing desire will increase.

Sample Demographics



Male 16%

Female 84%

71

participants

27 years old

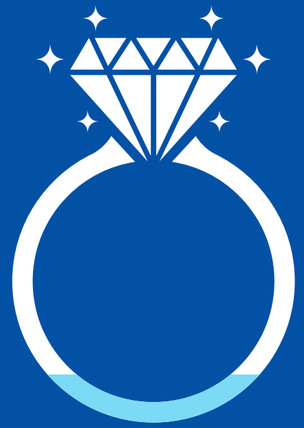
Min: 18

Max: 79

72% **have a 4 year degree or higher**

Married 17%

Single 83%



Location

NORTHEAST

22%

SOUTH

56%

WEST

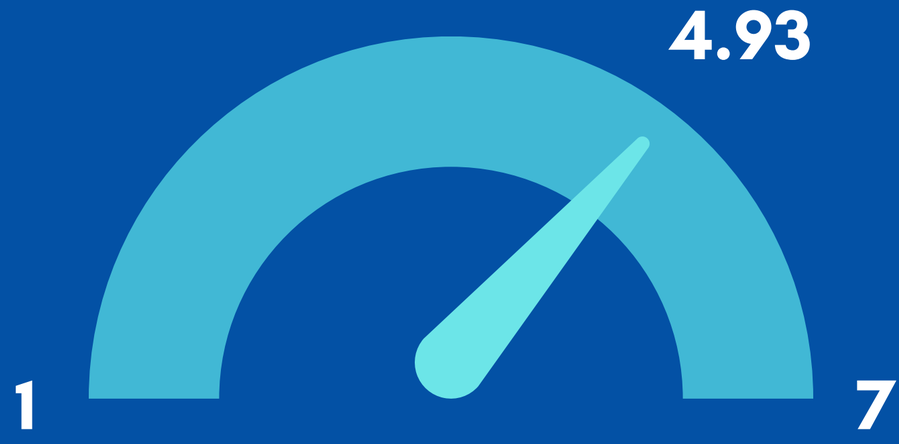
9%

MIDWEST

13%

Market Segmentation Results

I enjoy a wide variety of options at the grocery store

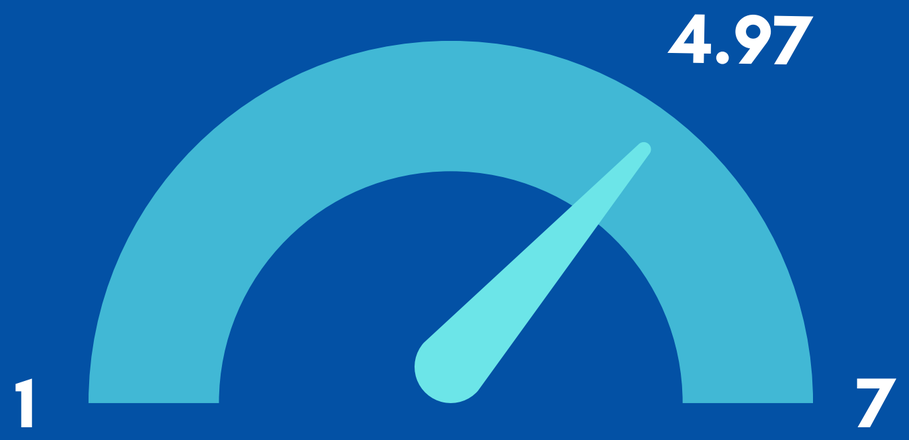


I have adventerous tastes

I like to try new desserts

I am drawn to bigger name brands

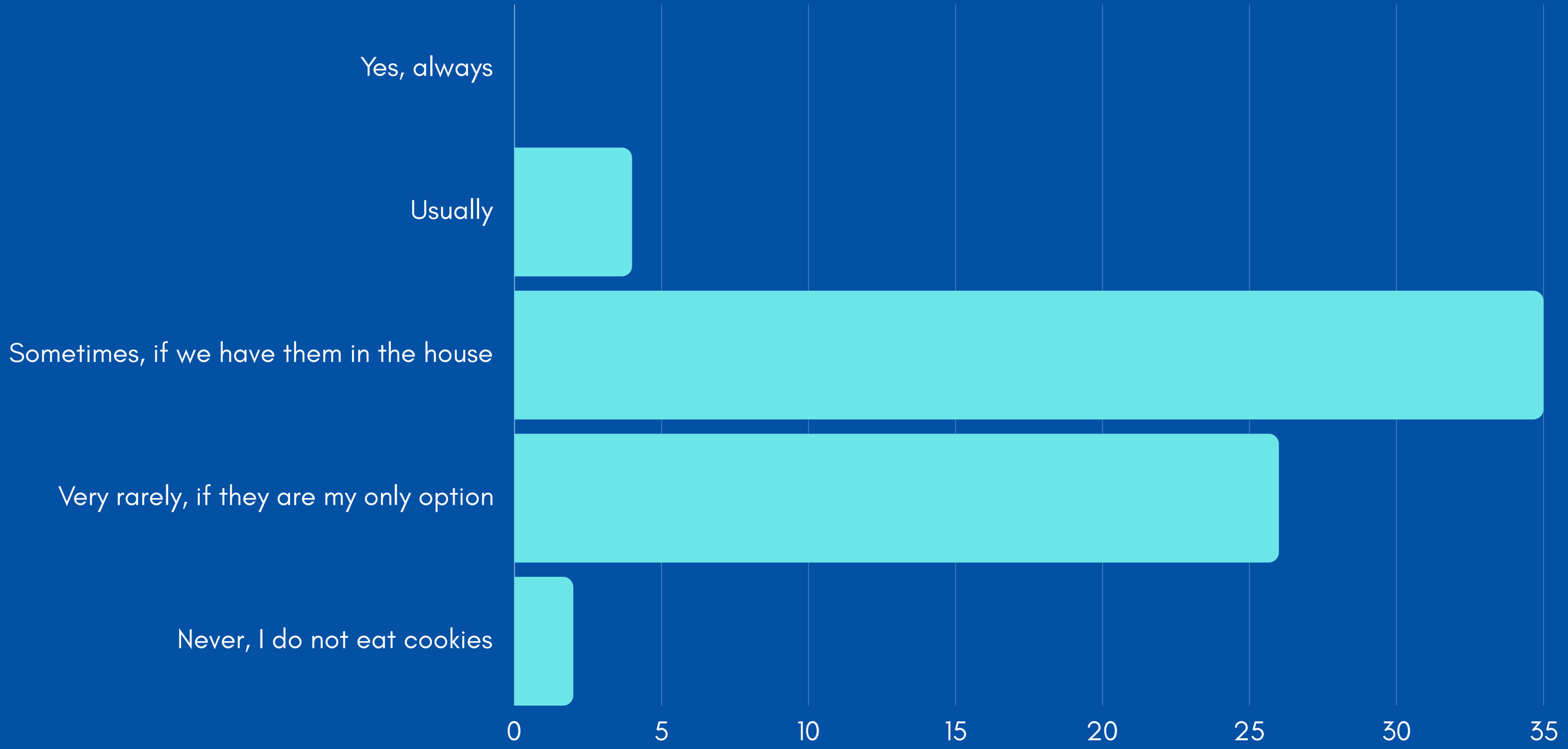
I purchase cookies for myself



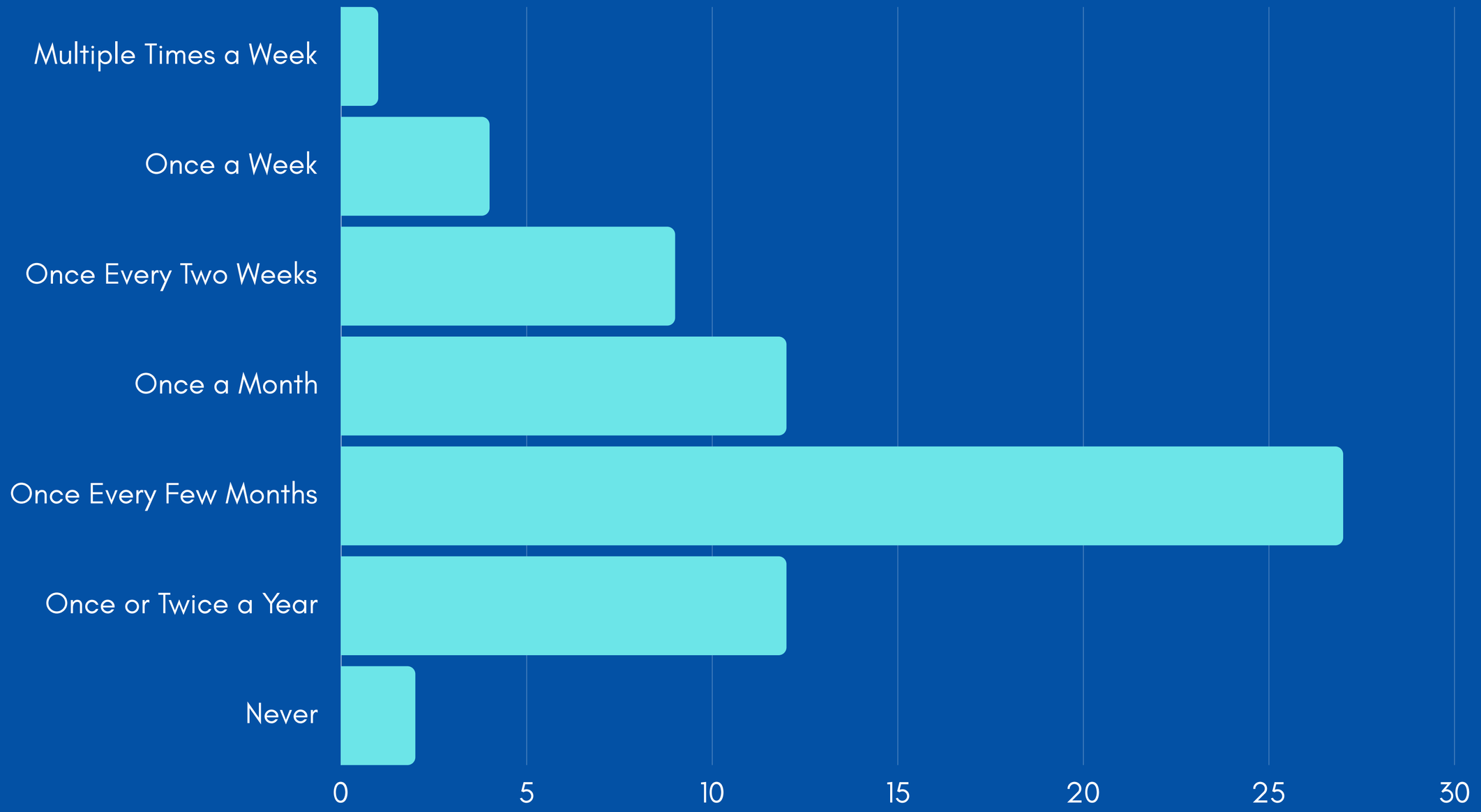
I purchase cookies for social settings

Attitude and Behavior Results

Are cookies your “go-to” snack?

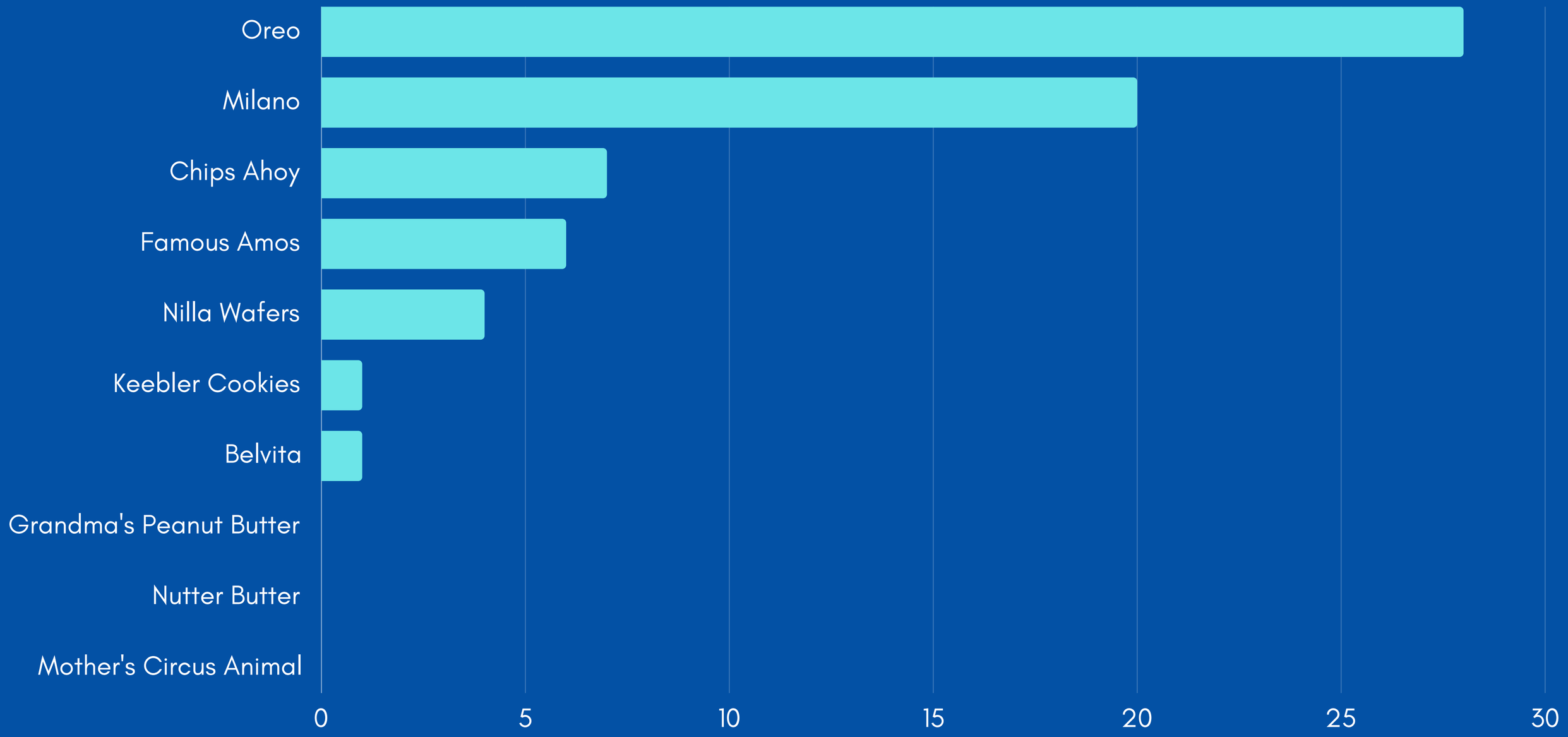


How often do you typically purchase cookies?



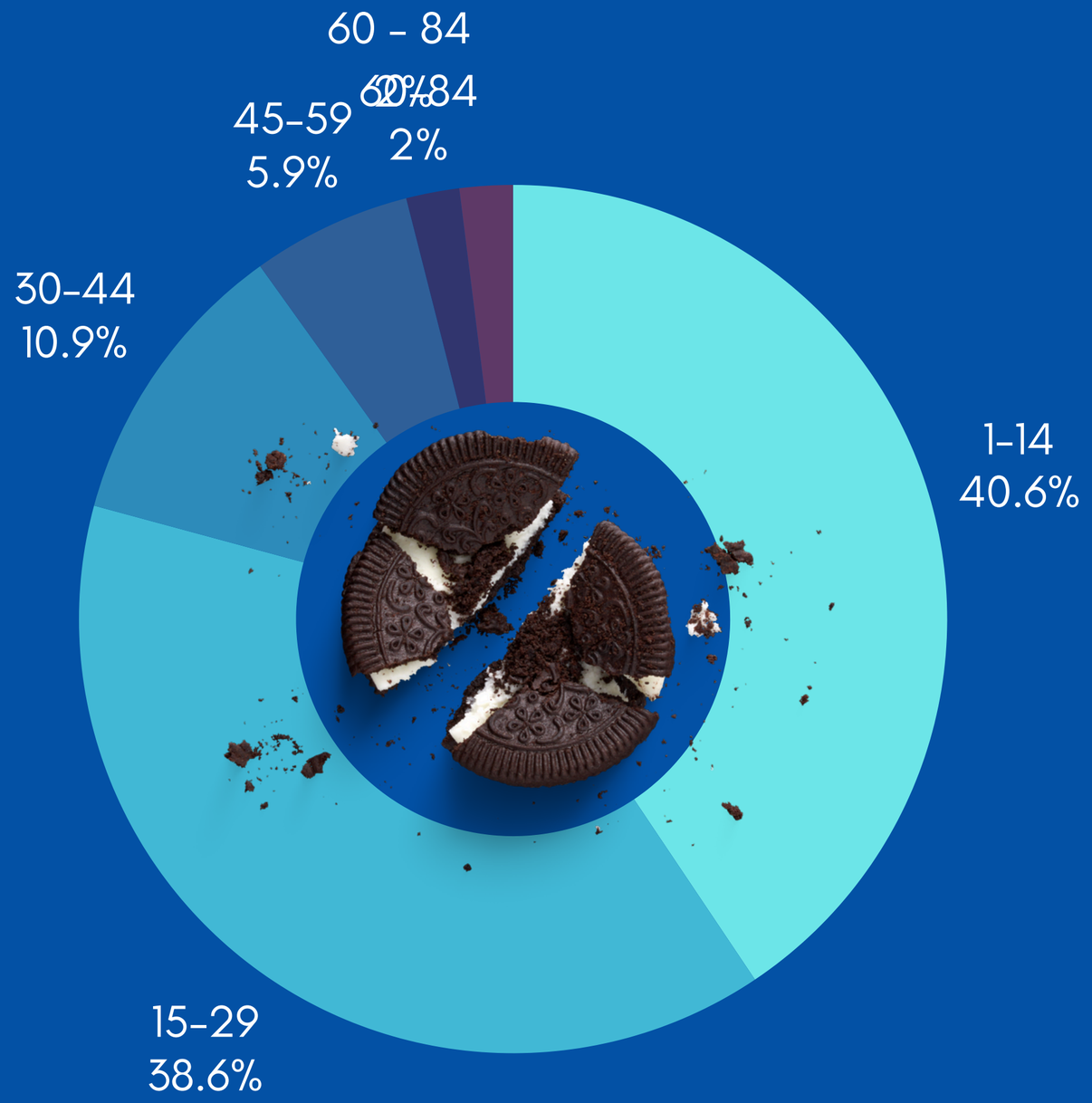
Brand Perception Results

Cookie Brand Ranking



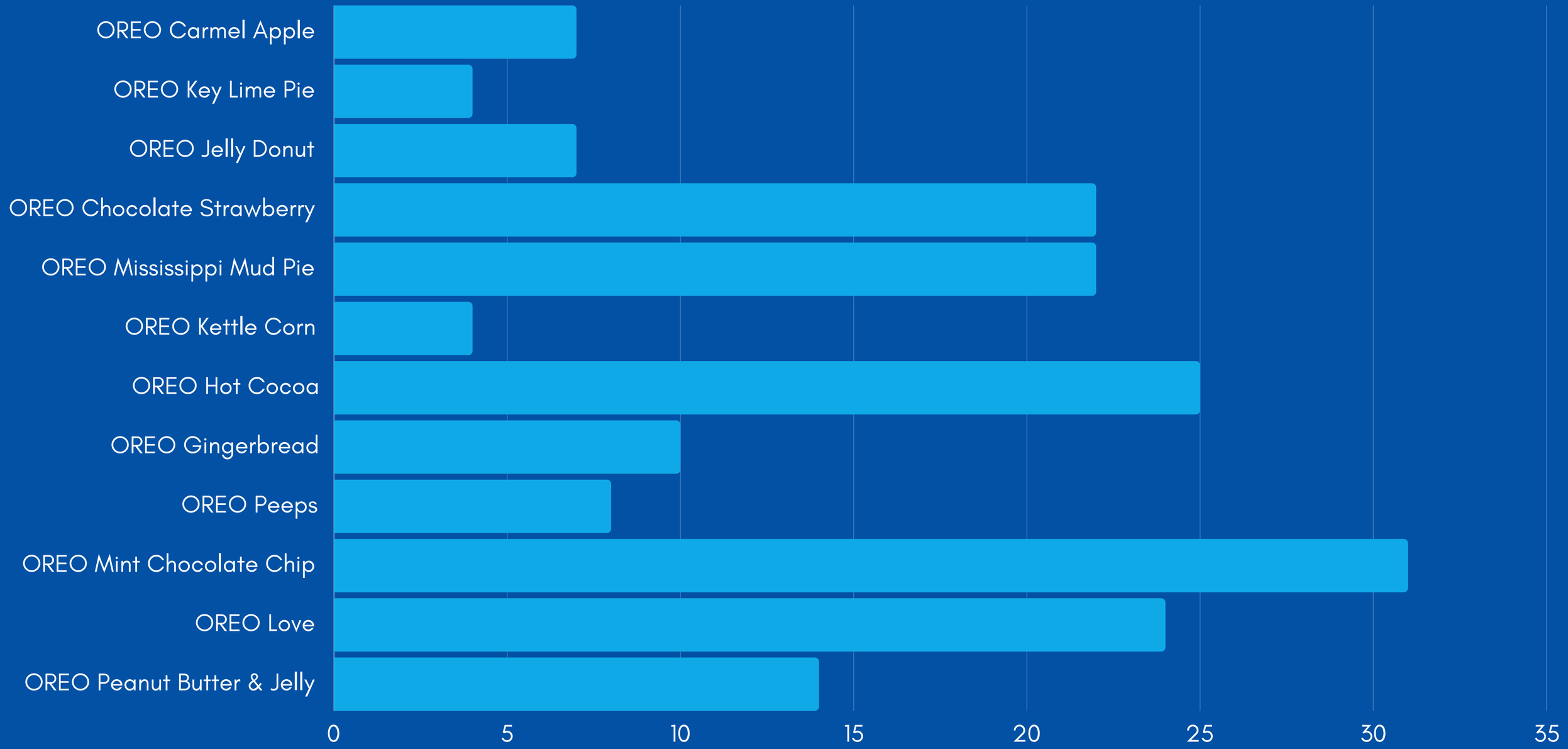
Concept Test

How many flavors do you think Oreos have?

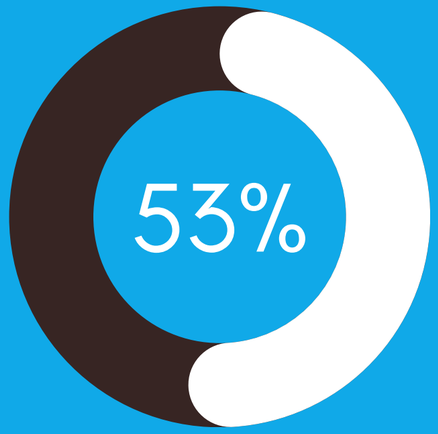


Potential Oreo Concept Flavors

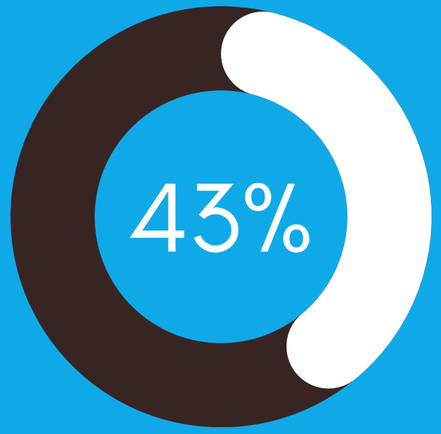
Concept Test Results



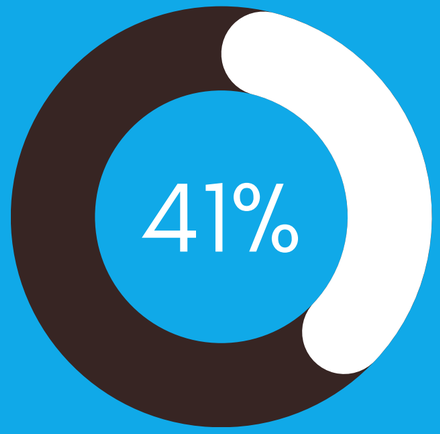
Top Flavors



OREO Mint Chocolate Chip



OREO Hot Cocoa



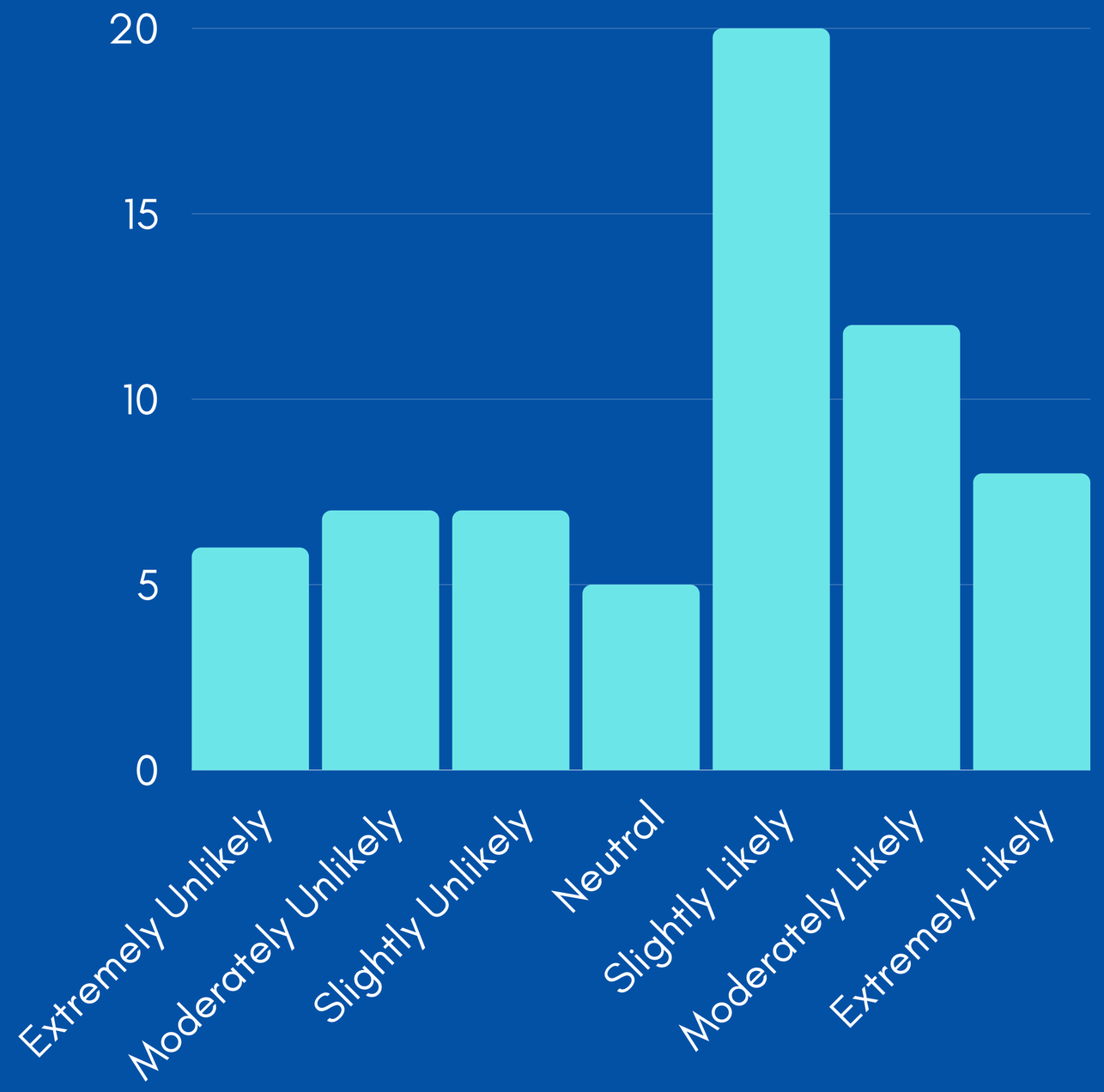
OREO Love

OREO Mississippi Mud Pie

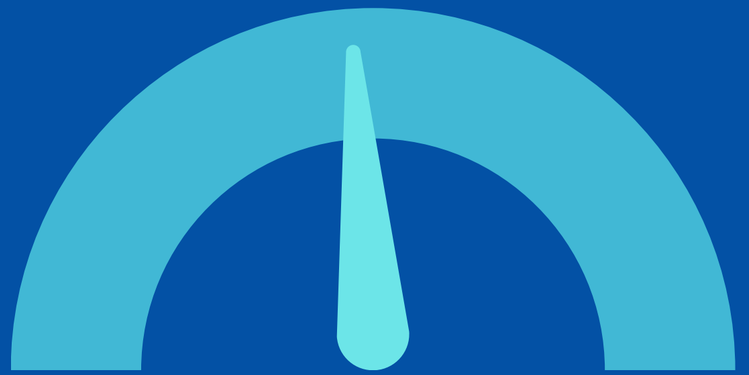
OREO Chocolate Strawberry

Application Results

How likely are you to try a new Oreo flavor?



3.37



1 7

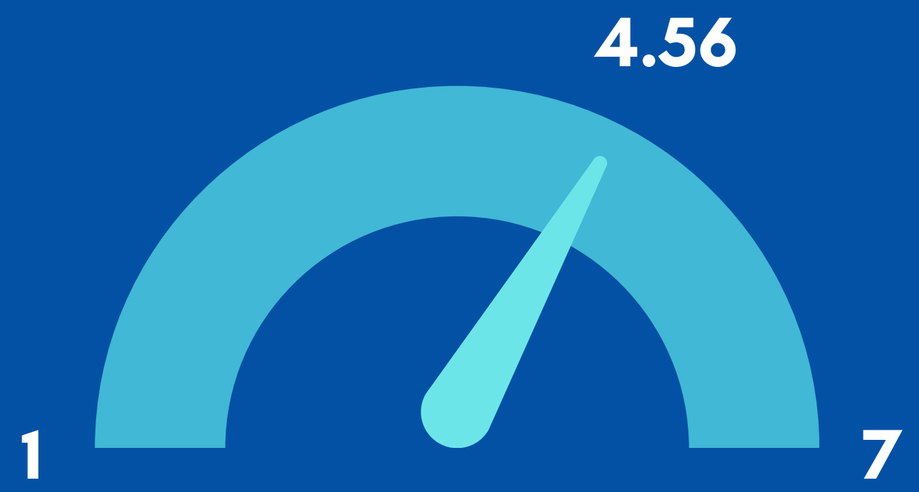
How much does the amount of Oreo flavors *excited* you?

3.18

1 7

How much does the amount of Oreo flavors *overwhelm* you?

How much does the amount of Oreo flavors make you uninterested?



How much does the amount of Oreo flavors make you *curious*?

Factor Analysis

Prefactor Diagnosis

KMO & Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.601
Bartlett's Test of Sphericity	Approx. Chi Squares	223.75
	df	55
	Sig	<0.001

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.601
Bartlett's Test of Sphericity	Approx. Chi-Square	223.745
	df	55
	Sig.	<.001

Communalities

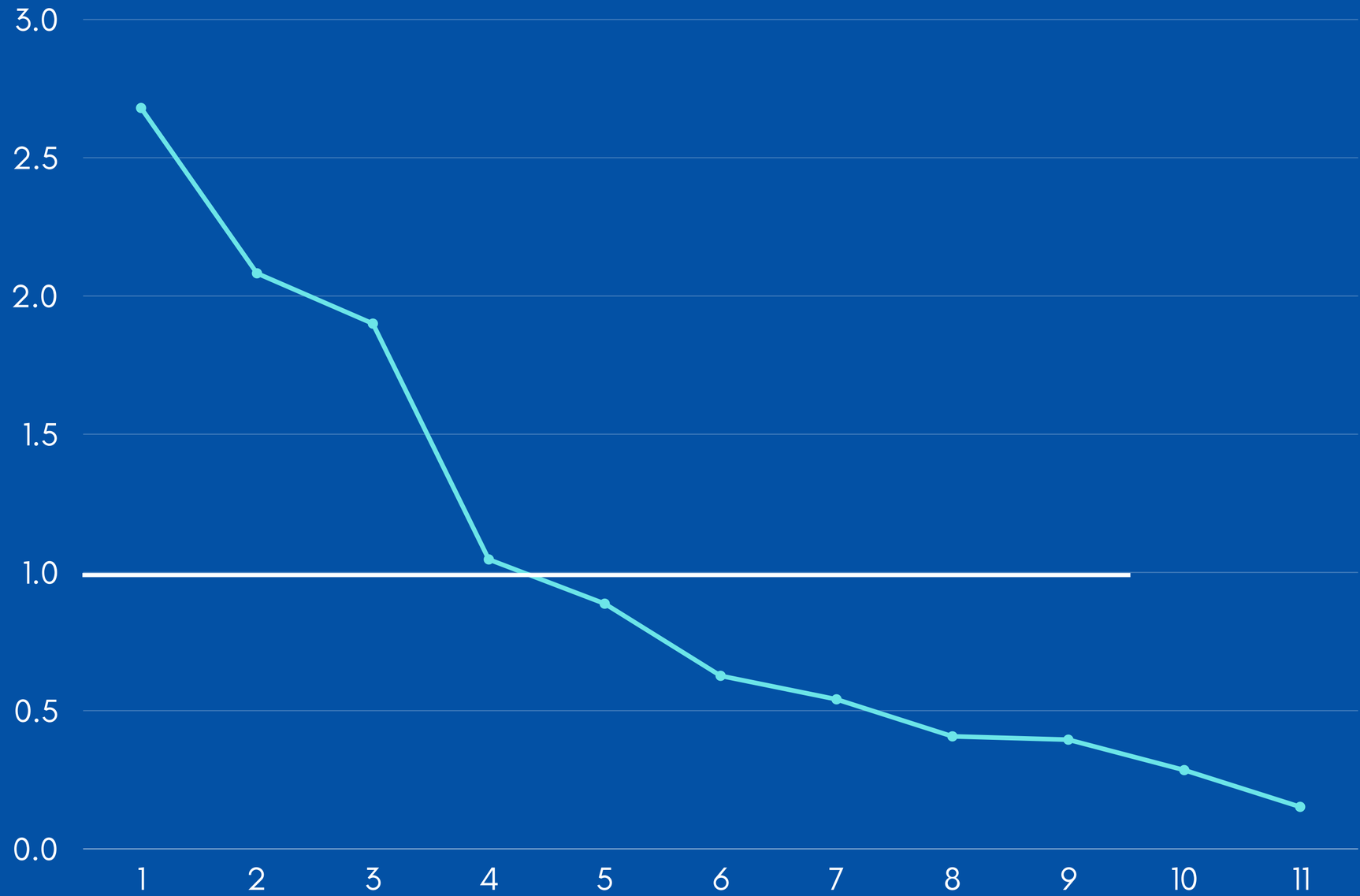
	Initial	Extraction
Widegrocerystoreoptions	1.000	.383
tryingnewfoods	1.000	.783
adventeroustastes	1.000	.771
liketotrynewdesserts	1.000	.496
limitsugarconsumption	1.000	.814
purchasehealthyoptions	1.000	.752
eatunhealthysnackifhaventtried	1.000	.610
oreoemotion_overwhelmed	1.000	.961
oreoemotion_uninterested	1.000	.701
oreoemotion_curious	1.000	.712
oreoemotion_excited	1.000	.722

Extraction Method: Principal Component Analysis.

Identifying Factors

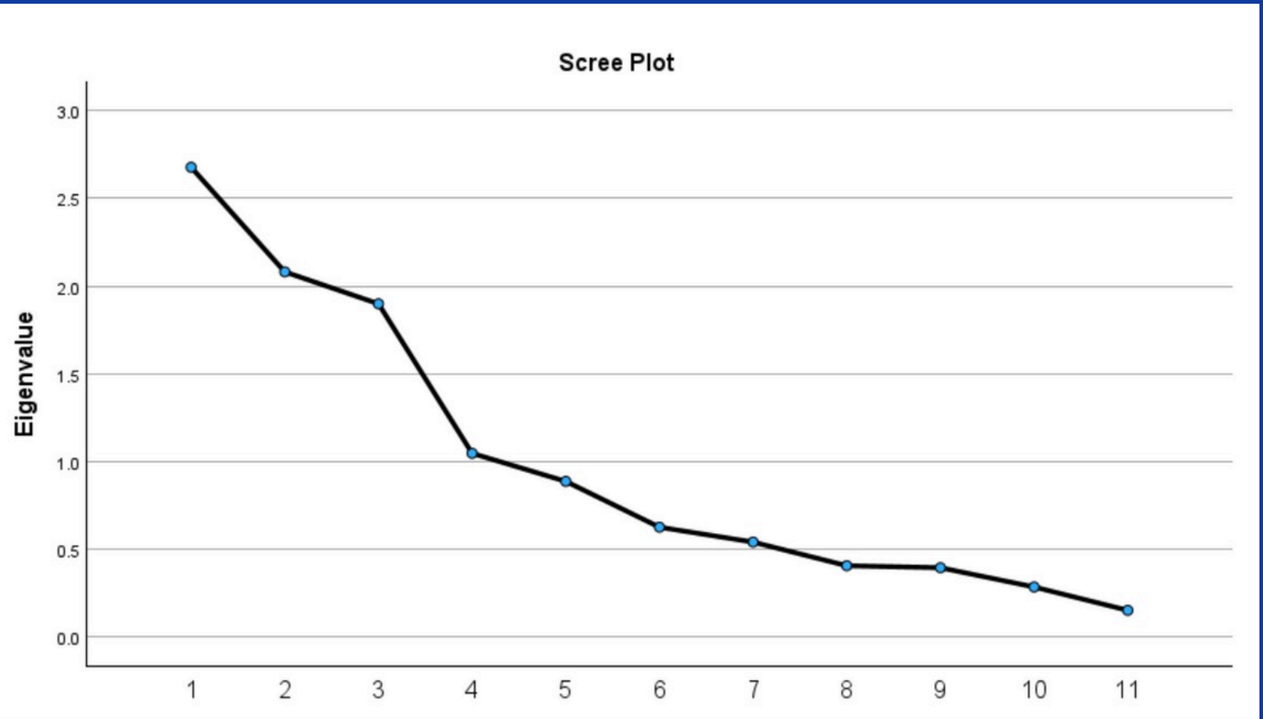
Component	Total	Initial Eigen Values % of Variance	Cumulative
1	2.678	24.342	24.342
2	2.082	18.923	43.265
3	1.900	17.268	60.533
4	1.047	9.520	70.054

Scree Plot



Factors

Feelings towards Oreo	Willingness and ability to try	Health conscious	Overwhelmed
Interest level in oreo's other flavors	Trying new foods	Limit sugar consumption	Overwhelmed level in oreo's flavors
Curiosity level in oreo's other flavors	Adventurous tastes	Purchase healthy options	
Excitement level in oreo's other flavors	Likely to try new desserts	Eat unhealthy snack if you haven't tried	
	Many grocery store options		



Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.678	24.342	24.342	2.678	24.342	24.342	2.316	21.058	21.058
2	2.082	18.923	43.265	2.082	18.923	43.265	2.281	20.735	41.792
3	1.900	17.268	60.533	1.900	17.268	60.533	2.048	18.617	60.409
4	1.047	9.520	70.054	1.047	9.520	70.054	1.061	9.644	70.054
5	.887	8.067	78.120						
6	.626	5.692	83.812						
7	.541	4.921	88.733						
8	.407	3.696	92.430						
9	.395	3.592	96.022						
10	.285	2.594	98.616						
11	.152	1.384	100.000						

Extraction Method: Principal Component Analysis.

Rotated Component Matrix[a]

	Component			
	1	2	3	4
oreoemotion_uninterested	-.830	-.064	.053	.065
oreoemotion_curious	.827	.057	-.098	-.121
oreoemotion_excited	.808	-.068	.055	.250
tryingnewfoods	-.050	.883	-.011	.015
adventeroustastes	-.146	.862	.041	-.072
liketotrynewdesserts	.180	.644	-.221	-.015
Widegrocerystoreoptions	.389	.479	.035	.030
limitsugarconsumption	-.048	.127	.890	.050
purchasehealthyoptions	.149	-.047	.847	-.106
eatunhealthysnackifhaventtried	.241	.286	-.685	-.023
oreoemotion_overwhelmed	.014	-.029	-.034	.979

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

Linear Regression

How likely are you to try a new Oreo flavor?

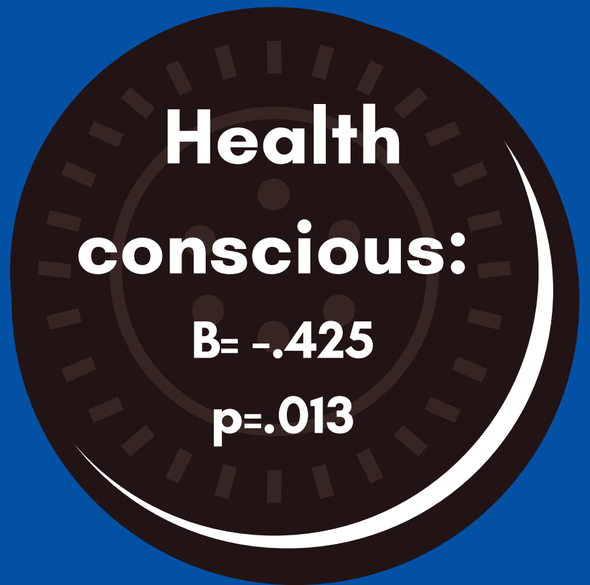
Mean: 4.45

St. dev: 1.837

Adjusted R^2: .472

F= 15.292

p= <.001



Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.711[a]	.505	.472	1.335

a. Predictors: (Constant), overwhelmed, healthconscious, willingnesstotry, Oreo_feelings

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	109.074	4	27.268	15.292	<.001[b]
	Residual	106.988	60	1.783		
	Total	216.062	64			

a. Dependent Variable: likelytotrynew_1

b. Predictors: (Constant), overwhelmed, healthconscious, willingnesstotry, Oreo_feelings

Regression

Descriptive Statistics

	Mean	Std. Deviation	N
likelytotrynew_1	4.45	1.837	65
Oreo_feelings	.0000000	1.00000000	65
willingnesstotry	.0000000	1.00000000	65
healthconscious	.0000000	1.00000000	65
overwhelmed	.0000000	1.00000000	65

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	4.446	.166		26.844	<.001
	Oreo_feelings	1.144	.167	.622	6.851	<.001
	willingnesstotry	.427	.167	.232	2.559	.013
	healthconscious	-.425	.167	-.232	-2.549	.013
	overwhelmed	-.182	.167	-.099	-1.090	.280

a. Dependent Variable: likelytotrynew_1

Correlation

Likelihood to try correlated with feelings about large product portfolio

Excited	Overwhelmed	Uninterested	Curious
r=.367	r=-.045	r=-.570	r=.658
p=.003	p=.722	p<.001	p<.001

Correlations

		oreoemotion_excited	oreoemotion_overwhelmed	oreoemotion_uninterested	oreoemotion_curious	likelytotrynew_1
oreoemotion_excited	Pearson Correlation	--				
	N	65				
oreoemotion_overwhelmed	Pearson Correlation	.167	--			
	Sig. (2-tailed)	.185				
	N	65	65			
oreoemotion_uninterested	Pearson Correlation	-.564**	.016	--		
	Sig. (2-tailed)	<.001	.902			
	N	65	65	65		
oreoemotion_curious	Pearson Correlation	.512**	-.049	-.612**	--	
	Sig. (2-tailed)	<.001	.701	<.001		
	N	65	65	65	65	
likelytotrynew_1	Pearson Correlation	.367**	-.045	-.570**	.658**	--
	Sig. (2-tailed)	.003	.722	<.001	<.001	
	N	65	65	65	65	65

**. Correlation is significant at the 0.01 level (2-tailed).

Managerial Recommendations

1. Continue to diversify their flavor portfolio and create their limited edition products

2. Produce more advertisements for their untraditional flavors based on the curiosity and interest level consumers have

3. Create a contest that allows consumers to submit their own unique flavor ideas and become involved in the ideation process- increasing awareness & playing off curiosity.

Thank you!

Questions?