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“What can I get you?”

A study on POS marketing effectiveness in a restaurant environment

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<p>The objective of the thesis, commissioned by Bacardi-Martini Finland Ltd, is to produce comprehensive consumer insight data about their primary target group. More specifically, the aim is to study the level of impact of POS marketing in the consumers purchase decision in a restaurant environment. Since the regulation concerning advertising and selling alcoholic beverages in Finland is heavy, the author has felt it necessary to introduce parts of legislation relevant to the study, as well. This is to help a person unfamiliar with the legislation understand the field and its practices.</p> <p>For the purpose of gathering the necessary data, a quantitative research was conducted by preparing an electronic questionnaire which was published in the intranet of Helsinki Metropolia University of Applied Sciences. The questionnaire produced a total of 427 answers, which were analysed and studied according to the theoretical framework of the thesis. The theoretical framework for the study includes consumer behavior and consumer psychology theories and theories on POS marketing and its applications - mainly focusing on subconscious factors that underlie the conscious decision making which was studied in the research.</p> <p>The essential findings include the different influences that the respondents' demographic and behavioral characteristics have on their consumer behavior, as well as a description of how the respondents perceive the POS marketing in a restaurant. In the conclusion the validity and reliability of the research are evaluated, and recommendations about practical measures to improve the POS marketing effectiveness in restaurants are provided.</p>	
Keywords	Consumer behaviour, POS marketing, restaurant environment, consumer psychology

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<p>Tämän opinnäytetyön tarkoitus on tuottaa Bacardi-Martini Finlandille kattavaa tietoa yrityksen kohderyhmän kuluttajakäytöksestä ravintolaympäristössä. Tarkoitus on tarkastella ostoymäristössä sijaitsevan markkinointimateriaalin vaikutusta kuluttajien ostopäätökseen ravintolaympäristössä. Alkoholialan tiukasta sääntelystä johtuen myös työn kannalta oleellista lainsäädäntöä avataan opinnäytetyössä. Tämä auttaa alkoholi- ja ravintola-alaa tuntematonta ymmärtämään sen käytänteitä ja rajoituksia.</p> <p>Tutkimus toteutettiin kvantitatiivisena tutkimuksena. Tutkimukseen tarkoitettu sähköinen kyselylomake julkaistiin Metropolia Ammattikorkeakoulun intranetissä. Kysely tuotti yhteensä 427 vastausta, jotka analysoitiin tutkimuksen teoreettista viitekehystä vasten. Tutkimuksen teoreettinen viitekehys pitää sisällään kuluttajakäyttäytymisen ja kuluttajapsykologian teorioita sekä teorioita ja sovelluksia ostoymäristössä tapahtuvasta markkinoinnista. Teoriaosuus painottuu tietoisien päätöksenteon takana piileviin alitajunnassa sijaitseviin tekijöihin, jotka ohjaavat työssä tutkittua päätöksentekoprosessia.</p> <p>Keskeisimmät tulokset kuvaavat kuinka tutkimukseen osallistuneiden ostopäätökseen vaikuttavat näiden demografiset sekä käytöstä selittävät tekijät. Tulosten avulla voidaan myös arvioida ravintolaympäristössä sijaitsevan markkinoinnin näkyvyyttä ja vaikutusta vastanneiden ostopäätökseen. Tutkimuksen validiteetti sekä reliabiliteetti arvioidaan raportin loppuosassa, jossa myös annetaan käytännön parannusehdotuksia ravintolaympäristössä tapahtuvan markkinoinnin tehostamiseen.</p>	
Avainsanat	Kuluttajakäyttäytyminen, POS-markkinointi, ravintolaympäristö, kuluttajapsykologia

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1 Introduction

1.1 Background

The purpose of this thesis is to provide Bacardi-Martini Finland with up-to-date consumer insight about their primary target group and provide information about the effectiveness of different marketing measures in the point of sale (POS) environment. The theoretical framework of the thesis contains theory about consumer behaviour, consumer psychology and the POS. In the research part the implementation of these theories is measured in practice. The research description also covers some research-technical information regarding how the research was conducted and how the project itself was carried out. Finally, I will add conclusions drawn from the research as well as recommendations for further studies and implementations.

It was clear to me from the very start of the project that I wanted to produce my thesis as a collaborative assignment, and as it conveniently turned out, Bacardi-Martini Finland had need for such a project. I had other options for my subject as well, but the reason why I chose this particular subject lies both in my past experience and my future goals. I have employed myself in the restaurant business since 2006 and as soon as I finish my BBA education, I plan to employ myself in a position where I can effectively combine my knowledge of the field with the business acumen attained during the last three years of my educational training. Especially with this in mind, I believe this project will increase my professional know-how and thus help me closer to my objectives. For the discerning reader I would like to point out that due to my restaurant background, I have also used my own experience in the field as a reference at some parts of the thesis.

The research part of the thesis was conducted as a quantitative research. The electronic questionnaire was planned with the help of the people from Bacardi-Martini Finland to ensure its feasibility. Due to Helsinki Metropolia UAS lacking a single channel to reach all its 15 000 students, I contacted all the study secretaries of their respective departments in advance, even before the questionnaire itself was ready. This was to ensure the smooth execution of the research part as soon as the form would be ready to publish. My source books include material written both in Finnish and English, the overarching theme being primarily marketing and psychology. Apart from some histori-

cal references, I have tried to use as up-to-date sources as possible. Due to the legislation and heavy regulation in Finland, the alcohol industry differs notably from traditional import or retail business. I have deemed it necessary to describe these effects in order to give the reader a better understanding of how the industry functions.

1.2 About Bacardi-Martini Finland

Bacardi-Martini Finland was founded in 1998 and it is a part of the world-wide Bacardi Ltd. In Finland, Bacardi-Martini Finland represents a total of 21 products, including well-known brands such as Martini vermouths, Bombay Sapphire gin, and Grey Goose vodka. Bacardi-Martini Finland has a strategic partnership with the Finnish, Carlsberg-owned brewery Sinebrychoff, which handles some of Bacardi-Martini Finland's operations, i.a. logistics and parts of marketing. (Bacardi-Martini Finland 2013.)

Bacardi Ltd is the largest family-owned spirits company in the world with operations in more than 150 markets worldwide that employ nearly 6000 people. The company's roots go back to the year 1862, when its founder, Don Facundo Bacardí Massó, a Catalanian expatriate founded the company in Santiago de Cuba, Cuba. Though the company had its troubles in the communist Cuba, it is still under the ownership of the Bacardi family and its headquarters are located in Hamilton, Bermuda. (Bacardi Limited 2013.)

2 Legislative facts of note

2.1 The brief history and facts

Finland has always struggled with alcohol related sociological problems. Alcohol and the problems caused by overuse have been in the spotlight during the whole 20th century and even before. A prohibition law was passed in 1919 and it held until revoked by a referendum in 1932. The prohibition criminalised all production, selling, transporting and storing of alcohol, though it was evident that the law was difficult to enforce and its real effects on reducing the alcohol abuse and problems related to it were controversial (Hytönen 1930).

When the prohibition ended, the Finnish state took control of the alcohol business by a self-declared monopoly, which, to some extent, it still holds today. The selling of medi-

um strength beer (less than 4,7% alcohol in volume) was deregulated in 1969, but the selling of strong alcohol (above 22% vol.), strong beers and ciders (above 4,7 % vol. alc.) and wine is still restricted to state owned liqueur stores and licensed restaurants. Importing, producing and retailing are subject to licence (Valvira 2012).

The Finnish alcohol law divides alcoholic beverages into strong alcoholic beverages that contain over 22% vol. alcohol and mild alcoholic beverages that are under 22% vol. in alcohol (Finnish alcohol law 1st chapter § 3). The regulation varies between the two. Promoting and advertising mild alcoholic beverages is allowed, as long as it is not targeted to minors, is not in conjunction with driving, or does not give the image that drinking would be beneficial to you in any way. Several exceptions and special rules apply (especially to restaurants), but listing them all here is far from being functional. All types of advertising and promoting strong alcoholic beverages in public places is prohibited and supervised by the National Supervisory Authority for Welfare and Health, "Valvira" (Valvira 2012). Promotions inside a separately defined area suited for alcohol serving (basically meaning restaurants and trade fairs that have applied and granted a serving license) are allowed, assuming that the language and imagery used are "appropriate and discreet" (Valvira 2012).

Today, the Finnish government tries to maintain its pre-emptive approach of controlling the societal problems of alcohol abuse by the means of heavy taxation on the production and sales of alcoholic beverages, and by heavy regulation of the distribution channels and marketing of alcohol. This has led to a somewhat distorted supply chain in the wine & spirits industry in Finland that channels most of the pressure to practically the only place a supplier can promote his product: the channel partner.

2.2 Implications of heavy regulation on the industry and the channel partners

As mentioned in the previous chapter, the heavy regulation of distribution channels and marketing of alcoholic beverages has led to an increased pressure at the downstream supply chain. Because the advertising and selling of strong alcoholic beverages is basically restricted to restaurants only, this also means that the only direct interface between the manufacturer and the end user exists in the restaurant.

For the alcohol and brewing industry and alcohol importers this means that they have had to take a different approach in marketing their products and sustaining their brand

visibility. The marketers and sales representatives need to start looking at restaurants in a different way: how can I make my brand stand out in a crowded restaurant or a bar? For the marketers this means the use of coasters, little signs attached to the beer taps, posters, nifty slogans, live promotions, specified shelf placement, branded bar equipment and branded staff clothing as means to deliver marketing communication. The key point is that in order to get your product or brand the best visibility in a restaurant, you have to constantly think about how to stand out in the limited space available. In order to achieve this, you also have to be in very good terms with the restaurant, your channel partner.

3 The path to purchase

3.1 Breathing through retailers

As mentioned in chapter 2, the beverage industry as a whole is very retail-dependent in Finland. When we add the regulations and sanctions that come with dealing with alcohol, we might come to the conclusion that if you operate in brewery or the wine and spirits industry in Finland, your business breathes through your retailers. As “normal” businesses have two major options to reach their customer, direct and indirect marketing (see Figure 1), businesses that deal with alcoholic beverages are cut off from the consumer due to the prohibition of direct marketing.

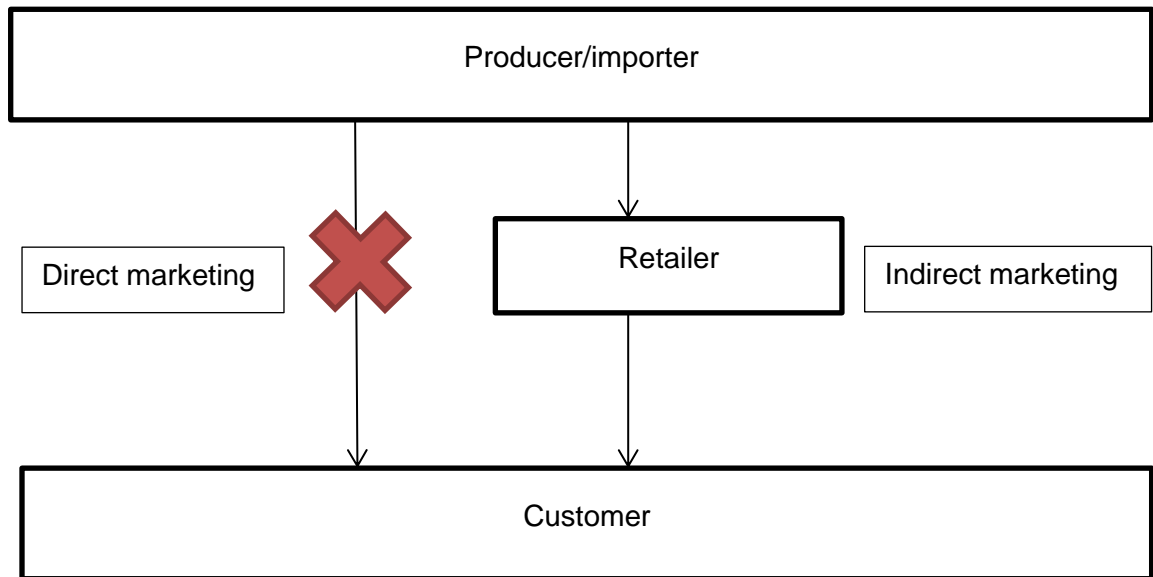


Figure 1. Due to the legislation, indirect marketing through retailers is the only option for an alcoholic beverage producer/importer to reach its end users in the Finnish market. Adapted from Dhotre 2010.

When dealing with producer-retailer relationship, it is important to distinguish the different promotion strategies available. The two mentioned here differ but are not exclusionary, and usually the promotion strategy selected depends on product life cycle, brand strategy and selling strategy. The push strategy means that the producer actively promotes its product down the supply chain. Most of the promotion in this stage is directed towards the retailers to convince them to purchase and stock the product to be sold on to the final users. This strategy is most often applied at the introductory stage of the product lifecycle. In this case, though most evident in product launches, push strategy is used with varying emphasis throughout the lifecycle to ensure constant or growing sales and sustainable brand visibility. (Meenal 2010, 145.)

The pull strategy is used when the end-users generate enough demand that it is clearly lucrative for the retailers to have the product available and at stock all the time. The customers generate a “pull effect” through the supply chain. This happens most often at the booming stage of the product. (Meenal 2010, 145.) It is good to keep in mind that strong brands have a long lifecycle and they may even become staple brands that represent the whole product category. For example, Koskenkorva Vodka has become a staple vodka brand in Finland all the way to the point that is a synonym for vodka among Finns. Thus, through a constant demand a stable pull effect is created and ex-

cluding the product from their selection would require sound justification from a restaurant.

3.2 Point of Sale (POS or PoS)

By now, the important role of retailers (described in chapter 3) as the primary interface between the marketer and his target audience should be clear. However, they do not only deliver the message; they also have a significant role in how it is perceived. They create the point of purchase environment. The definition of a point of sale (PoS) or point of purchase (PoP) is a permanent or temporary display tactic that a manufacturer creates at a retail location in order to gain visibility for his product (Schultz & Smith 2004). Both of the terms “point of purchase” and “point of sale” are widely used and have no actual conceptual difference. For the sake of clarity, the term “point of sale” is used from now on.

POS marketing is considered as being superior to traditional media marketing, due to the differences in the mental responsiveness, conditions of exposure and the amount of involvement of the consumer. Effectively this means that when consumers are at the point of sales environment, they are already in the mood for spending, they are more easily influenced by any means that their senses allow them to comprehend and it happens where and when the customer chose to be in the first place. When watching TV we want to see the show, not the commercials. But when we are at the grocer's or at a bar, we are actively looking for promotions, discounts, new products etc. (Schultz & Smith 2004, 182; Spillecke & Perrey 2012, 198.)

According to a study by Point of Purchase Advertising International (POPAI) the effect of the point-of-purchase environment to the consumer decision making is very effective. The study POPAI conducted made use of EEG's, eye-tracking technology and shopper interviews to arrive at the outstanding conclusion that 76 % of final purchase decisions are made in the point of sales. (Screenweb 2012.) Even though the need we strive to satisfy is formed earlier, the final decision about the product we choose is always made at the POS. For example, we might notice that we have need for a new package of laundry detergent, but the final decision on what brand and with what criteria is made at the shelf.

The study mentioned before along with several scientific publications agree on how much the POS really affects our purchase decisions (Pradeed & Meerman 2007; Barden 2013; Rajeev 2007, 101-105; Schultz & Smith 2004, 182). The issue with the studies related to POS-related consumer behaviour or POS marketing effectiveness is that they are traditionally done in a grocery environment. At the time this thesis was done and with the sources at the author's disposal no studies concerning the consumer behaviour of a restaurant customer could be found. However, even by the definition of the POS, the differences between a grocery store and a restaurant environment are not that significant. The same commercial and behavioural rules apply even if the legislation and the nature of the environment differ.

3.3 POS Tactics

Schultz & Smith (2004, 185-186) divide eleven common POS tactics by their respective objectives (see figure 2). Tactics most applicable to a restaurant environment include the "loader", "account specific", and "specialised service" tactics. Typical to a loader tactic, the restaurant owner may receive a premium for a particularly striking POS campaign, usually in the form of increased sales or the chance to save in costs. The account specific tactic occurs in restaurant business when manufacturers identify profitable restaurants or restaurant chains that deserve account specific attention and form POS strategies tailored to their business models.

"Specialised service" tactic is fairly common in restaurant business and usually occurs in the form of live promotions in the POS or trade fairs. They usually feature a third party that is specialised in promotional marketing and can take care of the implementation of the campaign. It is common for live promotions to be used in conjunction with product launches or special holidays, such as promoting Guinness on St. Patrick's Day, for example. Live promotions are typically made up of trained promoters that generate some extra sales while activating the customers in a variety of ways.

Tactic	Definition
Promotional POS program	A display program that carries a prominent promotional offer such as a sweepstakes, mail-in offer, tie-in offer etc.
Loader	Retailer receives premium as motivation to participate in the promotion; may simply be handed over or mounted on the display for visual impact and then given on program completion.
Near-pack	Display offers value on premiums that are stocked near the actual display, encouraging additional purchases.
Self-shipper	Shipping container doubles as a display unit – both product bin and header card.
Cross-merchandising	Display offer ties in with other store items, often in a separate location
Account specific	Vendor program ties in with a retailer, such as retailer identification on signage and retailer specific consumer offers.
Spectacular (and contest)	POS program of grand proportions; massive stacking, sometimes with a few brands, creative displays, even shopper involvement.
Merchandising fixture	Permanent or semi-permanent fixture designed to stock and showcase products, e.g. mirrored cosmetics fixtures
Merchandiser	Display unit, often permanent, showcases or demonstrates product attributes, e.g. dimensional cutaway models of automotive systems.
Special effects	Display incorporates dramatic and unique device to command attention: motion displays, crawling text, audio effects, etc.
Specialised services	POS tactic delivered by a service with pre-established retail capabilities, such as live promotions.

Figure 2. POS tactics and their definitions (adapted from Schultz & Smith 2004, 186-193).

It is important to understand the differences in circumstances in a restaurant environment compared to a grocery environment. Unlike in the grocery store where the customers can freely grab the products, feel them, smell them and even taste them, the amount of interaction in a restaurant is a lot more prohibited. They need to be served, and the amount of personal product assessment is very much limited to evaluating the bottle and its label. Therefore the importance of the staff working at the POS is also a significant asset. We will draw a conclusion that the aspect of staff influence is included in the “account specific” tactic.

3.4 Instruments of promotion

Once in the POS environment itself, we have several different ways to deliver our message to the consumers. Once again, there is a slight difference in a restaurant environment compared to a grocery environment. It is that if the product contains alcohol, the customers cannot grab the products themselves. According to the legislation, they have to be served. Therefore promotional displays containing products that contain alcohol and that people would just pass by and grab by themselves are practically illegal. Other than that, a restaurant may be packed with POS marketing material.

Visible instruments of POS marketing increase the brand presence in the restaurant by providing visible stimuli for the customers. One of the most common visible POS materials you come across in restaurants are bar utensils. Almost everything that is visible while the bartender mixes a drink for a customer can be branded: from shakers, glassware, bar mats to staff clothing and cocktail sticks, anything can be imbued with a logo to increase brand presence. They are a good way of upholding brand visibility, but from a customer’s point of view, they contain very little information other than what is being poured to your drink, and even that information is not certain.

Another way to increase brand visibility in a restaurant is the use of printed material. In addition to traditional posters and cocktail lists, brand imbued stands on the bar and on the tables are good ways to catch the customers’ attention. Usually information on the product or on the price is included, which provides the customers an incentive to peruse the material. Also, from experience I have noticed that when print material containing product and price information is placed on a visible spot, it leads the customers to believe that the product in question is being sold at a discount price, whether this truly is the case or not.

From all the instruments of promotion, availability has arguably the biggest impact on sales volumes. In this context, availability is mostly what products are stored in the bottle rack in front of the bartender. The bottle rack usually contains types of alcohol most often used in the restaurant. The selection varies by restaurants, but the most basic types used in cocktails; vodka, gin, rum, whiskey and tequila are usually stored in the bottle rack.

The importance of the bottle rack is that it determines what brand ends up being used when a customer orders a drink without specifying what brand is preferred. As it happens, it is much more often when a “gin and tonic” or “rum and coke” is ordered instead of a specification of what brand should be used. Because of this, even if they might have a much lower visibility value, the products used in the bottle rack can have much more larger sales volumes compared to the products stored in the bottle shelves, also known as the “back bar”. It is of course possible to have a product stored both in the bottle rack and in the back bar.

Concerning availability, from a spirits company’s perspective it is important for their brands to have their perceived value high enough to affect the customers buying habits. This is due to the tendency of restaurants to store cheap products with better marginal profits in their bottle racks. A high perceived value increases the amount the customer is willing to pay for a preferred brand, leading to the choice of the slightly more expensive product, even if the cheaper option is offered first.

Live promotion in a POS can be implemented as big, eye-catching live promotions involving promotional staff selling the producers products at a custom made display, or at the simplest, the regular staff recommending the producers product. Whichever the case, live promotion is particularly important due to the fact that the customers have to be served; there is no way around it because of the legislation. Every customer in the restaurant goes through the service process, unless blessed with particularly generous company. The challenge with staff recommendations is usually how to get the staff committed to the task. Commonly, the restaurant staff is provided with an incentive, like a sales competition for example.

4 Perception and the POS

4.1 Definitions

When making purchase decisions at restaurants, the consumer decision making is affected by external stimuli and internal motivations and values. We all are sensitive to different stimuli, perceive them differently and we all have different ways to interpret the information to various outcomes. (Kumra 2007, 101.) By combining the internal processes of consumers with the external stimuli produced by the environment, we should be able to map out a stencil illustrating the processes involved in consumer behaviour in a restaurant environment.

This chapter will describe how the perceptual process combined with the internal processes of the brain affect and pilot our behaviour. It is important to notice that the most important factors from a marketing perspective are primarily subconscious and form the basis for our conscious behaviour (Pradeep & Meerman 2012, 14-15). As it is neither possible nor practical to study the full spectrum of psychological and subconscious relations and effects to human behaviour in terms of reference of a BBA thesis, the basic elements of the subconscious are presented, because they form the underlying causes for the research part of this thesis: the conscious behaviour.

4.2 Senses

Perceiving is a complicated process in which we get an external stimulus (sensation), process it internally and finally transform it into a perception. The notable thing about perception is that there is no subjective perception: we all interpret the sensations we absorb from our environment differently. Therefore we can conclude that the concept of perception includes the concept of external stimuli as well as our inner processes. External stimuli can affect any of our senses: sight, smell, hearing, taste and touch. (Solomon & Bamossy & Askegaard 2002, 36; Kumra 2007, 101-110.)

The key to understanding senses is to realise that they all actually take place in our brains, rather than in our sensory organs, be it our eyes, noses, ears or skin. About one fourth of our brain is involved in seeing, but when we see we do not see with our eyes, but rather with our brain. Our eyes gather the information about light level and wavelengths, but it is our brain that decodes the message and turns it into a sensible per-

ception. The same works for the rest of our senses. Even when we hear a sound, your brain most probably decodes the hearing of the sound differently than mine. (Pradeep & Meerman 2012.)

How we sense is affected by our own perceptual selectivity, the amount of exposure of a single stimulus and how well we are adapted to it. Perceptual selectivity is a result of the brains limited capability to process incoming information. When faced with large amounts of incoming information, our brain picks up the messages it feels are most important for the occasion. (Solomon & Bamossy & Askegaard 2002, 44-50.) The amount of exposure logically affects our perception as well. A sudden, loud noise will get our nearly undivided attention. An increase in the volume means that our sensory organs related to hearing have an increased amount of information to deliver to our brains, which can easily become overstimulated by the combination of different stimuli. This is necessarily not always a negative effect, as sometimes overstimulation can lead to impulsive purchasing (Psychology Today 2010).

With literally thousands of commercial messages processed daily, the relevant question about how is it even possible to even stand out and make an impact anymore has become topical. With swarms of impulses coming in daily, our brains have had to adapt to the barrage of stimuli in today's fast-paced world. With the help of modern EEG mapping, computer algorithms and behavioural testing scientists have been able to map out how our brains have adapted to the sensory overflow. According to Pradeep & Meerman (2010, 29-30) the modern human brain has learned to form preferences related to perception (see figure 3).

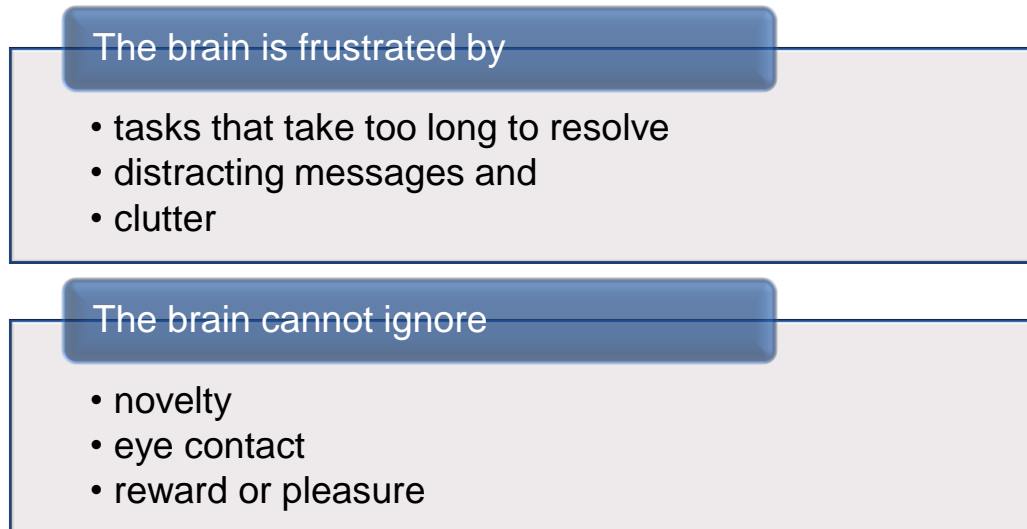


Figure 3. A list of tendencies of the modern human brain (Adapted from Pradeep & Meerman 2010, 29-30).

All of the positive and negative factors shown in figure 3 can occur in a POS environment. Tasks that take too long to resolve could be situations where we need to find specific product information that is unavailable to us, for example. Distracting messages are all around us, and even the thought of having to find a product from a huge supermarket without the neat lines of aisles to help us navigate feels uncomfortable at best.

The things the brain cannot ignore are things that should be emphasised when planning POS strategies, while still taking the environment-specific conditions under consideration. The obvious question when looking at the list is which is the best way to implement them? Can we make use of eye contact in printed material in an environment where eye contact is present anyway, or will overstimulation turn the positive into negative? What are the factors that influence the consumer perception in a POS?

4.3 Interpretation and decoding

Once our senses have delivered the message to our brains, a complex process of giving meaning to the message starts. This is called interpretation. This is where the uniqueness of our brain steps in. As there are simply too many messages to decode, our brain has formed a method to keep up with the increasing amount of information: schemas. Schemas are a way for the brain to categorise information into associative

themes and categories. We build schemas and categorise information all the time. (Solomon & Bamossy & Askegaard 2002, 36.)

We learn and associate things and divide them into schemas the same way we learn that we are not supposed to cross the street with the red light on. This is because of a physiological fact that when neural cells of our brain are constantly triggered at the same time, they start forming connections to each other. Examples of schemas are how we associate a gun with danger, red with aggression or a cup of coffee with a break. These are all symbols with meanings we have learned either by empirical experiences or by being taught by someone else. The key point is: the more it happens, the stronger the association. (Barden 2013, 17.)

The reason for building schemas and categorising information into convenient bundles of meanings lies in the brains tendency of being efficient. When we receive such a vast amount of information basically through all day, it is just easier to build a base of knowledge relying on meanings and connections where you can easily fetch the information than to constantly analyse and evaluate all the information. (Barden 2013, 16-19.) It is also a matter of energy efficiency: our brains, though usually weighing only around 3% of our weight, require up to 20% of its energy (Pradeep & Meerman 2012, 18).

Daniel Kahneman divides our mental processing into two different systems, “System 1” and “System 2”. These two systems are basically each other’s opposites (see figure 4). System 1 is referred to as “the autopilot” where System 2 is called “the pilot”. The autopilot is continuously on, and absorbs incoming data from our sensory organs, relentlessly processing it and passing it on. The pilot is engaged in situations when we learn something for the first time and there is no existing pattern for the autopilot to follow. Instead, the pilot starts to analyse the information and turns that into rational action. The more this process is repeated, the more it shifts from the analysing pilot to the intuitive autopilot. After enough repetition, we have become so adept at the process, our autopilot takes full care of it. (Kahneman 2012, 39-50.)

Autopilot	Pilot
Action	Thinking
Fast	Slow
Parallel	Serial

Automatic	Controlled
Effortless	Effortful
Associative	Rule-governed
Slow-learning	Flexible

Figure 4. The differences between the two systems of mental processing (adapted from Kahneman, 2012)

The system related to schemas and association is, of course, the autopilot. All intuitive actions and decision making we do is actually done by the autopilot. It would seem our brain actually favors the low maintenance, easy to access autopilot in data processing whenever it can. Only when the information coming in is complex enough, or when we lack a prepared schema, the brain turns to the slow, rational and effortful pilot. The more we learn, the less we need our pilot. In fact, the ratio of how we use our autopilot compared to our pilot is evaluated to be staggering: our autopilot has about 275 000 times the capacity our pilot does. (Barden 2013, 14; Kahneman 2012, 59.)

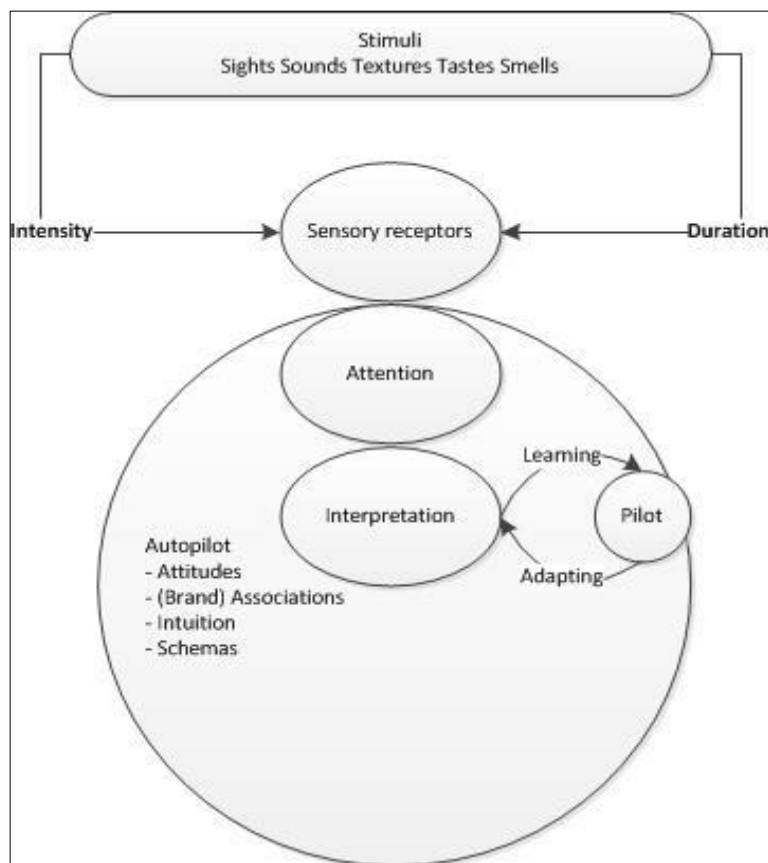


Figure 5. The perception process and internal mechanisms. Adapted from Barden 2013 and Kahneman 2012.

The power of the autopilot should not be underestimated. It holds within all our learned behaviour models, so therefore even brand associations reside in our autopilot. We do connect certain brands with certain brand attributes, and this is exactly what the autopilot is meant to do in the first place! This is good news for a marketer, but the value of understanding the autopilot in a POS setting lies in its capability to work in the borderline between memory and perception: we observe a disturbingly large amount of messages from our environment that are capable of alter our behavior, and most of the time we do not even notice it ourselves. (Barden 2013, 29.) This suggests that the “small things” do really matter, and that POS marketing can have even larger influence in consumer purchase decisions than expected.

4.4 The self

Besides external stimuli the consumer decision making is also heavily influenced by the consumers own needs, values, motivations and attitudes (Jansson-Boyd 2010, 83; Kumra 2007, 50; Solomon & Bamossy & Askegaard 2002, 93, 127). Since Abraham Maslow published his work in 1943 his hierarchy of needs has formed the basis for consumer behaviour, while the values, motivations and attitudes have been widely studied and they have proven to be an important asset to marketers. However, as the purpose of this thesis is to study consumer behaviour in a restaurant environment, and in a relatively short time of exposure, the author has not felt it necessary to explore the values, motivations or attitudes of consumers in this study. Even though attitudes and values do affect consumer behaviour to a great extent, influencing them is a lot more long-lasting and effort taking process than we can possibly pull off in one visit in a restaurant.

Furthermore, the aforementioned are heavily connected to brands, products and services, as this thesis provides more generic information. Instead we will take a look at how the consumer needs, drives and goals could manifest in a restaurant environment and explore the social dimension of a restaurant, which we can affect, at least to some extent.

4.4.1 Needs

It is commonly recognised that behind any behavioural action are the physical and psychological needs of an individual. Needs of an individual are divided into innate and acquired needs. Innate (biological) needs are the most basic needs we need to cater for in order to feel comfortable and survive. Innate needs include needs such as the need to eat, drink, reproduce and so forth. Acquired needs are more sophisticated and usually occur after innate needs are satisfied. They include i.a. the need to be socially accepted, the need for affection and the need to be respected. (Maslow 1943; Kumra 2007, 2; Jansson-Boyd 2010, 116.)

Dividing needs into innate and acquired needs is just one way of adding logic to the types of needs we have, but for this case it is also a very appropriate one. Innate and acquired needs can overlap, and this is especially the case in restaurant services. Restaurants tend to cater to both types of needs at the same time. An innate need could be to find something to eat. When you deliberately choose to eat at the town's fanciest Michelin star restaurant, we might argue that you are actually catering to your acquired need of showing your social status instead of trying to avoid starvation.

4.4.2 Drives

Not dependent on the type of need an individual experiences, there is likely to exist a difference between the current status and the ideal state a person would like to be in, or a difference between what you have and what you would like to have. This gap is a state of dissatisfaction, aching caused by the realisation that your actual self does not match with your ideal self. This difference is called a drive. The bigger the drive, the more it guides our behaviour. (Jansson-Boyd 2010, 117; Solomon & al. 2002, 191).

When in a restaurant environment, we might have a drive to buy everyone a round of shots due to the fact that we have a discrepancy between our ideal, super-social and fun to be with self, and our actual, more down to earth self. We might also want to separate ourselves from the crowd by emphasising our expertise and knowledge of wines and order the more expensive red wine from the list. Even though the wine itself is probably very good, it is not the point. The point is to move the ideal self closer to reality.

4.4.3 Goals

If a drive is the distance between our ideal self and our actual self, the ideal version of ourselves is our goal. Goals are what we as consumers and human beings in general try to achieve or what they want to be. Goals affect our behaviour in two ways: they inspire us to do things that help us reach the goal (as if we were already there) and they prevent us from doing things that would distract us from getting to our goal as well as reduce behaviour that we would not do when we have reached our goal. (Jansson-Boyd 2010, 117-118.)

Goals are important because they drive our behaviour. When trying to reach a goal, we have to determine our approach. On a Friday night our short time goal could be to spend a fun night with our friends. We have a pre-formed picture of what our ideal night out should be like, and we try to reach that goal by directing our behaviour so that it would lead to that ideal. We might want to buy some drinks to get ourselves into the party mood, but at the same time we need to prevent ourselves from buying them too much so that we would not ruin the night.

4.5 The social dimension and reference groups

Humans are social animals, and we pay attention to the consequences of our action in terms of how it affects our social environment. We have a strong need to belong to a group and we identify with the attributes and actions typical to the group. These groups that affect our behaviour are called reference groups. (Solomon & al. 2002, 303; Kumra 2007, 212-213.) Social reference groups can have a large effect on consumer behaviour, and it would be logical to assume that a highly social atmosphere, such as a restaurant, accents these effects.

Reference groups are divided into normative, comparative, status and dissociative groups. Normative reference groups set the fundamental norms and codes of conduct to an individual. The family of an individual acts as his/her normative reference group, as do the classmates of a 5th grader. Comparative reference groups act as groups which against individuals compare their actions and attitudes, such as celebrities or athletes. The individual does not need to be in direct contact with a comparative reference group, and it can even be fictional. Status reference groups are groups that influence the actions of consumers by a legit authority or status they hold. A police patrol

can be a status reference group, as can be a company's group of executives. An individual might want to belong to this group, where dissociative groups are groups that the individual tries to distance him/herself from. (Khan 2006, 60-61; Kumra 2007, 214; Solomon & al. 2002, 303-307.)

Reference groups have different ways to influence the decision making of individuals: normative influence, value expressive influence and informational influence. Normative influence happens when an individual conforms to the rules and practices set by the reference group in question: he/she tries to satisfy others expectations about him. Informational influence is in question when the consumer seeks information from a reference group, how different brands perform compared to each other, for example. Value-expressive influence leads to the consumer purchasing a certain brand because he thinks it will give the others a better picture of him/herself or the individual thinks that people using a certain brand possess values or attributes he/she would like to have. (Kumra 2007, 219.)

Applied to customers in a restaurant setting, the most valuable types of reference group influences are the informational and value-expressive influences. Many products and even product categories in restaurants have distinctive qualities of their own, like wines, beers or whiskies. Where, when and how they are made effects the final products qualities, and knowing what affects what is usually the bartenders' professional advantage. Therefore they form an informational influence: people ask for recommendations and product information. Informational influence does not require, however, inside information to apply: anyone from a group of friends saying "This is a really good drink" forms informational influence based completely on his/her taste preferences.

A dedicated wine or whisky connoisseur is a typical customer that is influenced by the value-expressive influence. He tends to think he is a part of a separate group that shares a common passion, and has the need to express this by making certain, often rather distinctive purchase decisions. He loves to be asked the questions: "What is that?" or "How did you know to order that?" Both bartenders and sophisticated connoisseurs hold the power to influence other people around them by their expertise.

5 Research

5.1 Background information

In this chapter I will describe how the research itself was put to practice, what results I found and how the practicalities were carried out. The text will be more unreserved and in a memo-like shape because the text was written in smaller portions as the project proceeded. At the next chapter are described the essential results of the research, from which we will move on to conclusions and recommendations.

From the very beginning of the project it was clear that the project would be carried out under a tight schedule. Due to working full-time, I had no time to start working on the thesis during the summer so I had to postpone the actual start of the project until August. Fortunately I had prepared for the thesis by mapping out possible collaborators and subjects of interest during the summer, and after a few meetings with several candidates, I decided it would benefit my future career plans best to collaborate with Bacardi-Martini, as I would be able to gain valuable business insight and a chance for networking.

As it turned out that the primary target group of Bacardi-Martini was 18-25 year old consumers who use restaurant services, it immediately became clear to me that I would have access to thousands of people included in the target group by using the Metropolia UAS intranet and connections. However, in research terms, doing the research in this way represented an extrapolation issue: all units of the fundamental set would, obviously, be UAS students. Therefore generalising to a larger population (e.g. Finnish 18-25 year old consumers) would prove problematic. After consulting Bacardi-Martini, we came to the conclusion that such a homogenous trait in the research target group would be inevitable, but acceptable, as it is the trade-off for accessing such a large group.

After the subject of the research and the methods (described in detail in chapter 6.2) were chosen, I started to plan the project. Even though I knew that drawing clear lines about the schedule concerning my own work would prove to be difficult, I started with outlining the different parts required to complete the project and giving them approximate deadlines and durations. A suggestive Gant chart (see appendix 1) was created to give a more comprehensive picture of the project timeline.

5.2 Reaching the target group

As it soon turned out, reaching the target group would not be as easy as I had imagined. Helsinki Metropolia University of Applied Sciences is the largest university of applied sciences in Finland with 16 700 students studying in 68 degree programmes in 20 campuses scattered around the metropolitan area of Southern Finland (Helsinki Metropolia UAS 2013). I had presumed that Metropolia would have a single channel that could be used to reach all of its students at once. However, this was not the case.

After talks with the UAS' administrative staff, it became clear that there was no single channel to reach all the students at once as I had presumed. At this point I started to question whether the original plan of conducting the research on 16 700 students would be worthwhile. I could easily access students from my own degree programme, reaching around a thousand to a thousand and a half students, but the original thought of conducting a meaningful research along with the plans I had already made made me keep to my principle. I decided to contact an administrative person with the required authority to forward information to the students of each degree program respectively.

Unfortunately, the UAS administration seemed to lack a consistent practice about who has the authorisation to access the department's intranet and control mailing to the students. Sometimes even individual departments had confusion about who would be the right person for the job. This lack of consistency in the UAS administration led to a vast amount of unscheduled information search, which on its own part delayed this part of the project by three to five days.

5.3 Methods

The research was carried out as a quantitative research. This method was selected due to multiple reasons:

- the objective is to describe the target group behaviour and then apply the results to the theoretical background of consumer behavior
- in this case, using a qualitative research method allows convenient, yet significant sampling
 - with the access to the Helsinki Metropolia UAS intranet, the distribution of the questionnaire was relatively easy and effective
 - a large portion of the sample directly represents the desired target group

- a qualitative research would have not produced data that would have been easily or effectively generalized to the target group behaviour

As it turned out, source books about consumer behaviour or impacts on purchase decision specifically in a restaurant environment were not to be found. This meant that a large amount of adaptation was required. As preceding studies about the subject were practically non-existent, the questionnaire was built from scratch and relies heavily on the theories on consumer behaviour in more conventional settings (as described in chapter 4). The basic types of promotion mentioned in chapter 3.3 were used as a frame. Overall, it is justified to suspect that this study is at least among the first non-commercial studies done in Finland about the subject in such a specified environment.

5.3.1 Incentives and possible disincentives

The respondents were provided with cocktail-related literature prices as an incentive. The purpose of these incentives, randomly given out to all respondents who participated in the research, was to improve the quantity of answers. Participating in the raffle was voluntarily and required the respondent to fill in his/her contact information in the questionnaire in case he/she was willing to participate.

Another incentive was the covering letter attached. In the covering letter were mentioned the topic of the thesis, the name of the commissioner and a mention of the possibility to participate in the raffle upon taking part in the research. The aim of the covering letter was to encourage people to take part in the research due to a sense of willingness to help and to arouse interest in the subject. A minor hypothesis was that the unusual nature of the field of study concerned and the renown of the commissioner would generate slightly more answers than a "traditional" survey. Possible disincentives included hurry, information overload, and lack of interest in the subject.

5.3.2 Procedure and targets

The questionnaire was published on Monday Oct 28th, with plans of keeping it online for the week 44 (Oct 28th - Nov 4th). The questionnaire reached around 1500 students at an estimate. Since the contact information of the respondents could not be handed over, an accurate amount is not available. After the questionnaire had been online for

two days it became evident that it would not gather enough responses in the time given, as only three hundred responses had accumulated. Therefore the questionnaire was also distributed in social media, which produced some hundred answers more.

The target amount of answers at the start of the project was set to at least 500 answers. The target was not reached, as the amount of completed answers on the closing date of the survey was 427, while a total of 283 (39,9%) answers were left uncompleted. The amount of unfinished answers was above the standard level, which, according to a representative of the survey tool provider, was around 20 - 25%. The high amount of unfinished answers could have been due to any of the disincentives mentioned in chapter 5.3.1: lack of interest in the subject and lack of time being the most probable. Despite the relatively low amount of answers compared to the target, the final amount of answers should be sufficient to provide at least suggestive amount of data to map out some trends and tendencies.

5.4 Questionnaire form

The questionnaire was planned with the help of Bacardi-Martini Finland to ensure its usability. When designing the questionnaire I tried to focus on legibility and appearance aspects as well as making the questionnaire appealing. The idea was to minimize the amount of unfinished replies. For references, a translated and a non-translated copy of the questionnaire form are attached (see appendices 2 and 3). The structure of the questionnaire form can be broken down into three parts: demographics, behaviour mapping and influence mapping. This structure is merely a tool to simplify the design and data extraction, and is not informed to the respondents.

As base demographics only the respondents' age and sex were chosen. Other demographics such as education, income level etc. did not seem meaningful related to the research problem, as the environment which the study concerns is so specified to the behavioural aspects. Finding out how the education level of people affects their behaviour in restaurants is far from relevant, as is "finding out" that people with larger income also spend more money. With the age and sex information available basic cross tables can be made.

Questions 3 to 7 map out the behaviour of the respondent. The purpose is to find out how frequently respondents use restaurant services, what type of services they prefer,

how much on average they spent and what type of drinks they prefer. This section provides basic segmentation information, and enables meaningful filtering of the information. One of the most important questions in this section is question 3: “On average, how many times do you go out per month?” as the question provides information on the rate on how often people use restaurant services. Besides the age of the respondents, this characteristic defines the target group, as respondents who do not use restaurant services regularly are excluded from it. The responses to this question will be complemented by the responses to question 6: “On a typical night out, how much money do you spend on alcoholic beverages?” By combining the answers of the aforementioned questions important information concerning the profiling of the target group is attained.

The rest of the questions measure the influence of different POS marketing factors (mentioned in chapter 3.3) affecting their behaviour in a restaurant. Question 9 points out the three major influencers that (in his/her own opinion) influence the respondents purchase decisions the most. As this is priority-level information, an open slot is included in order to gather possible auxiliary information.

Questions 10 and 11 measure how much the respondent feels he/she is exposed to the exact types of promotion mentioned in chapter 3.3, and measures the level of motivation he/she might have towards them. Question 10 gives information on the level of interest and the effectiveness of cocktail lists and staff recommendations in POS marketing use. No brand-specific questions were inserted as the objective was to study the behaviour of the respondents rather than perceived brand value.

6 Essential findings

6.1 Raw data

The survey produced a total of 427 responses. All of the results of the survey are provided as raw data as an appendix (see appendix 4). The raw data is unmodified and can be used as a point of reference or for further studies. As per the collaborators request, the raw data in the published version of the thesis is classified.

This section contains the essential findings concerning the respondents' behaviour and POS marketing tool effectiveness and any causations or correlations between the two. As tools for analysing the data, I used IBM SPSS Statistical Analysis Software, Mi-

Microsoft Excel and the survey tool provider's browser based quick analysis tool. Unless stated otherwise, the analyses are made of the full sample including all respondents.

6.2 Demographic analysis

The respondents' demographic profile fits the target group definition well, as 57 % of the respondents are included in the desired age group of 18 to 25 years old (see figure 6). The second largest group is respondents from 26 years to 33 years old with 157 responses (37 %). In other words, 94 per cent of the respondents are under 34 years of age. After this the number of responses from the following age groups drops dramatically, with only 27 (a little over 6%) responses from the latter three age groups combined.

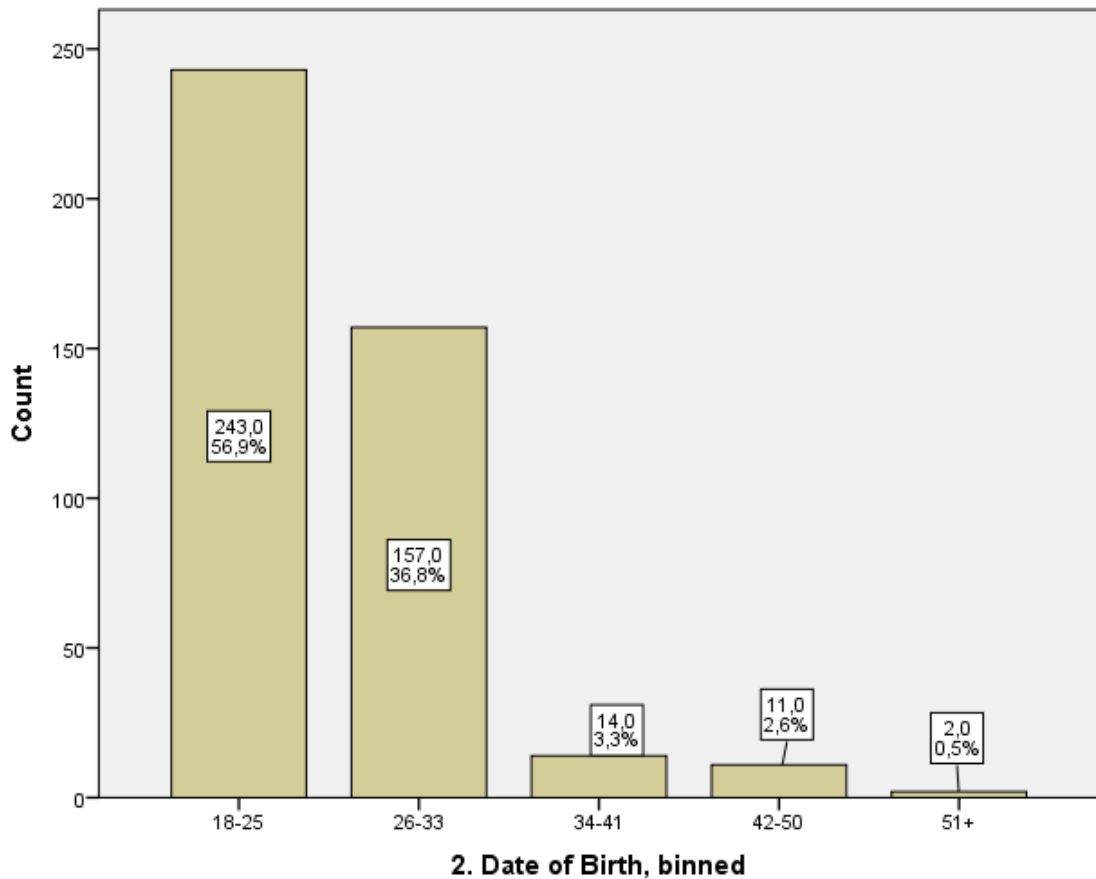


Figure 6. The age distribution of the respondents in five different age groups.

Both sexes are represented in the sample nearly equally, with 215 male respondents and with only three less female respondents (see figure 7). This allowed the examina-

tion of possible gender-related differences in the respondents' behaviour. The respondents' gender did not seem to dramatically affect how often they used restaurant services or what type of restaurants or drinks they preferred, but some differences related to behaviour towards cocktail menus and brand awareness occurred.

Sex

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	215	50,4	50,4	50,4
	Female	212	49,6	49,6	100,0
	Total	427	100,0	100,0	

Figure 7. The gender distribution of the respondents.

In figure 8 we see the effect of the respondent's gender to the level they are influenced by different POS marketing. The respondents were asked to what level they agreed on the particular statements on a scale from one to four (1 = disagree strongly, 4 = agree strongly) and the results are measured by giving the answers a score from 1 to 4. Some differences can be seen in the brand awareness of the respondents, as male respondents scored a mean of 2,4 when asked if the alcohol brand used in their drinks mattered to them. Female respondents mean was 0,3 units lower on the scale.

Female respondents were keener to take advantage of the cocktail list. Their answers to the questions concerning cocktail lists produced higher means than the male respondents'. The female respondents scored better means in all of the cocktail list related questions, except to the 5th argument from the top, in which the phrasing of the question was reversed. Overall, the differences between the answers based on the gender of the respondent were not large.

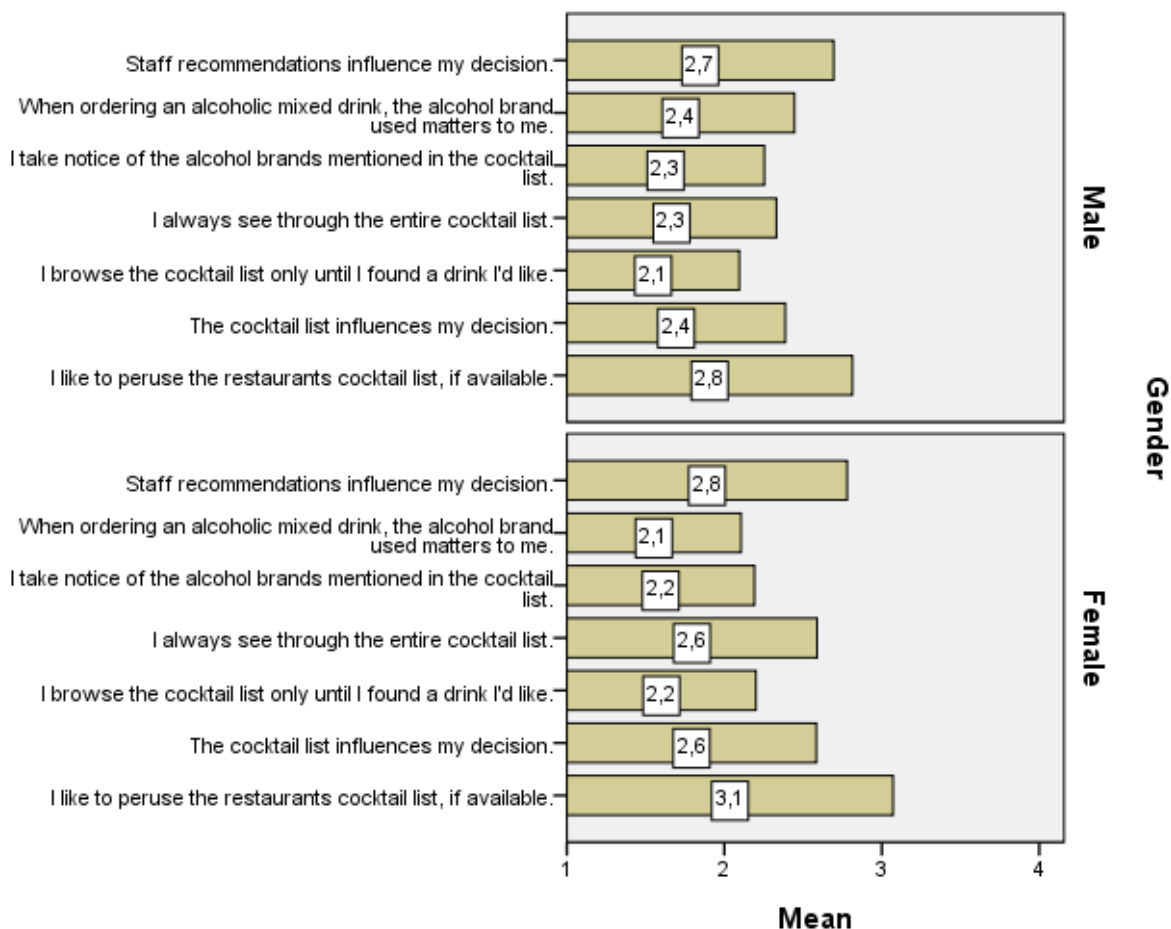


Figure 8. Means for the answers to question 10 divided by the gender of the respondent.

As the age distribution of the sample was so homogenous, any distinctive differences in the responses of different age groups were unsubstantial. Noteworthy discrepancies in the behaviour of 18 to 25 year-olds compared to the rest of the sample were in answers to questions 4; “In what type of restaurants do you typically spend your night out (choose 2)?” and 6: “On a typical night out, how much money do you spend on alcoholic beverages on average?”.

In question 4, the respondents were asked what type of a restaurant they usually like to spend their night at. As the most popular place to be for the whole sample was at the pub with a frequency of 281, the night club takes its first place among the 18 to 25 year-olds with a frequency of 154 (see figure 9). Coming second in popularity for the whole sample were restaurants ($f = 241$), where the youngest of the respondents preferred going to a pub ($f = 147$).

Case Summaries

N

Age group	Nightclub	Restaurant	Restaurant (fine dining)	Pub	Other
18-25	154	123	16	147	8
26-33	51	99	14	115	4
34-41	2	9		11	1
42-50		8	4	6	
51+		2		2	
Total	207	241	34	281	13

Figure 9. The preferred types of restaurants to spend a night at, categorised by age group.

Another discrepancy between the youngest respondents and all respondents was in the amount of money they spend on a typical night out, where the 18 to 25 year-olds focused on the low end of the scale (see figure 10). People who tend to spend less money on a night out are found inside the 18 to 25-year old category. However, the amount of spending is more likely an outcome than a cause. People around their 20's are generally students, and students tend to find their way to restaurants of cheaper price level and have a lower income level in general. In the following age group of 26 to 33 year-olds, the spending was much more evenly distributed between 20€ to 50€ per night.

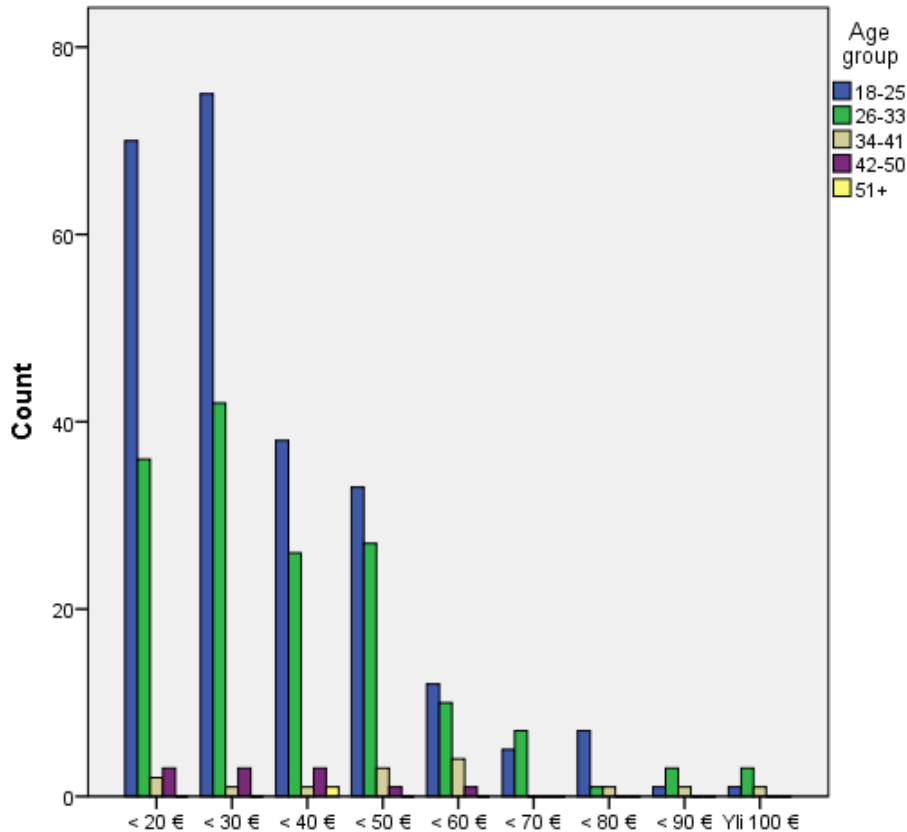


Figure 10. The amount of money spent on alcoholic beverages on a typical night out divided between the respondents' age groups.

6.3 Behavioural analysis

Question three tells how often the respondents use restaurant services monthly. To avoid confusion, the definition of “going out” was described to the respondents as going out pre-arranged or planned. The idea was to cover occasions in which the respondent is actually willing to spend money and time in the POS to figure out their restaurant service utilisation rate: how often they use restaurant services. Though the literal definition of “going out” is frail and probably not the most scientifically accurate one, the term is easily understandable and well established. With the term defined the data from this question should be considered as reasonably valid. As figure 11 shows, the most common frequencies of using restaurant services are 2-3 times per month or once a month or less. The target group results do not significantly vary from the whole sample.

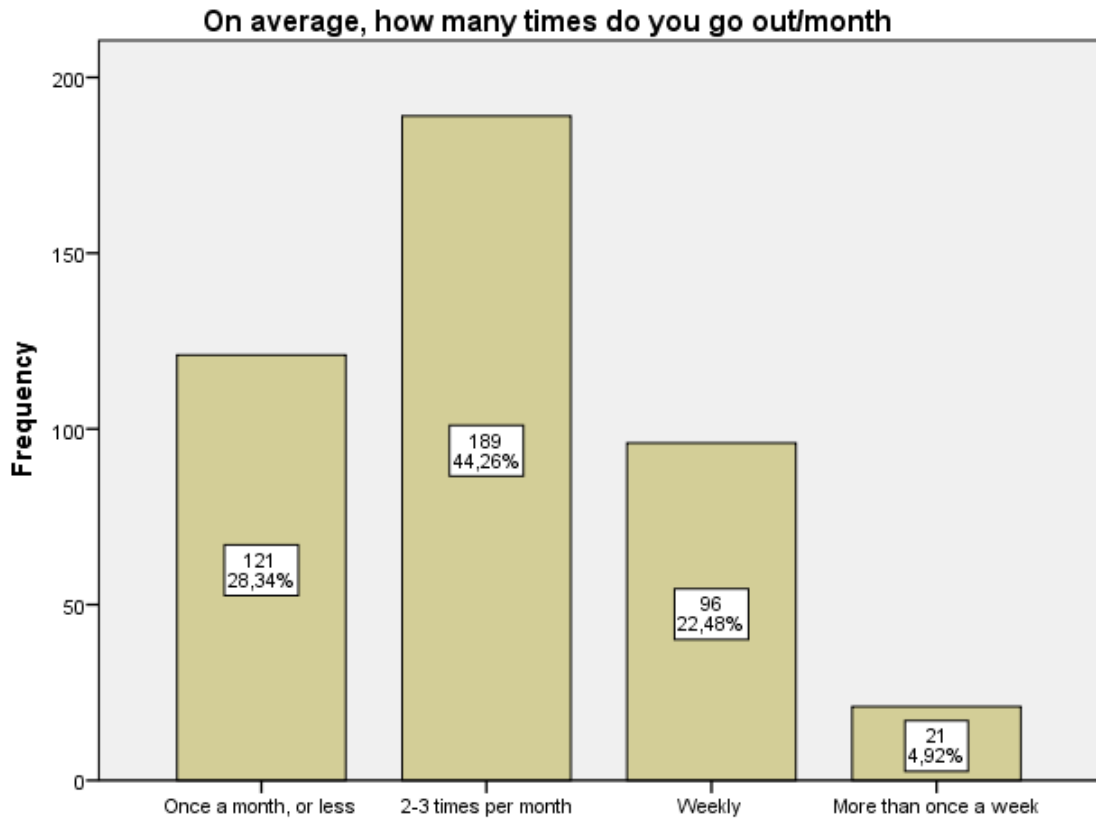


Figure 11. The frequencies of how often the respondents use restaurant services divided into age groups

Now that we know how often the respondents use restaurant service, it is time to add a more defining dimension by combining the results of questions three and six. The resulting chart outlines figure 11, but gives the viewer a more in-depth view of the respondents' behaviour, as we can see how much people of different utilisation rate spend money in a restaurant (see figure 12).

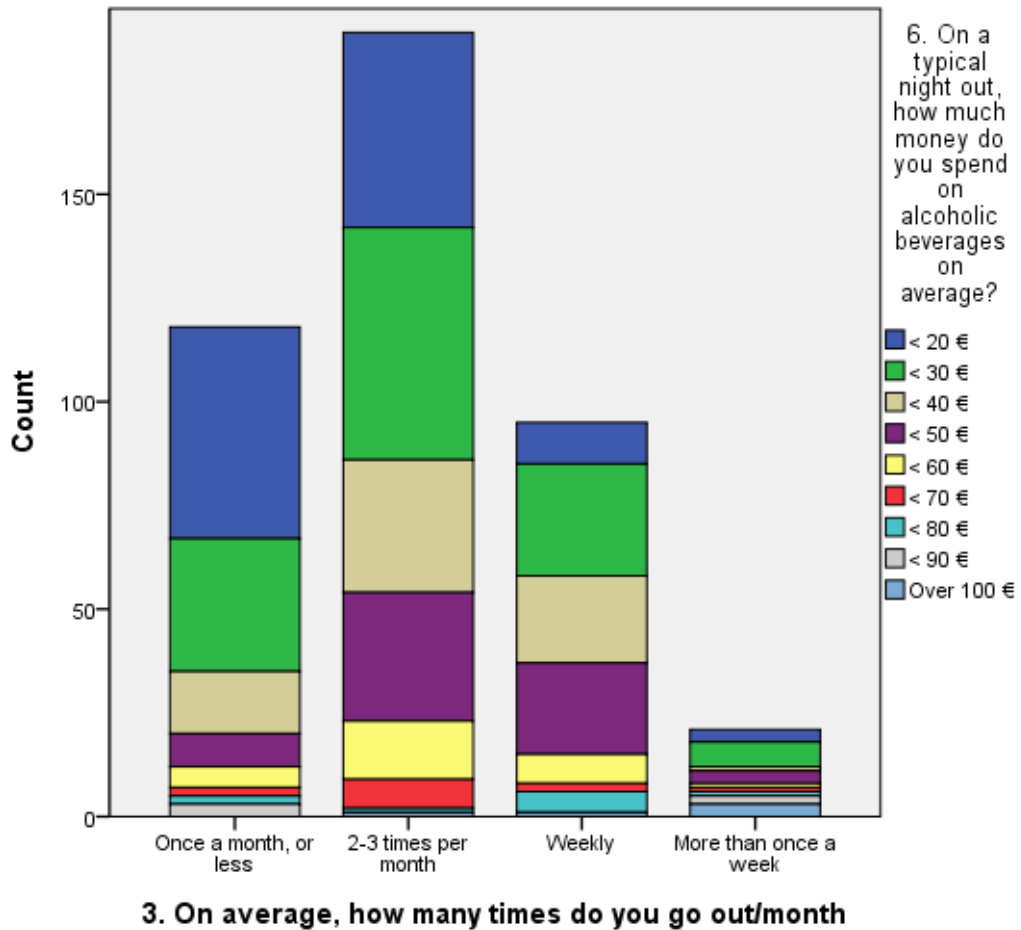


Figure 12. The combined answers of question three and six produce a suggestive view of the utilisation rate of restaurant services of the respondents.

As figure 12 shows, besides being the largest group by responses, people using restaurants 2-3 times per month also contain the respondents that on an average use up to 30€, 40€, 50€ or 60€ per visit. When examining this figure, we are able to form ideas about certain tendencies in any of the groups; people going out once a month or less tend to use 20€ or less per occasion, as people going out 2-3 times per month tend to use more, for example. The key finding is that the most frequent answer to the amount of money spent by almost all of the user groups is 30€ or less.

6.4 Influence analysis

When measuring the influence of POS marketing, we must study the answers to questions 9, 10 and 11 from the questionnaire form. In question 9 the respondents were asked to name the top 3 things that affect their decision when buying alcoholic drinks in

a restaurant (see figure 13). This question was located in the questionnaire before any other influence-related questions to avoid prompting. Influences that scored most hits are price of the product and the respondents' habit to order what they are familiar with. Next are the influences of a friend's recommendation, the perceived quality of the product and staff recommendation, respectively.

At the bottom of the list of influencers are the novelty of the product and the cocktail menu. Even though the cocktail list did not score well on the top-of-mind influencers list, it is still perceived interesting and somewhat influential by the respondents (see figure 13), assuming one is found in the POS.

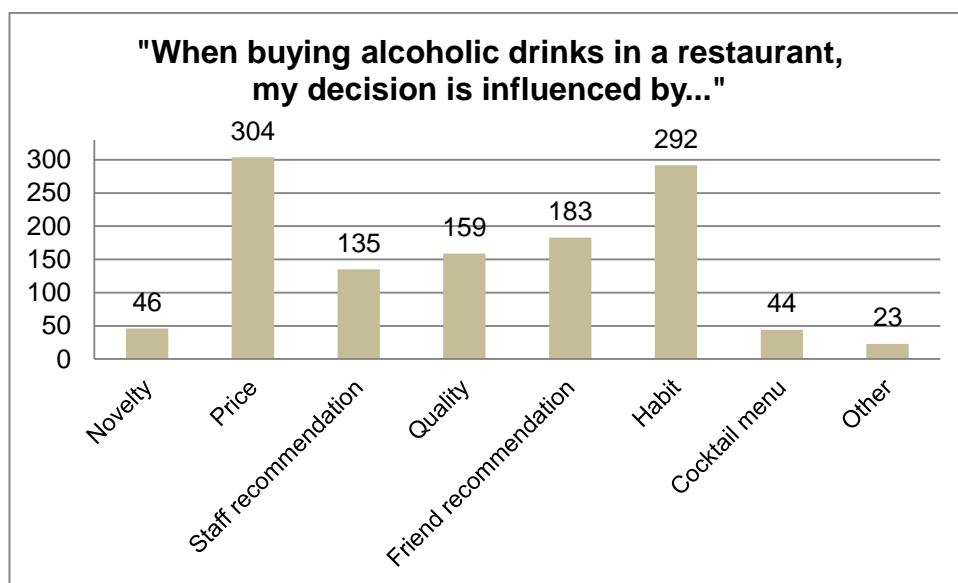


Figure 13. The frequencies of different influencers to the respondents' purchase decision, when every respondent named three of the most influential.

In question 10 respondents were asked to answer their degree of agreement to several arguments concerning the influence of availability and promotion in the POS. However, the question withholds a presumption that the factors mentioned are present in the POS: one cannot evaluate the influence of staff recommendation unless the staff actually would have a recommendation, nor can one evaluate how much a cocktail list affects his purchase decision unless there actually is a cocktail list available. The scale used was the same used before: 1 equalling strong disagreement and 4 equalling strong agreement.

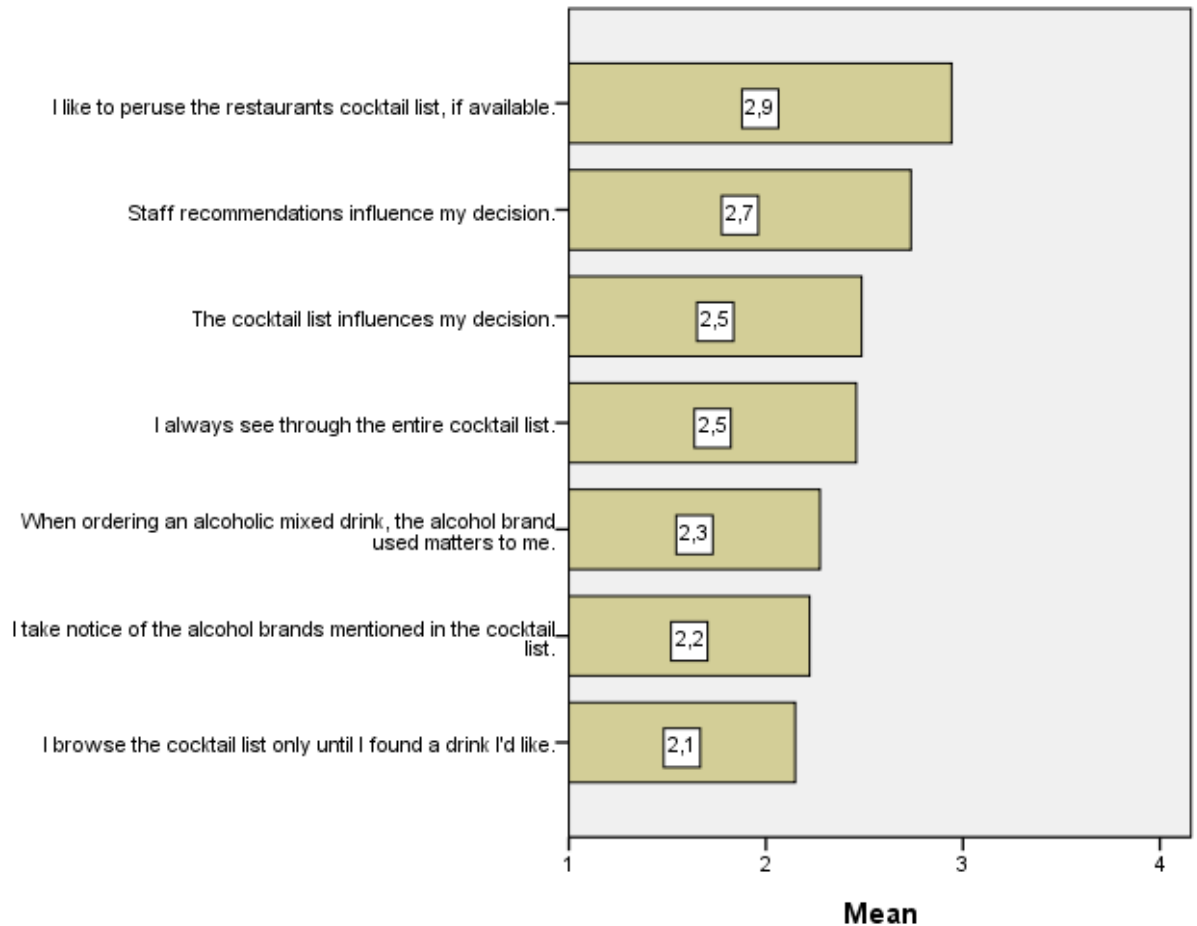


Figure 14. The means measuring the respondents agreement to the arguments in question 10, sorted ascending.

As seen in figure 14, the most influential POS marketing method regarding availability and promotion in this context would be the cocktail list with a mean of 2,9 on the scale from 1 to 4. Respondents were eager to peruse the list, but they also felt that it influences their decision making. However, mentioning the alcohol brand used in the cocktail list was not a significant factor as the argument only scored a mean of 2,2. Also, the respondents did not seem to be very worried about the alcohol brand used in their drinks.

Question 11 maps out how well the different visibility factors are seen in the POS from the respondents' point of view. According to the answers, the most well noticed visibility factors are the posters and logos on display in the restaurant with a mean of 3,1 (see figure 15). The level of attention paid to the bottles in the back bar is nearly at the same level with a mean of 3,0. Two of the most commonly undetected visual elements according to the respondents are the bar mats and the bartenders tools respectively.

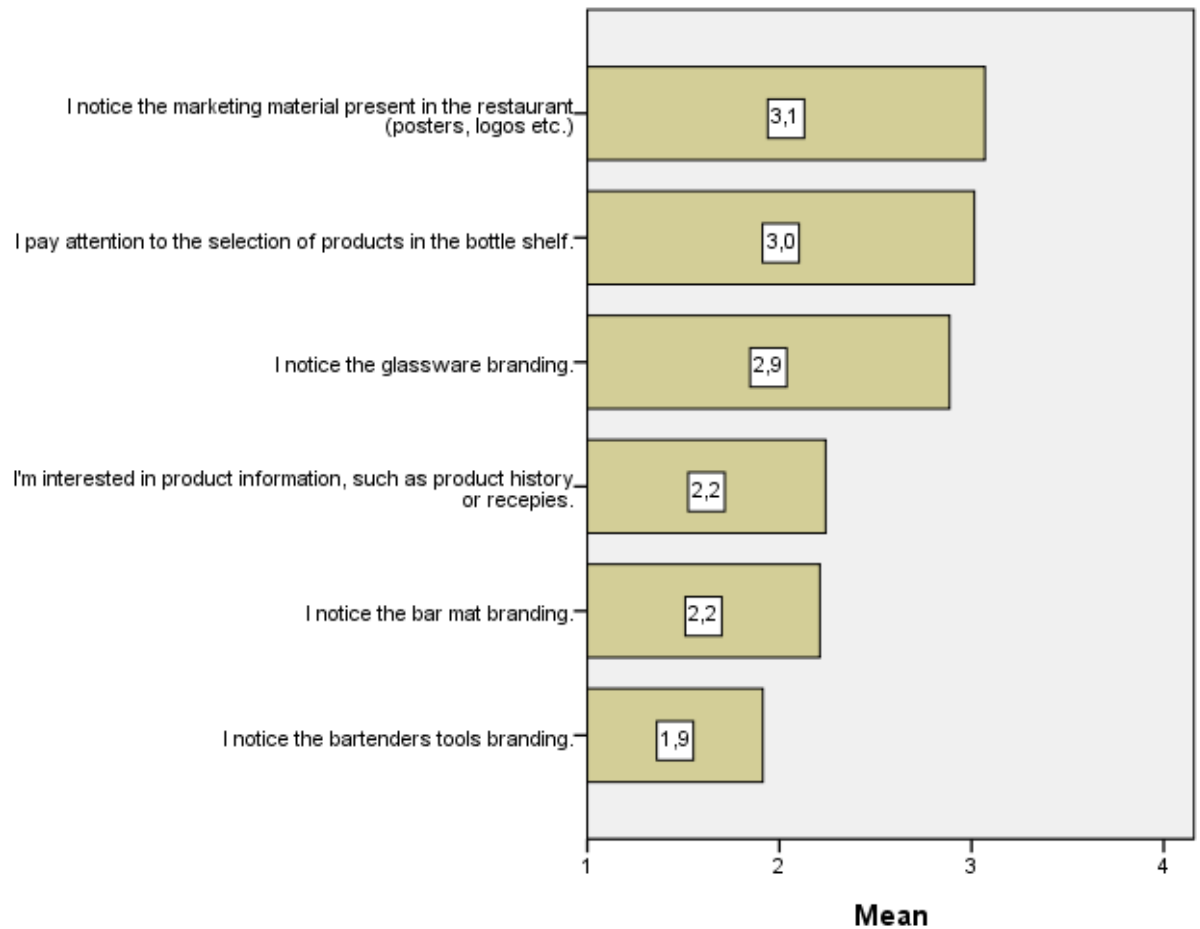


Figure 15. The means of responses measuring the visibility of visual POS elements.

6.5 Summary

The respondents' age distribution was very inclined to younger respondents, with 94 % of the respondents being under 34 years of age. A total of 400 responses were gathered from this age group, from which 243 were from respondents of 18 to 25 years of age. This contributes to the validity of the research. Both sexes were represented in the sample equally, though the gender of the respondent did not affect the responses significantly. Minor differences occurred, including male respondents being more concerned about the alcohol brand used in their drinks and female respondents showing more interest in cocktail lists.

When asked what types of restaurants the respondents preferred to spend their nights at, the most popular type of restaurants among the whole sample were pubs and (din-

ing) restaurants, where the youngest of the respondents preferred night clubs. Majority of the respondents go out 2-3 times per month and spend 30€ or less on alcoholic beverages on a typical night out, but the largest variances in spending occurred inside the same group.

Determining the factors that affect the purchasing decision of the sample, the respondents' decisions were significantly influenced by price of the product, as well as their customs. The influences of a friend's recommendation, perceived quality of the product and staff recommendation were somewhat significant, and the novelty of the product or the effect of a cocktail list was insignificant. However, the cocktail menu was perceived interesting and somewhat influential along with staff recommendations in later responses, which caused a contradiction in the results. The respondents tended to not take notice of the alcohol brands shown in cocktail lists, nor were they concerned about what alcohol brand was used in their drinks, with male respondents being slightly more aware of the latter two.

When in a restaurant, the respondents noticed the visual POS marketing material (such as posters and logos), the restaurants selection of products on the bottle shelf and the branding of glassware the best. The branding of bar utensils, such as the bartenders tools or the bar mats were the most unnoticed visible marketing material. Also, the respondents were not notably interested in product information, such as product history or recipes.

7 Conclusion

7.1 Revision

The purpose of this project was to provide Bacardi-Martini Finland with consumer insight information about how different POS marketing material affects consumer purchase decision in a restaurant environment, with an emphasis on 18-25 year old consumers who actively use restaurant services. The theoretical background for the study includes consumer behavior and consumer psychology theories and theories on POS marketing and its applications - mainly focusing on subconscious factors that underlie the conscious decision making which was studied in the research.

The study was carried out as quantitative research and produced a total of 427 responses, which was below the minimum target of 500. The failure to gather the target number of responses was due to unrealistic planning and unforeseen difficulties in the channel which was used to collect the responses. The prolonging of the project would have most probably produced a larger amount of responses, but remaining in the schedule was prioritized.

The results of the study indicate that the target group can be most commonly reached at nightclubs and pubs, where they spent around 30€ on an average night out. The target group's decision making is mostly affected by the price of the product and their personal routine. However, from the collaborators perspective these are things that are fairly difficult and unreasonable to control. Therefore the influences that have relevant meaning are the staff recommendations and cocktail menus. The respondents showed interest in cocktail menus and felt that if available, one will have an effect on their purchasing behavior. Yet when they were asked to name the top three things that affect their decisions in a restaurant, the cocktail menu scored low. This can be due to two reasons: respondent inconsistency or the lack of cocktail menus in restaurants.

The most noticeable visible factors in the POS were the marketing material located in the restaurant including posters and logos and the product selection in the back bar. Also the branding of glassware was noticed by the respondents, when the branding of bar utensils was left fairly unnoticed. The respondents also expressed little interest in perusing product information. The lack of interest in product information may be a result of the respondents' tendency of routine-like purchase behavior, which was evident judging from the results. The respondents habit to consciously browse the product selection placed in the back bar was surprising, as it is traditionally perceived as less efficient.

7.2 Validity and reliability

The validity and reliability of this study are assessed according to scientific conventions. The validity of a research measures how well the method of research measures what the research is set to measure. The validity of a research is good when the results are in line with the prevailing theories of the field and can define or improve them. (Virtuaali Ammattikorkeakoulu 2007.) The validity of this research is good because the results confirm prevailing conceptions about the consumer behaviour in a restaurant

environment and allow the meaningful comparison of the effectiveness of different factors in the environment.

The reliability of a research measures the stability and consistency of the research. A possible deficiency in the reliability of this research may occur in the truthfulness of the answers, as some respondents might have a barrier producing virtual responses about their relationships to alcohol. The research is easily repeatable and the research method is reliable when researching the conscious layer of consumer behaviour.

7.3 Recommendations

According to the results of this study, restaurants should be encouraged to use cocktail lists, as customers viewed them interesting and felt that it has an impact on their purchase decision. It can also be deduced from the results that the potential of cocktail lists as decision making influencers is not fully applied, as customers are not accustomed to search information from them. Furthermore, staff recommendation as a medium to influence the decision making should be invested in. In terms of reaching the target group, most effective channels are night clubs and pubs.

Other means of effective influence in the POS environment included visuals, such as posters and logos and the branding of glassware. According to this research, investing in these areas in the POS should provide increased visibility and influence. Also, the product placement in the back bar as a part of the POS visibility should not be underestimated. Investing in the branding of bar utensils and props should be reconsidered, as they seemed to be fairly unnoticeable.

For further research about the subject, a complementary and more explanatory qualitative research is recommended to better tie the conscious and unconscious levels of decision making together in order to further understand the underlying mechanisms in consumer decision making. In addition, future research should be restricted to a specific environment, such as a single restaurant to ensure more specific and consistent results. Adding a brand dimension to the research should be also considered, as the effect of brands in consumer perception is notable.

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Project schedule

ID	Task Name	Start	Finish	Duration	heinä 2013				elo 2013				syys 2013				loka 2013				marras 2013				
					30.6	7.7	14.7	21.7	28.7	4.8	11.8	18.8	25.8	1.9	8.9	15.9	22.9	29.9	6.10	13.10	20.10	27.10	3.11	10.11	17.11
1	Thesis project	1.7.2013	19.11.2013	102d																					
2	Subject search	1.7.2013	5.8.2013	26d																					
3	Subject evaluation	6.8.2013	9.8.2013	4d																					
4	Writing process	12.8.2013	8.11.2013	65d																					
5	Questionnaire planning	7.10.2013	28.10.2013	16d																					
6	Questionnaire online	28.10.2013	4.11.2013	6d																					
7	Project submitted for evaluation (Metropolia UAS)	11.11.2013	11.11.2013	1d																					
8	Project submitted for evaluation (Bacardi-Martini Finland)	15.11.2013	15.11.2013	1d																					

Questionnaire form in Finnish

Questionnaire form in English

Raw data

