**Why the donuts industry?**

**The donut industry has witnessed a rapid growth in recent years. Today, even patisseries have their own version of donuts. A large number of upscale donut restaurants are on the rise.**

**Brand Value**

**1.Fun: Dunkin’ offers a large variety of donuts to our customers to suit everyone’s cravings and tastes. Dunkin’ aims to be the location where friends and family can come together to celebrate over our world famous donuts and coffee.**

**2. Innovative: Dunkin is innovative and open to testing out new flavors. We have experimented with advanced technology to broaden up the ways in which we can serve our customers in the near future**

**3. Convenient: We have several conveniently located outlets throughout the country including the airport and MRT Stations.**

**4.Quality: Dunkin’ offers the best donuts at the highest quality levels possible. We are committed to providing the most delicious beverages and donuts to our customers each time they step into a Dunkin’ store.**

**5. Value: Dunkin’ offers donuts at a reasonable price so that our customers are provided with the best value for their money.**

**Brand Image**

**Freshly baked, delicious, and quality**

**HIstory of Dunkin Donuts**: Founder William Rosenberg opened up a store in **1948** dubbed the ‘Open Kettle’ where he served donuts that costs 5 cents and premium coffee for 10 cents. After much thought with his executives, he renamed the brand in **1950** to Dunkin’ Donuts. His primary goal was to ‘‘Make and serve the freshest, most delicious coffee and donuts quickly and courteously in modern, well- merchandised stores’’

**In 1955:** the first Dunkin’ Donuts franchise opened and in just a decade, the number of restaurants grew to over 100 shops. Dunkin’ Donuts has expanded its menu to include a wide variety of food and beverage options to keep guests interested.

Dunkin Donuts has become a leader in digital innovation. The Dunkin Mobile App lets guests pay for the right from the app with the virtual Dunkin’ Donuts card. The app also lets guests browse the menu, locate the nearest store, access their DD perks to find mobile coupons and offers.

**In 2016**, Dunkin unveiled their ‘On-The-Go Ordering’ which allows DD perks members to place a mobile order up to 24 hours in advance, select their desired location then pick up their order at the store’s drive in or within the restaurant itself

Since 1950: the number of Dunkin Donuts has increased to more than 12,000 stores worldwide, locations in 45 countries. The company dishes out close to 1.9 Billion cups of hot and iced coffee every year.

**Strengths, Weakness, Opportunities and Threats (SWOT) Analysis of Dunkin Donuts and Key Competitors**

| **Krispy Kreme****Strengths****-**Recognizable logo and brand name -Been stable in the market for a long time -Many branches around the world-Good reputation among customers as they are known to make their donuts freshly everyday **Weakness**-No clear audience due to lack of continuity in advertising -Weak business in international market -Falls in revenues and profits since 2008**Opportunities**-Menu can be expanded to cater to the breakfast crowd-Use of technology to advertise-Collaboration with other businesses to increase variety and revenue **Threats**-Strong competitors such as Dunkin Donuts and J.CO -HPB encouraging people to eat less sugar **Locations*** 10 stores in Singapore till date

**Target audiences*** Targeted towards men and women of all ages who have a sweet tooth for sugar glazed donuts

**The availability of worldwide shipping/online shipping*** Available on FoodPanda and Deliveroo

**Products available*** Donuts and Coffee
* Known for their original glazed donuts
 | **Dunkin Donuts****Strengths**-Brand recognition and following: strong geographic coverage,a huge variety of more than 1,000 doughnut products, and strong loyalty. -Convenience: Many of its various locations offer drive-up service and others are located strategically in and around airports, train stations, and travel ports that generally necessitate fast service, offering customers time-saving opportunity.-The franchise model is a hit: The four things which Dunkin Donuts requires a franchise to have are – an available market, prior experience of running a food service, passion for business excellence and the right resources.-11,300 locations in 36 countries-Smart marketing: Right from the logo, to the [colors](https://www.marketing91.com/marketing-mix-colors/) used to the way they have marketed themselves to the “Blue Collar crowd” while keeping the “White collared people” in mind. The geographic locations have been very strategic as well.-Association with major sports teams-Effective marketing and advertising strategies.**Weaknesses**-Franchise relations are poor: Rift with the franchise owners and numerous instances of lawsuits against Dunkin Donuts-Delayed expansion in developing countries-Local competition in new territories’-Direct competition: starbucks and krispy kreme-Indirect competition: kfc, mcd, pizza hut etc.-Domestic competition: **Opportunities**-International expansion: Focus on China, Middle East and Europe.-Market expansion-Target the health segment: introduce low calorie food. -Menu diversification **Threats**-Strong competition: Companies like Starbucks and Krispy Kreme have been worthy adversaries in the battle for quick-service dominance in the breakfast daypart. And now, competition from local coffee shops and bakeries has grown, as well, with cultural changes in some urban areas resulting in an unfavorable view for large restaurant chains.-Raw material procurement and cost-People moving to healthier ways of eating-Franchising-Less shelf life  |
| --- | --- |
| **Chewy Junior****Strengths**- Thriving market with plenty of room for growth- Wide variety of products- Local brand that has grown and expanded with its overseas outlets in 5 other countries- Cheery logo**Weakness**- Lack of marketing plan- Amateurish website for Singapore’s outlet- Negligible advertising campaigns and activities- Little contact with customers from marketing efforts **Opportunities**- Better and more interactive website layout- Bigger presence in Singapore- Design of counters for better interaction with customers- Partnership with local companies offering compatible products and services- Catering services- 3 outlets are all located in the central area -- opportunities to branch out to the western and eastern region**Threats**- Competitors like Krispy Kreme and Dunkin’ Donuts have a much bigger presence in Singapore**Locations*** Located in Brunei, Canada, Malaysia, Myanma, Singapore, and Vietnam
* Available in Singapore at Bugis Junction, Raffles City, Ang Mo Kio Hub, and Tenah Merah Ferry Terminal

**Target audiences*** Targeted towards men and women of all ages who like cream filled puffs with a crispy exterior and soft interior

**The availability of worldwide shipping/online shipping*** Available on FoodPanda and Deliveroo

**Products available*** Sweet puffs, savoury puffs, mini puffs etc.
 | **J.Co****Strengths**-Innovative with their product flavors -Consistent in expansion in South East Asia **Weakness** -Lack of low calorie options-Little use of technology to promote their products**Opportunities**-Further expansion outside of SouthEast Asian countries.-Use of technology to promote products -Low calorie options **Threats**-Large competitors such as Krispy Kreme and Dunkin Donuts-Different preferences- Its very unique flavors may not be well liked to certain consumers **Locations*** Located in Hong Kong, Indonesia, Malaysia, the Philippines, Saudi Arabia, and Singapore
* Available in Singapore at Paya Lebar Square, Raffles City Shopping Mall and Tampines 1

**Target audiences*** Targeted towards men and women of all ages keen on trying new and unique flavored donuts

**The availability of worldwide shipping/online shipping*** Available on Food Panda and Deliveroo

**Products available*** Donuts, J.Pops baby donuts, J.Coffee, J.Cool Yogurt
 |



| Political | Economic |
| --- | --- |
| They insist on staying out of political issues. They say that they want to get customers in and out of stores as quickly as possible.  |  In order to attract and retain its customer base, Dunkin' Donuts must continuously pay special attention to the economic state of this, and every other country in which their stores are located. Because many people are in a position where money is tight and sometimes scarce, Dunkin Donuts has to develop a strategy where the customer's dollar can go as far as it possibly can. By offering coffee, baked goods, and a wide range of specialty goods at fairly lower prices than most of its competitors, Dunkin' Donuts is able to gain access to a wide consumer base. * There is low unemployment unless an unforeseen circumstance takes place.
* Commodity inflation for products like vanilla have as strong impact on Dunkin’ Donuts.
 |

| Social | Technological  |
| --- | --- |
| * Dunkin donuts appeals to a wide population and to every age.
* An increase in the number of consumers of Dunkin’ Donuts has been seen in the past few years.
* Dunkin’ Donuts has a very good attitude when it comes to employment and career opportunities.
* Dunkin’ Donuts bears full responsibility for the safety of their employees.
* Dunkin’ Donuts makes an effort to be health conscious by taking some measures like reducing the amount of sugar in their donuts.
* Dunkin’ Donuts must be sensitive to different cultures. It has been observed that they have been keeping cultural values in mind in regards to the ingredients used in their products and being influenced by local palettes like pandan and gula melaka flavours in Singapore. However, they must continue to do so even in the future.
 | Research and Development: New product research and development lab is located in a state of the art facility in Canton, Massachutsets. The facility has a sensory lab, quality assurance lab and a demonstration kitchen * The Internal culinary team uses consumer research to develop and test products

November 2018: As part of the Coffee Empire’s rebranding, the change involves new store designs, drinks like nitro infused cold brew and digital ordering kiosks.Before these changes are rolled out, they first go through a pilot test at Dunkin Innovation Lab with a ‘store of the future’ attached to it. Located in Quincy, Massachusetts , it’s here where Dunkin tests out new products like self serving cold brew taps, order pick up lockers and Artificial intelligence Technology that can suggest orders based on customer’s age, gender and even mood! * Some interesting tech ideas that may grace future Dunkin stores: machines that allow baristas to print images on foamy drinks like nitro cold brews and hot lattes. Dubbed as ‘selfie nitros’

 * AI testing -This device is able to recognize customers gender and and give suggestions about menu items based on favourite orders unique to either gender.

It is also able to recognise facial expressions as well in order for Dunkin to suggest what you might want.* Dunkin also wants to open up opportunities for their customers to order their products from wherever they are. At the Innovation Lab: TV screens depict the apps that already connected to the Dunkin 'App like Waze and Google Assistant
* Example: Waze users can locate the nearest Dunkin app, tap to launch the Dunkin’s On-the-Go ordering within the waze app. Only Dunkin perks members can use this feature.
* Pick up lockers: pick up lockers are similar to Amazon lockers. After placing an order for pick up on Dunkin’s app users would go to the lockers, scan a QR code, grab their order and go. Dan wheeler, has hopes for this locker system in bustling cities like New York, so customers don’t have to wait in line

Dan Wheeler: Vice President of strategic initiatives noted that Dunkin will not ‘shy’ away from automation. He suggested that customers should be able to order through a robot albeit the deliverables like coffee and donuts are still made by human hands  |

| Environmental |  Legal  |
| --- | --- |
| * Announced plans in 2018 to get rid of polystyrene foam cups from the global supply chain with the goal to remove all such products by the year 2020
* Elimination of under artificial dyes
* Energy efficient restaurants
* Entered into a 5 year agreement with World Coffee Research to boost coffee sustainability
* Partnered with Non Governmental Organization: Rainforest Alliance: Ensure that all Dunkin Donuts espresso beverages served at their U.S. retail outlets and in 16 international markets made with 100% espresso beans sourced from Rainforest Alliance Certified farms by the end of 2016
* Rainforest alliance helps to safeguard the environment, improve working conditions and access to medical care and schools for children Certified.

   |  Dunkin Donuts have created a Supplier code of conduct that defines the minimum standards that we required by the entity for any agent, contractor, consultant, supplier or vendor that have been approved to do business with Dunkin’s brand * This code constitutes the minimum and not maximum standards required of suppliers and is based on *International Labour Organization(ILO0 conventions and the UN Guiding principles on Business & Human rights*
* **Anti Discrimination:** Dunkin Donutes believes that all terms and conditions of employment should be based upon an individual’s ability to perform the job not based upon personal characteristics or beliefs unique to the individual. In the code, suppliers are expected to not discriminate in hiring due to caste, nationality, ethnicity, gender, religion etc.

**Compensation**: Suppliers are expected to fairly compensate their employees by providing wages and benefits that are in compliance with all applicable laws or prevailing local standards whichever is higher  |

**Marketing topics**

* **Come up with our own donut menu- wholemeal, vegan, gluten free, low calorie.**
* **Design your own flavour.**
* **Giveaways on special occasions. E.g: Win a prize on national day. (Social media campaign)**

**Competitor Analysis and Brand Positioning Chart**

| **Brand**  | **Price points** * Average cost per donut
* Cost of a dozen donuts
 | **Reviews** * compare reviews across different review sites
 |
| --- | --- | --- |
| **Dunkin**  |  | Positive Reviews Smart Local reviews * Offers more than 20 flavours. Coffee served at Dunkin Donuts offered are considered good by a consumer
* Offers a place for students to study

Negative Reviews * Considered average by one consumer. The donuts are ‘decent’ but they lack an ‘extra kick’
* Some have too much or too little sugar leaving one either ‘running to the watercooler for a drink’ or ‘left with an unsatisfied sugar craving’. Dough was thought to be greasy on the outside but dry on the inside.
* ‘Decent, lacks a boom factor that will propel it out of the ‘average’ category’
* Quality of donuts in Singapore pale in comparison the quality of donuts from Dunkin Donuts stores in Malaysia
* ‘Slightly expensive’ not ‘value for money’
 |
| **Krispy Kreme**  | **Buy 10 get 2 free: Assorted Dozen- $29.50** **Pre Packed Box of 10: $18.90**  | Positive Reviews * ‘Soft pillowy light donuts’
* ‘Best donuts in the world’

Negative Reviews * ‘Expensive’
* Quality of donuts in Singapore compared to Hong Kong is ‘truly awful in comparison and tastes incredibly synthetic’ and ‘doesn’t have the melt-in-your-mouth effect’
 |
| **Chewy Jr**  |  | Positive Reviews * Often compared to donuts. While donuts may have a greasy feel to them, one commenter noted that Chewy Jr’s cream puffs is quite the opposite. The dough is chewy hence the unique selling point of the brand
* Chewy Jr’s custard puffs had an ‘oh-so-chewy texture’ with ‘generous’ amount of toppings
* Created a smaller more bite sized version of their puffs in order to make the consuming process easier for customers who are on the go( shoppers etc.) they were dubbed ‘chewy mini puffs’. Fillings are just as generous as their bigger counterparts

Negative Reviews * Chewy Jr’s custrad puffs are neither soft nor chewy rather they have a rubbery texture
* Tasted stale to a consumer
* ‘Good fillings can only be appreciated with a good dough. Unfortunately Chewy Jr fails to deliver on that’
 |
| **J.Co**  | **Box of 12 donuts- 18****6 piece- 9.90** **1 piece- 1.90**  | Positive Reviews * ‘Reasonably prices and available in an array of tastes’
* ‘Biggest selection of donuts I’ve ever seen’
* ‘J.Co donuts are a lot softer and not overly sweet as compared to Krispy Kreme and Dunkin’

Negative Reviews * ‘Great donuts but bad coffee’
* Many complained the coffee is too watered down
* ‘Topping cream is way too sweet’ and ‘it is like eating pure sugar alone’
 |
| **Starbucks( pastry price on average)**  |  **$4-$6** | Positive Reviews* ‘Starbucks had really great service, to compliment the good coffee we were served. It is great to travel and have a little piece of home’
* ‘Awesome service awesome food.’

Negative Reviews* ‘Not my favorite coffee place. Coffees are too milky and frothy.’
* ‘The service is so slow, especially during 1 for 1!! I understand that it was busy but they started to serve people behind me. Horrible service and I wasted so much time waiting for my drink.’
 |

 **Market Plan**

**Objectives: To increase the sales profit and brand awareness of Dunkin**

**1.Target Audience and Market Segmentation**

Our main target group are families with young children. However, with our healthier donut options and online marketing strategies, we expect to attract young adults ranging from 16-25 years old who are technology savvy. With the rise of technology, teenagers would also be the first to see our promotions online and spread it physically through the word of mouth. Dunkin are mainly targeted towards the middle to high income groups. However, with our promotions set in place, we are able to cater to middle income groups as well. Dunkin is also Halal Certified in Singapore.

We have segmented Dunkin based on the characteristics of our target customers using demographic, psychographic and behavioral segmentation methods.

| Demographic | Occupation | Students, Working Adults, Families with young children |
| --- | --- | --- |
| Education | University students, polytechnic students, school students |
| Psychographic | Activities | Celebrations, studying, cravings, meetings, etc  |
| Behavioral | Occasion | Birthday parties, Exam period, Holidays |

**3. Chosen Advertising Strategies**

**-Discounts and loyalty schemes**

**-Use of coupons**

**-Sampling**

**-Advertising through Instagram, Twitter and Facebook.**

**-Unique Selling points such as creating a healthier donut and innovative flavours. Quirky names are also unique.**

**4. Chosen IMC Channel**

* **ATL**
* **BTL**
* **TTL**

**5. Pros and Cons of chosen IMC Channel**

**6. Evaluating the proposed IMC Plan**

**Consumer Behaviour Research**

| **Why do people get healthy after the festive period**  | - People tend to overeat during the holidays and hence put in an effort afterwards to lose the extra weight they put on and make an effort to become healthier. * Possible causes of weight gain during the holiday periods: more carefree, special meals at parties are prepared, social gatherings can be more frequent, high energy dense foods, bigger portion sizes

(Effects of the Holiday Season on Weight Gain: A Narrative Review)* The New England Journal of Medicine: studied weight of 2,924 people from Japan, U.S.A and Germany with withings wireless scales which automatically transmits weight measurements to a smartphone app: data was collected from scales between august 2012 and July 2013
* Weight readings were converted into daily weight changes- which was used to compute an average for each of the 3 countries
* According to the study: Christmas to New Years saw the biggest uptick in weight for westerners: Germans put on an average of 1.75 pounds and Americans gain 1.3 pounds
* About half of this extra weight was lost soon after it was put on but the other half of the weight remained ‘until summer and beyond’( tie in with healthy donut)
* *In all 3 countries the average weight of the participants was lower at end then at the beginning- sign that group of people were ‘more motivated toward weight loss than average’ researchers noted* (tie in with healthy donut campaign)

Source: <https://www.latimes.com/science/sciencenow/la-sci-sn-holiday-weight-gain-20160921-snap-story.html>(Helander, Wansink & Chieh, 2016 cited in Kaplan 2016)  |
| --- | --- |
| **Children: The impact of selling ideas to them** | - The buying power of children and youth has increased exponentially over time so it makes sense for companies to target them. -In 2002, in the US, 4-12 year olds spent $30 billion dollars. The following year, 12-17 year olds spent $112.5 billion (Calvert, Sandra 2008).- Youth also determine the purchasing habits of their families. Youth decide the next holiday or which car to buy next - even simple meal choices are influenced by youth. Companies can take advantage of this and target them (Calvert, Sandra 2008).-How do children learn?Source: <https://mascdn.azureedge.net/cms/the-money-advice-service-habit-formation-and-learning-in-young-children-may2013.pdf>Imitation: young children are extremely proficient at learning through imitation from a very young age Since the 1970s: Meltzoff and colleagues have been investigating evidence of infants imitating both facial and manual gestures, highlighting the complex physical and neural activities involved in even the simplest imitation* *Modelling of behaviours by adults is a powerful means of supporting learning in children*
* Advertising influences preschool and primary school children on many levels including the relatively immediate product-persuasion effects intended by the advertiser, as well as more cumulative types of influences that accrue from exposure to large number of commercials over time
 |
| **CSR effects on businesses** | [**https://www.academia.edu/9807975/The\_impact\_of\_CSR\_on\_business\_behaviour\_and\_performance\_today\_List\_of\_contents**](https://www.academia.edu/9807975/The_impact_of_CSR_on_business_behaviour_and_performance_today_List_of_contents)Source: (Etienne, 2014) Sustainability: according to a report by Neisen, most of the world’s consumers would pay more for products and services which help to save the planet* A global average of *55%* shared in the corporate social responsibility survey that they would be willing to pay extra when companies *are committed to positive social and environmental impact* and increase from 50% in 2012 and 45% in 2011
* **Danger of ‘greenwashing’**

Greenwashing efforts can range from changing the name or label ofa product to evoke the natural environment on a product that contains harmful chemicals tomultimillion-dollar advertising campaigns portraying highly polluting energy companies asEco-friendly.* This phenomenon is strongly developing and has increased consumer skepticism of these ‘eco friendly’ claims
* How does our collaborations ring true?
 |

**LINKS:**

1. [**https://www.realsimple.com/health/nutrition-diet/weight-loss/holiday-weight-gain**](https://www.realsimple.com/health/nutrition-diet/weight-loss/holiday-weight-gain) **(2016)**
2. [**https://pdfs.semanticscholar.org/afad/423524b4d080b2ae1bfbf4073fae5a37924b.pdf**](https://pdfs.semanticscholar.org/afad/423524b4d080b2ae1bfbf4073fae5a37924b.pdf) **(2008)**
3. [**https://www.academia.edu/9807975/The\_impact\_of\_CSR\_on\_business\_behaviour\_and\_performance\_today\_List\_of\_contents**](https://www.academia.edu/9807975/The_impact_of_CSR_on_business_behaviour_and_performance_today_List_of_contents) /Source: (Etienne, 2014)
4. [**https://mascdn.azureedge.net/cms/the-money-advice-service-habit-formation-and-learning-in-young-children-may2013.pdf**](https://mascdn.azureedge.net/cms/the-money-advice-service-habit-formation-and-learning-in-young-children-may2013.pdf)
5. <https://www.latimes.com/science/sciencenow/la-sci-sn-holiday-weight-gain-20160921-snap-story.html> / (Helander, Wansink & Chieh, 2016 cited in Kaplan 2016)

 **6)** <https://pdfs.semanticscholar.org/86f0/c9a098b3c9e88dae51fe206f49a156b8b358.pdf>

|   |   | Q1 |   |   | ***Q2*** |  |  | Q3 |   |   | Q4 |   |   |   |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Brand | Activity  | Jan | Feb | Mar | ***Apr*** | ***May*** | ***Jun*** | Jul | Aug | Sept | Oct | Nov | Dec | Total |
| Dunkin’ |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Thematic Promotion | Launch social media competition, encourage social media users to tag their friends to join in.  | ***Launch on Heineken light/Heineken 0.0*** | National day 54th years promotion | E-commerce sales promotion |  |
| Objective | Loyalty program and engaging emotion feeling with consumers | Increment of public relation under promotion mix by 40%(Brand awareness) | ***Test market on different kind of consumers and their behaviour, on how many % alcohol is their preference. And to extract data from consumers on their geographical segment.*** | direct marketing | Delivery unique service to our customers. Providing 4 I's (Intangibilty, Inseperatbility, Inconsistency, Inventory) |  |
| Promotion | First 1000 customers, Buying our product can stand a change to win (Drink all you can) at appointed restaurant. | Stand a change to win a set of couple meal in Singapore flyers capsule. ( 10 sets to be won) | ***Stand a chance to win 1 year free of Heineken 0.0 supply*** | Celebrate national day with selected pubs outlets ( Purchasing of 5 in a bucket Heineken/ light / 0.0 get any 4 bottle Heineken free) While stock last! | Exclusive free delivery for purchasing of 2 cartons on Heineken/ light / 0.0 and celebrate Christmas with you and your friends at home. (RedMart, Mabukmonkey, Alcoholdelivery) |  |
| ***BTL Activities*** |  |  | ***Sampling and vouchers given out at Xndo, Cold Storage***  |  |  |  |
| ***ATL Activities*** |  |  |  | ***Bus Stop advertisements***  | ***Bus stop ads showing bite sized donuts***  |  |
| ***TTL Activities*** | ***Social Media Contest***  | ***Updates about Contest***  | ***Social media campaign to encourage students to nominate themselves for workshop***  | ***Advertise Coastal Clean up*** ***Encourage registration***  | ***Social Media Influencers***  |  |
| Budget | $40,000.00  | $15,000.00  | ***$40,000.00***  | $20,000.00  | $20,000.00  | $135,000.00  |

| Early Jan 2020 | **TTL:** Launch **social media campaign** + advertisement for the competition |
| --- | --- |
| Feb 2020 | Ongoing submissions  |
| March 2020 | Submissions close  |
| April 2020 | R&D team decide the top 10 submissions, 7 consolation prizes given out and 3 winners will have their donuts featured on the healthy menu  |
| May 2020  | Healthy menu being worked on, pictures of the R&D team working on the menu will be featured on social media page |
| Last week of May 2020  | Soft launch of Healthy Menu at all Dunkin’ stores |
| June  | **Workshops at schools:** teach the children tips on how to stay healthy, read nutrition facts, learn how to make a healthy donut at home  |
| July |  **BTL: Sampling at Xndo, Cold Storage and vouchers will be given away**   |
| August | **ATL:** Launch a campaign with an local environmental agency( blue water volunteers) register interested people to carry out clean up * Link CSR
* On the bus stop ads we show how Dunkin’ now sells our products in packaging that has been upcycled from the ocean
 |
| September  | **Ongoing project- ATL**  |