

## RESEARCH & STRATEGY

### **Hierarchy of Effects**

There is no question that donuts have been, are, and continue to be a top-priority product when it comes to the pastry market. They are not essential or even healthy, but Americans are always demanding them, as the United States boasts a near majority of 50% of all donut sales worldwide (Rutherford, 2018). However, when it comes to donut popularity and "top-of-mind" brand awareness, Dunkin' and the beloved Krispy Kreme Doughnuts are almost synonymous with the pastry. Within marketing's hierarchy of effects, the consumer base and target audience for donuts is sitting at the "Awareness" stage, as the battle for brand popularity is the sole obstacle for smaller companies such as Duck Donuts.

### **Advertising Goals**

Duck Donuts' sales and consumer base will increase if the advertising facilitates the successful introductions of new brands, creates (or increases) brand awareness, and increases customer loyalty. Duck Donuts would benefit by doing a better job in introducing and announcing the unique branding of "made-to-order" donuts among consumers, as this would generate word-of-mouth and social media advertising (Andrews & Shimp, 2018). Duck Donuts needs to improve their brand awareness, as it has been created but poorly executed. Seeing how their obstacle is primarily popularity and "top-of-mind" awareness, Duck Donuts needs to not just use social media to describe products, but to entice the audience with posts that engage with their target audience. The brand awareness advertising will need to also focus on local advertisements and partnerships with other corporations, small business, or even schools. In addition to increasing popularity, Duck Donuts needs to create a form of sales promotion and rewards for their customers so that they can create and cultivate the "top-of-mind" brand awareness, which is necessary to beat out competitors such as Krispy Kreme and Dunkin'.

### **Brand Persona**

Considering the five brand-related personality dimensions, described by Andrews and Shimp, Duck Donuts best fits under the "Sincerity" dimension, as the company tries hard to provide an aesthetic and feeling of local authenticity, honesty, cheerfulness (2018). As founder of Duck Donuts, Russell DiGilio, describes his reasoning and mission for the company, "we have kept our focus on offering a welcoming, family-friendly and delicious experience." (Duck Donuts, 2020). In a simple glance at the company's social media and webpage show a warm and comforting aesthetic, while also showing the humble beginnings and mission of the growing business, that which constructs an eidetic dimension of sincerity.

### **Customer Needs**

Duck Donuts will need to focus on the functional and experiential customer needs in its advertising and execution. The functional need of a customer is described as the need for "convenience, safety, good health, cleanliness" as well as overall comfort (Andrews & Shimp, 2018). Although this may seem slightly unnecessary for a donut shop, the two factors to be noted for a donut shop are convenience and cleanliness. Duck Donuts places a high emphasis on the convenience of donut delivery, carry-out, and even curbside pick-up, and this is a marketing strategy that has not been emphasized enough. Cleanliness is necessary for any business in the food industry, but there is a contrast between physical cleanliness and mental cleanliness. It is possible for a restaurant to have clean tables, food, silverware, cups, etc., but if the aesthetic is not clean looking, this will be a huge drawback for the female demographic (Han, Nguyen, et. al, 2018). Experiential needs are a large driving factor in meeting the customer's expectations for a donut shop. The largest factor will be the cognitive stimulation and sensory pleasure of the donut shop, product, and social media output. A donut in and of itself is experiential, as it engages with the sense of taste while stimulating excitement and joy. Duck Donuts will need to make sure their shops are stimulating the senses of their customers as well as securing a likewise reflection in their social media posts.

### **Identify a Creative Style**

Within the experiential orientation in creative advertising, Duck Donuts will focus on the emotional connection formed between their brand and target audience. A particular emotional front that Duck Donuts provides is their engagement with local non-profits and caring about their community. Although Duck Donuts is a franchise, with this emotional connection to the local environment they can maintain a level of authenticity, wholesomeness, and loyalty with local consumers. The emotional creative strategy should also focus on the joy and nostalgic factors of donuts, particularly the fresh, authentic, and customized donuts that fit the consumer's wishes perfectly. Advertisements will place a high concentration on Duck Donuts and comfort for all ages, groups, and occasions.

### **Advertising Appeals**

The advertising appeals of Duck Donuts will primarily focus on the role of humor, music, and the three-familiarity dimension of attractiveness. Humor is already being used with the duck graphic on the webpage, though ducks are not being utilized at all on Instagram or Facebook; in fact, not a lot of humor is being used anywhere on social media platforms. Instagram also can post a lot of great videos with bright, cheery, and relevant music to help their branding style and relatability to their target audience. Attractiveness does not rest in a picture of a donut(s), as their Instagram repeats, but rather in the

familiarity of Duck Donuts within the consumer's day-to-day and high points of life. Seeing how the target audience is primarily the twenty-something year-olds of generation Z, there is so much room to grow in product familiarity, relevance, and the sweet medicine of humor.

### **SWOT (Strengths, Weaknesses, Opportunities, Threats)**

#### **Strengths**

- Duck Donuts prioritizes their “made-to-order” donut selection, where the customer has the customizing option in choosing their preferred coating, topping, and drizzle for their donut (Duck Donuts, 2020).
- Duck Donuts places a premium on its ability to deliver high quality donuts while operating through a strong online interface and their new partnership with DoorDash (Domingo, 2020).

#### **Weaknesses**

- Compared to multiple franchise and local Donut shops, Duck Donuts has very little popularity and presence when it comes to media and favorability, ranking far below Dunkin’ Donuts, Krispy Kreme, Tim Hortons (Myers, 2018) as well as a plethora of local East Coast shops (Saintsing, 2020).
- Duck Donut’s online and social media interface does not make nearly as big of deal of their donut customizations, their “made-to-order” which is their main and most attractive selling point. A simple look at Duck Donut’s Twitter, Facebook, Instagram, and opening webpage, there is not a clear mention of the one thing that sets them apart.

#### **Opportunities**

- The company was ranked highly in customer service according to a 2019 article by Newsweek, scoring the small donut-chain with 7.8 points, just below the donut giants, Dunkin’ Donuts and Krispy Kreme (Newsweek, 2018). There is room for improvement and the possibility of securing the number one ranking.
- Duck Donuts prepares their donuts fresh in front of the customers; although the social media and webpage fronts do not advertise this selling point, it is very easy to advertise such a lucrative and appealing aspect.

#### **Threats**

- Duck Donuts faces intense competition from both the large corporate competitors such as Tim Hortons, Krispy Kreme, and Dunkin’ Donuts, as well as the local bakeries and donut shops that offer a more personal, unique, and higher-quality atmosphere and product (Tolson, 2005).
- Given the fresh, high-quality donuts that Duck Donuts offer, the shelf life and its limitations will pose difficulties in maintaining its selling point of variety, freshness, and flavor ingenuity.
- In addition to product competition with larger corporations and local donut shops, Duck Donuts will struggle with advertising its brand and getting its name out and above the other brands that dominate the market (Tolson, 2005).

## References

- Domingo, I. (2019, June 24). Duck Donuts announces nationwide delivery through online platform. Retrieved October 11, 2020, from <https://wset.com/news/local/duck-donuts-announces-nationwide-delivery-through-online-platform>
- Duck Donuts. (2020). Made-To-Order Donuts. Retrieved October 11, 2020, from <https://www.duckdonuts.com/menu/made-order-donuts/>
- Myers, D. (2018, July 27). The Best Doughnut Chains in America, Ranked Gallery. Retrieved October 11, 2020, from <https://www.thedailymeal.com/eat/best-doughnut-chains-america-gallery/slide-9>
- Newsweek. (2018, November 21). America's Best Customer Service 2019. Retrieved October 11, 2020, from <https://www.newsweek.com/americas-best-customer-service-2019/catering-restaurants-leisure>
- Saintsing, K. (2020, February 21). 9 of North Carolina's Best Coffee & Doughnut Shops. Retrieved October 11, 2020, from <https://www.ourstate.com/9-of-north-carolinas-best-coffee-doughnut-shops/>
- Tolson, S. (2005, December 29). Glazed & Confused: For independent doughnut shops, competing against Dunkin' Donuts is no easy task. Retrieved October 12, 2020, from <https://www.wbjournal.com/article/glazed-confused-for-independent-doughnut-shops-competing-against-dunkin-donuts-is-no-easy>
- Andrews, C. & Shimp, T. (2018). Advertising, promotion, and other aspects of integrated marketing communications. (10th ed.). Boston: Cengage Learning.  
<https://ng.cengage.com/static/nb/ui/evo/index.html?deploymentId=57836917215316048799623642&eISBN=9781337289788&nbId=2060448&snapshotId=2060448&id=978984595&>
- Han, H., Nguyen, H. N., Song, H., Chua, B., Lee, S., & Kim, W. (2018). Drivers of brand loyalty in the chain coffee shop industry. *International Journal of Hospitality Management*, 72, 86-97. doi:10.1016/j.ijhm.2017.12.011
- Rutherford, P. (2018, April 27). Keeping up with donut demand. Retrieved October 13, 2020, from <https://www.supermarketperimeter.com/articles/2325-keeping-up-with-donut-demand>