



Group 2

How to Make *YanTang* Great Again ?

A Research from Consumer Behavior Perspective

Oct 29, 2018





CONTENTS

- 1 / **Introduction**
- 2 / **Research Process**
- 3 / **Analysis**
- 4 / **Strategic Suggestions**



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- 1 / **Introduction**
- 2 / Research Process
- 3 / Analysis
- 4 / Strategic Suggestions

Introduction of Brands



Originates from 1999
Famous Nationwide



¥ 2.90

MengNiu



Originates from 1956
Situated in Guangzhou



¥ 3.50

YanTang

Woah!
Mengniu!



CONTENTS

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- 2 / **Research Process**
- 3 / Analysis
- 4 / Strategic Suggestions

Research Process





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- 1 / Introduction
- 2 / Research Process
- 3 / Analysis**
- 4 / Strategic Suggestions

Analysis 1: Descriptive Statistics



74% Female



26% Male



Woah!
SYSU!



55% Non-Guangdong

45% Guangdong



Age:

18-21

**SYSU
Student**

Avg. Monthly
Expenses:

**1000-2000
RMB**

Analysis 1: Descriptive Statistics



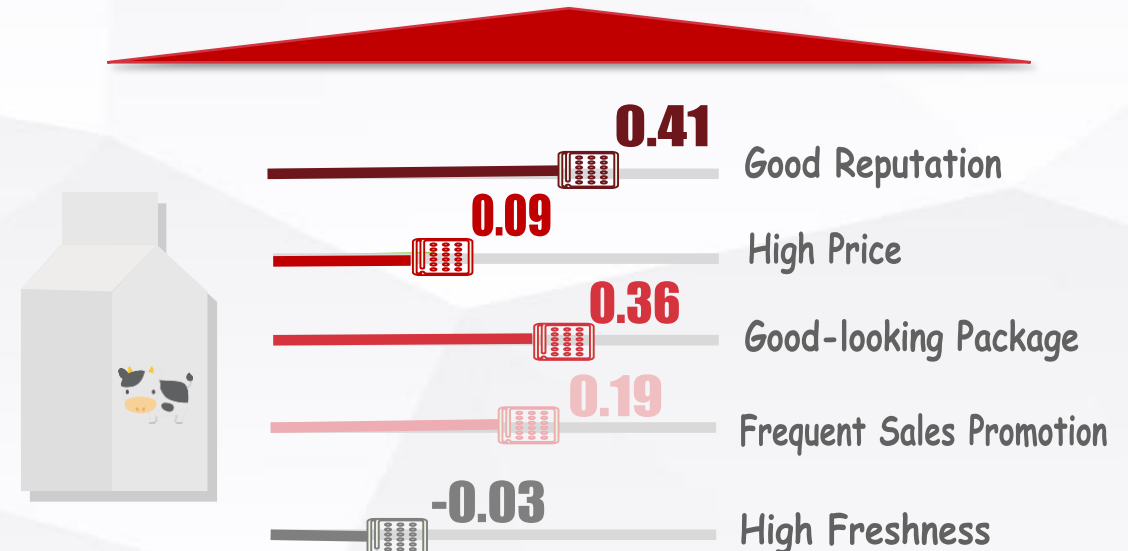
Conclusion 1 :

1.1 Comparing to YanTang, consumer holds a more positive attitude towards MengNiu.

Conclusion 2:

2.1 Consumer desires good reputation and good-looking package

2.2 Evaluation is comparatively neutral in high price, high freshness and frequent sales promotion



Analysis 2: Logistic Regression



14.3% 



85.7% 

Conclusion 3:

3.1 A strong preference for MengNiu is revealed among non-Guangdong consumers



0.865

Frequent Sales Promotion

0.542

Good-looking Package

0.235

Good Reputation 

0.256

High Price 

0.665

High Freshness

Conclusion 4:

4.1 Good reputation and high price are comparatively significant attributes considered by Guangdong customers during purchase decision making process.

Analysis 2: Logistic Regression



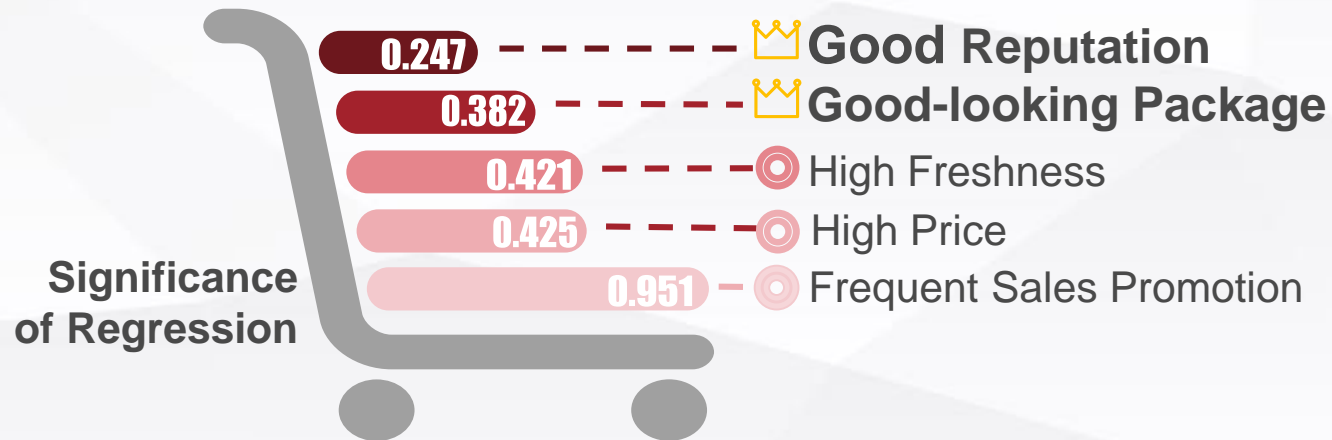
46.9%



53.1%

Conclusion 5:

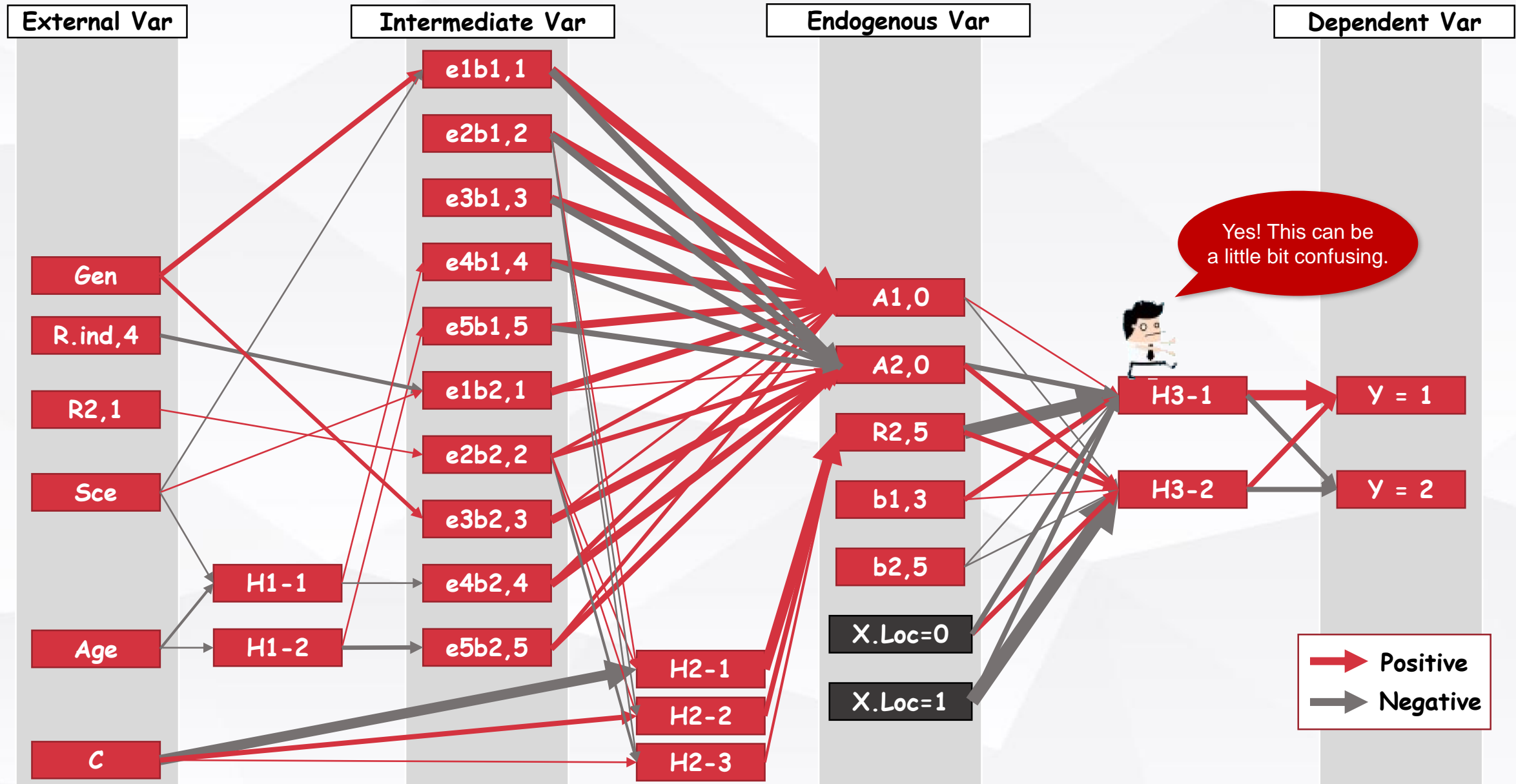
5.1 Guangdong customers don't show a special preference for YanTang: the difference in their choice is insignificant



Conclusion 6:

6.1 Good reputation and good-looking package are comparatively significant ones considered by Guangdong customers during purchase decision making process.

Analysis 3: Artificial Neural Network



Conclusions from Analysis

Insights from Analysis

ANN

- High evaluation on package  MengNiu
- High evaluation on Freshness  YanTang
- Media Advertisements  Brand Reputation
- Higher belief on High Price  YanTang



Crucial Attributes



GD



Non-GD

Good
Brand
Reputation

Good-looking
Package

High Price

LOGIT



How to Increase
YanTang's Revenue?



CONTENTS

- 1 / Introduction
- 2 / Research Process
- 3 / Analysis
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Decomposition of sales

Sales

=

Price

×

Quantity

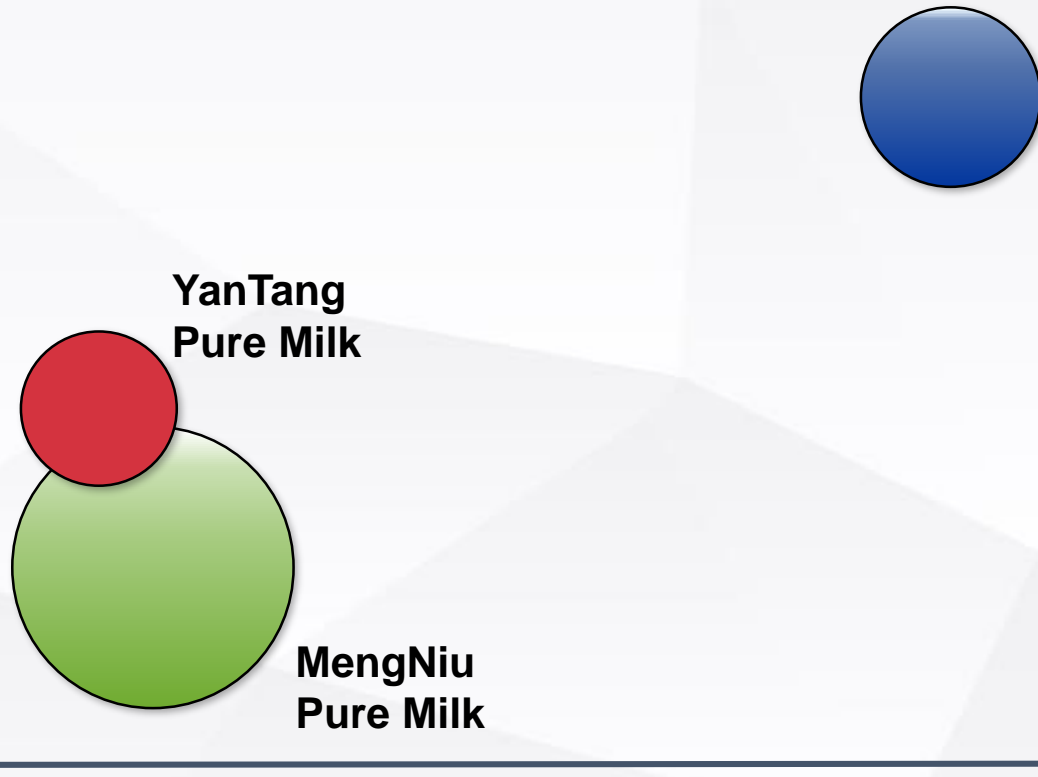
Price

YanTang
Pure Milk

MengNiu
Pure Milk

MengNiu
Deluxe Milk

Value Perceived
by Consumers



Price Path: A Higher Price is Feasible



77.6%

With Willingness to Pay
More than ¥3.5



¥3.77

Average Price Expectation



Strategic Process on Price

Price



YanTang
Pure Milk

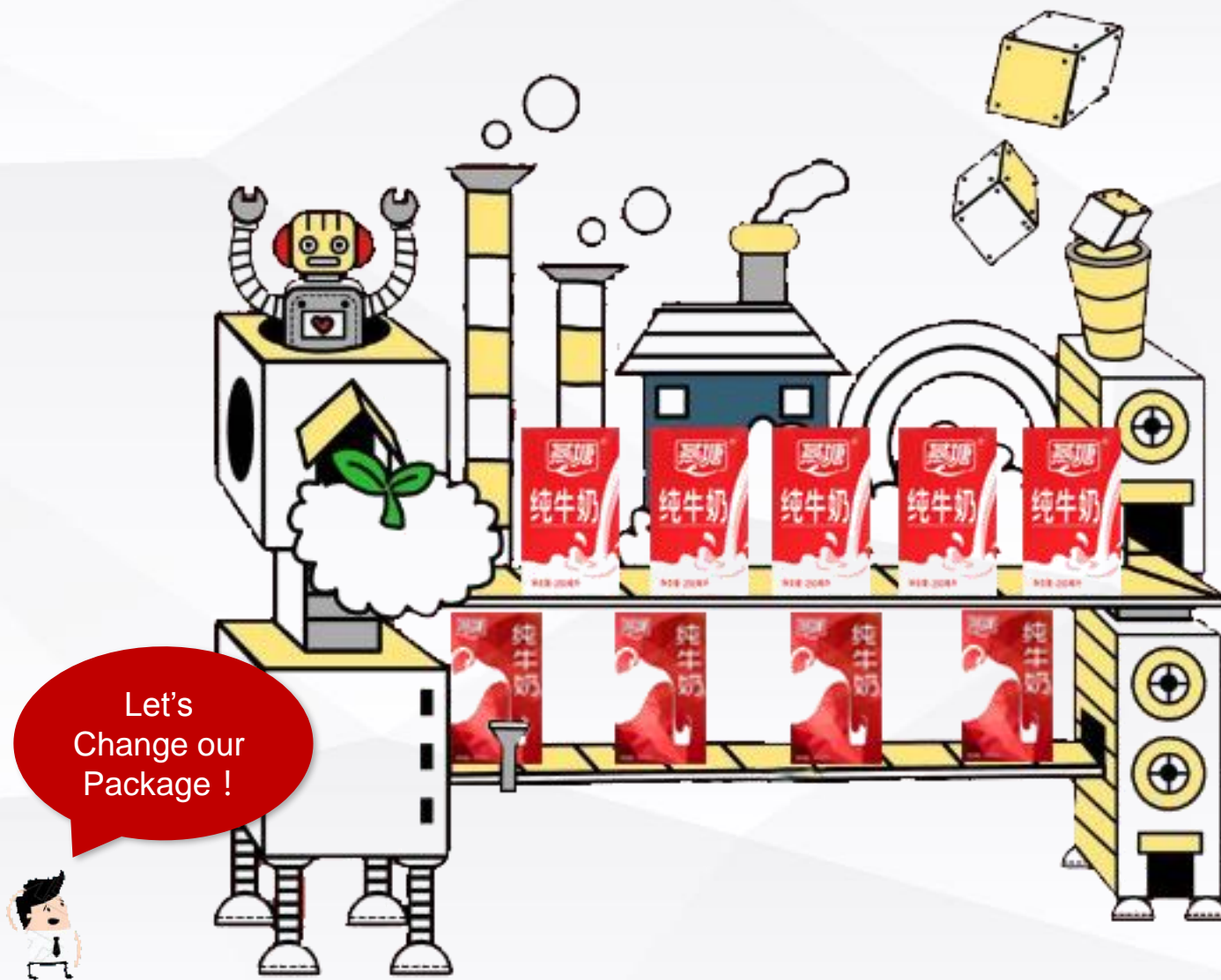
MengNiu
Pure Milk



MengNiu
Deluxe Milk

Value Perceived
by Consumers

Quantity Path: Promote New Package & Differentiation



OLD



NEW

Quantity Path: Promote New Package & Differentiation

Differentiation



Method



Mass Media Ads

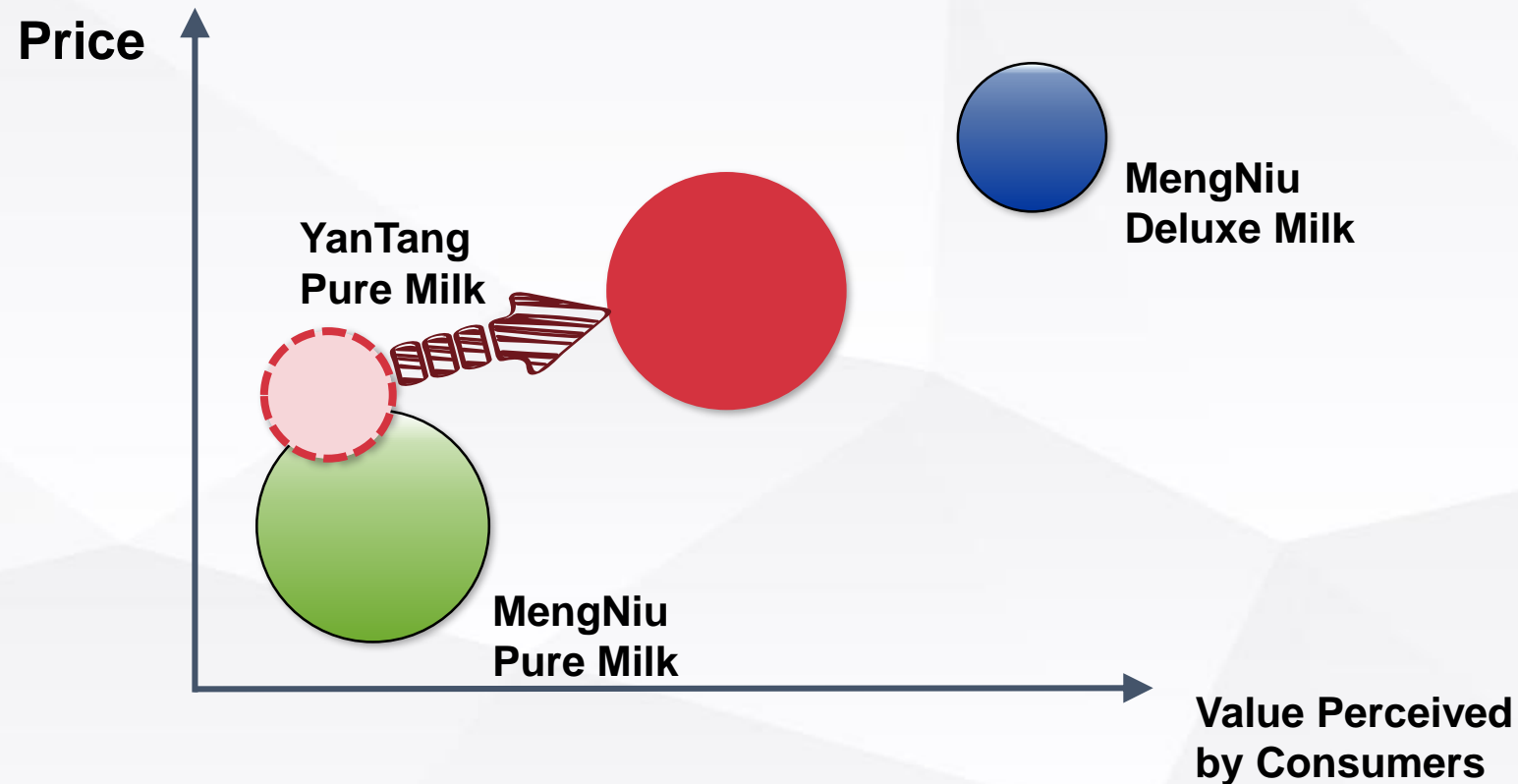


In-store Ads

Quantity Path: Promote New Package & Differentiation



Strategic Process on Quantity & Price



Q & A



Thank You

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