

## Problem Statement:

- We as the consulting company were hired by sticks to test their hypothesis of who the current customer base is.

## How do people choose fast food restaurants?

- Taste and Satisfaction
- Convenience
- Employee Friendliness
- Consistency / Reliability
- Value
- Health Options

## Customer Fast Food Choice

Sticks Kabob Customers

- 1<sup>st</sup> (Sticks Kebob)
- 2<sup>nd</sup> (Sticks Kebob)
- 3<sup>rd</sup> (Sticks Kebob)

## Non Sticks Customers

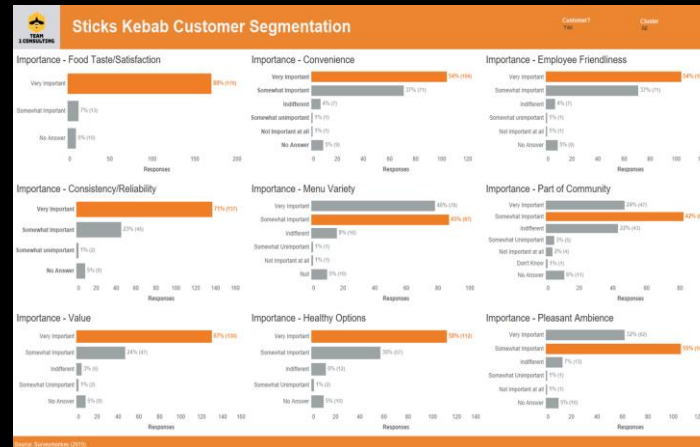
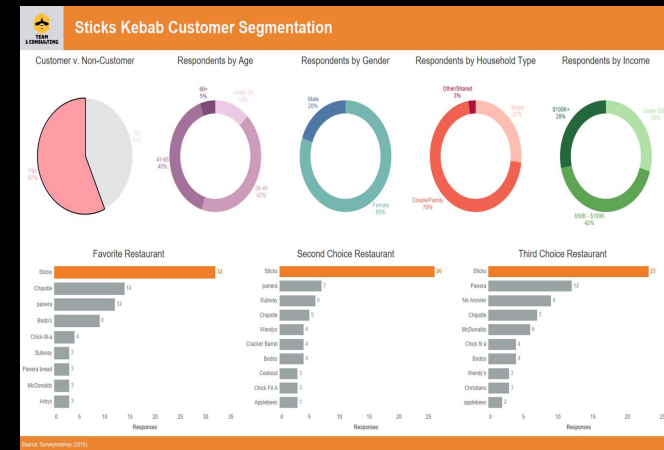
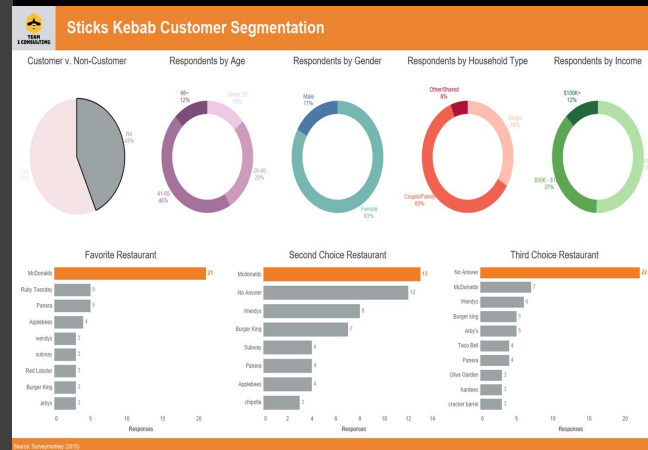
- 1<sup>st</sup> (McDonald's)
- 2<sup>nd</sup> (McDonald's)
- 3<sup>rd</sup> (No Answer)



# Sticks Kebob Shop Segmentation

Team 1

Matthew Beck, Heather Ford, Daniel Stafford, Carl West



## Who are Stick Kebab's customers?

- Primarily Female
- Age 41-65
- Couples or Families with a small child
- Avg HH Income \$50-\$100K

## What are their motivations for visiting Sticks Kebab?

- Ambience
- Food Variety
- Friendly Staff

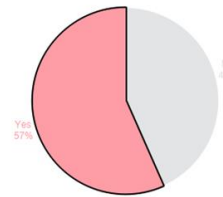
## Customers vs Non-Customers?

- Higher HH Income
- Slightly Younger
- More likely to have Children

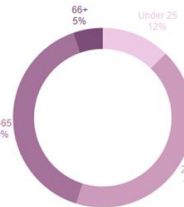


### Sticks Kebab Customer Segmentation

Customer v. Non-Customer



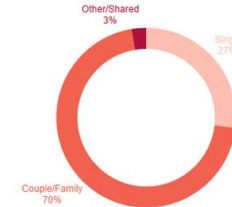
Respondents by Age



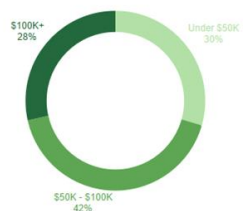
Respondents by Gender



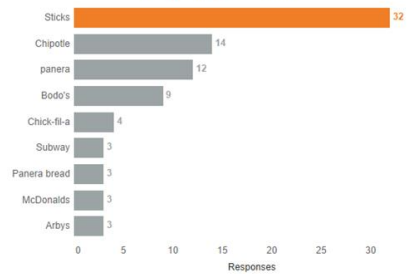
Respondents by Household Type



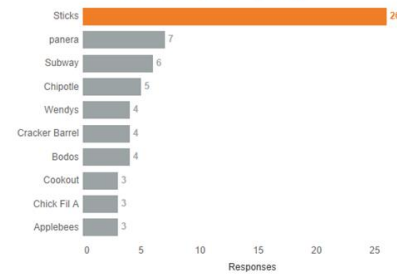
Respondents by Income



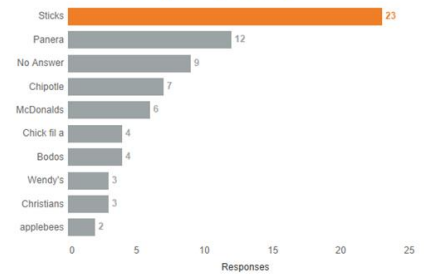
Favorite Restaurant



Second Choice Restaurant



Third Choice Restaurant

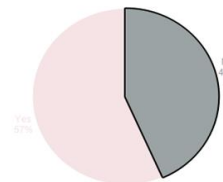


Source: SurveyMonkey (2015)

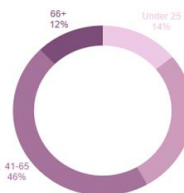


### Sticks Kebab Customer Segmentation

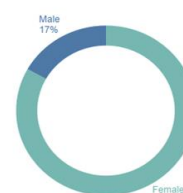
Customer v. Non-Customer



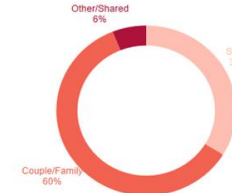
Respondents by Age



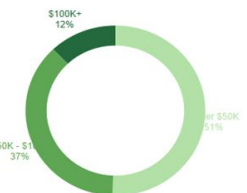
Respondents by Gender



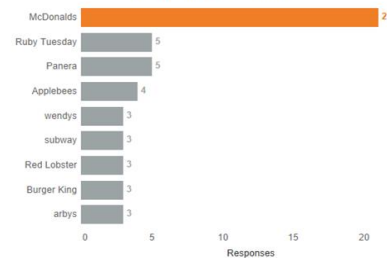
Respondents by Household Type



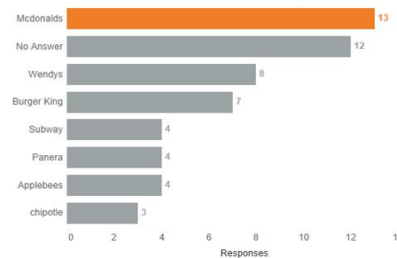
Respondents by Income



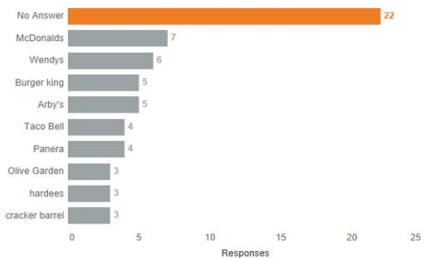
Favorite Restaurant



Second Choice Restaurant



Third Choice Restaurant

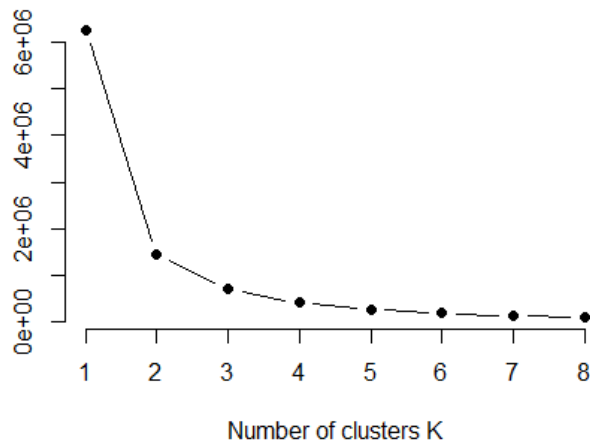


Source: SurveyMonkey (2015)

How many  
customer segments  
can you estimate  
from the survey  
data?

Survey topics used for  
segmentation

- Careful Planner
- Ability to Control Spending
- Importance of locally produced products
- Health Benefits



### Cluster 1

- Primarily existing Sticks customers
- 70% Couples/Family
- Primary ages 41-65
- Largest group made \$50-100K
- Strongly agreed health was important
- Strongly disagreed that they struggled with spending

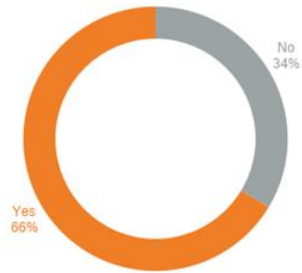
### Cluster 2

- Majority existing Sticks customers
- Primary ages - 26-40
- 71% Couples/Family
- Predominantly under \$50K
- Agree they struggle with spending

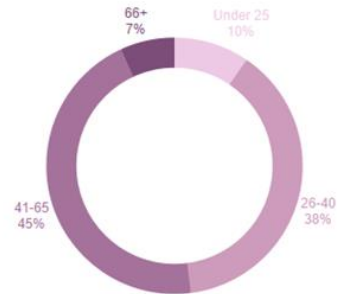
### Cluster 3

- Majority Non-customers
- Predominantly under \$50K
- 57% Couples/Family
- Disagreed they struggled with spending

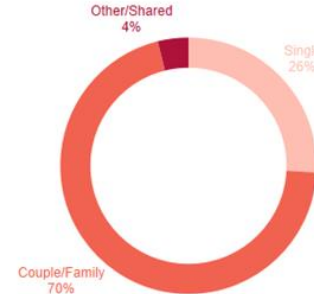
Customer v. Non-Customer - Cluster



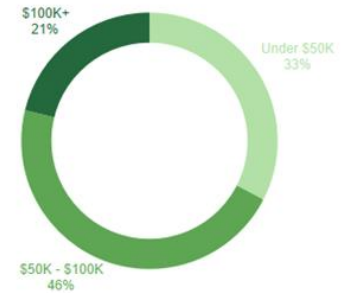
Cluster by Age



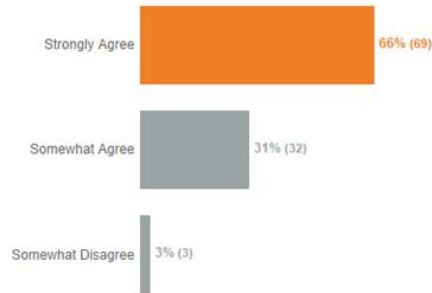
Cluster by Household Type



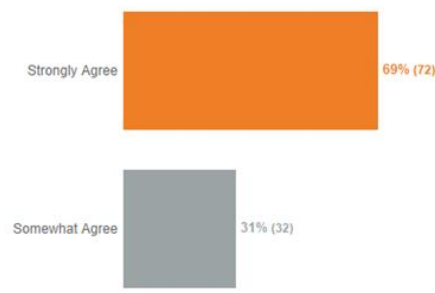
Cluster by Income



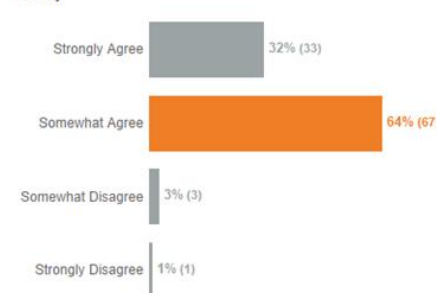
Psychographics - Careful Planner  
*I tend to plan things very carefully*



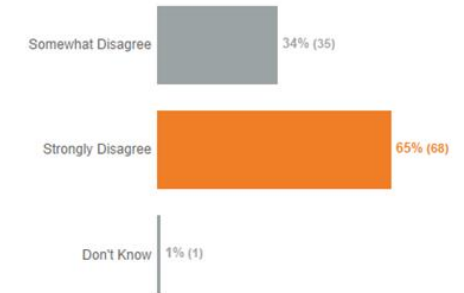
Psychographics - Health Oriented  
*I carefully consider the health benefits of what I eat*



Psychographics - Local Oriented  
*I think it is important to purchase products that are made locally*



Psychographics - Spender  
*I sometimes have trouble controlling my spending*



Which customer segments should Sticks target?

## Recommended location for the next Sticks Kebob

### **Problem Statement:**

- We as the consulting company were hired by Sticks Kebob to test their hypothesis of who the current customer base is.

### **Methods:**

- Based on the segmentation analysis and demographic analysis of the residential profiles in each area

### **Recommendation:**

- In order to optimize sales and align with their growth revenue strategy, we recommend the prime location is Area "D."

Loc.	Pop.	Median Age	Median Income	Consumer Spend	Consumer Spend Per Household	Major Customer Profiles
A	29,321	39.1	\$92,700	\$722M	\$62,404	Blue Blood Estates, Brite Lites, Li'l City, Executive Suites, Upward Bound, Winner's Circle
B	34,183	32.5	\$31,900	\$482M	\$36,720	City Startups, Family Thrifts, Hometown Retired, New Beginnings, Sunset City Blues
C	42,913	32.5	\$55,700	\$754M	\$46,828	Brite Lites, Li'l City, Family Thrifts, Up-and-Comers, Upward Bound, White Picket Fences
D	57,509	34.8	\$75,500	\$1,184M	\$57,880	Brite Lites, Li'l City, Country Quires, Up-and-Comers, Upward Bound, White Picket Fences