

HOW MUCH DO THE MADISON SOCIAL WEEKLY DEALS AFFECT THEIR BUSINESS?



PRESENTED BY

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WHAT IS MADISON SOCIAL?

Located in the heart of Tallahassee's College Town, Madison Social is a restaurant and bar serving clever pub fare in an industrial setting. They offer deals throughout the week like the MadSo challenge, discounted So-Mosa pitchers, and Tuesday Trivia to name a few.

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RESEARCH OBJECTIVES

Our research objective is to determine how much of an impact Madison Social's weekly deals have on their business. These deals include:

- Half off So Classic burger
- Tuesday trivia
- \$5 select challenge drinks
- So-Pitcher cocktails
- \$10 So-Mosa pitchers



Methodology

The research methodology we will be using is quantitative, with data collected using a cross-sectional survey. The survey will include both closed-ended and open-ended questions, providing participants both numerical ratings and qualitative feedback. The poll will be administered online through a survey platform (Qualtrics) and will take about five minutes to complete. The type of sampling used will be non-probability convenience sampling and the survey was specifically delivered to students and residents of Tallahassee, Florida, with a preference for those who are aged 21 and up due to the inclusion of questions about alcoholic beverages and bargains. The sample size collected for our survey was 88 respondents.



Findings

- 57 Valid responses, 31 did not qualify
- 56% of respondents visit madso once or more a week
- 68% of respondents consider the drink deals to be valuable
- 66% of respondents state that the MadSo challenge has little, to no influence on their attendance
- Respondents value "Value/Savings" the most
- 53% of respondents have never completed the MadSo drink challenge
- Tuesday Trivia is the most popular day



Conclusion & Recommendations

In conclusion, from our responses the mean for weekly Madison Social attendance is .7193. In other words, on average people attend Madison Social around once per week. Attendance was the most statistically consistent of our three factors; attendance, deals and experience. Overall, the value and savings of a deal at Madison Social is the most important factor that goes into making a deal or event important or attractive.

Since the data shows that respondents prefer deals and events at Madison Social where they receive tangible value or savings, such as free products or reduced prices, we recommend that management should create other deals with tangible value, or at least make changes to the current deals to match this. If Madison Social can offer more distinct opportunities for saving money, then their customer retention rates will increase. They can also create a new deal for Thursdays, since there is no current deal or offer on that day of the week.



Introduction - *Sydney VanOvermeiren*

Tallahassee serves as one of the fastest growing metropolitan areas in Florida. The home of the state's capital, FSU, FAMU, TCC, as well as a magnitude of working class individuals and families. People from all over the world/country tend to come to Tallahassee for education, work, or grew up in the area. All of these people have varying interests and dislikes, but one common denominator is that a majority use an individualized portion of their freetime going out to eat/drink. This research study focused on the FSU population of Tallahassee and what deals/offers enticed them to choose a specific restaurant/bar, out of a variety of options. Our study focused specifically on Madison Social, located in the heart of Tallahassee's College Town which is filled with competing bars and restaurants. These bars and restaurants all differ slightly but have one thing in common, attracting FSU students. Each of these college town classics are looking for that extra competitive advantage to set them apart from their peers. This is when deals and offers come into play, but the real trouble comes down to staying ahead of the trends, being authentic/unique, and knowing your audience. That is what the objectives of our study hoped to uncover, how much do the Madison Social weekly deals affect their business. From this study we uncovered which deals people would like removed, which deals they enjoy/utilize the most, and we also received several ideas for what deals/offers people would like to see out of Madison Social. During the study we address the significance of attendance, experience, deals, and their effectiveness. Going into the study we believed daily deals had a positive effect on the attendance at Madison Social. We also believed a poor experience at Madison Social would also negatively affect attendance. This information will be useful to For the Table Hospitality, the company that owns Madison Social, because it will allow them to gain insight on what

offers/deals are working at what needs to change. We will find out which deals/offers remain enticing to FSU customers and where there are opportunities for changes to be made, in order to keep Madison Social's edge on competitors.

Research Procedure - *Rahaf Nassar*

Research Question: How much do the Madison Social weekly deals affect their business?

Research Design: A cross-sectional survey is used in our study on the effectiveness of weekly deals at Madison Social. The survey was distributed online to people who had previously visited Madison Social. The survey was distributed online to those who had previously visited Madison Social. Respondents were asked to rate the value of Madison Social's food and drink deals, the significance of various factors in making deals and events appealing, and their likelihood of visiting the restaurant on specific days. Furthermore, respondents were asked about their experiences with the monthly Madison Social's challenge and how it affected their attendance. The survey data will be analyzed to determine the extent to which weekly deals affect business at Madison Social. Overall, this research design allows for a quick and efficient way to collect data from a diverse group of individuals who have experience with the restaurant.

Sampling: Non-probability convenience sampling was used for this study, which involves selecting people who are easily accessible and willing to participate in the survey. Individuals who have already visited Madison Social are the study's target population. The survey was specifically delivered to students and residents of Tallahassee, Florida, with a preference for those who are aged 21 and up due to the inclusion of questions about alcoholic beverages and bargains. The sample size collected for our survey was 88 respondents. To gather accurate and

impartial data, a minimum of 50 valid responses was required for the questionnaire, leaving a lesser margin for error. A bigger sample size would enhance credibility and impartiality of the data.

Research Methodology - *Rahaf Nassar*

The research methodology will be quantitative, with data collected using a survey. The survey will include both closed-ended and open-ended questions, allowing participants to provide both numerical ratings and qualitative feedback. The poll will be administered online through a survey platform such as Qualtrics and would take about five minutes to complete.

Format: In addition to multiple-choice and Likert scale questions, the survey may also include slider options to provide respondents with a more nuanced scale for their answers. The questions will be designed to gather data on customer behavior and preferences related to Madison Social's weekly deals and events, such as frequency of visits, favorite days to visit, and the daily specials or events that patrons are most likely to take advantage of. Other questions will be aimed at understanding the factors that influence guest decisions to visit Madison Social, such as the value, popularity, and entertainment value of the weekly deals. Demographic questions will also be included to provide insights into the characteristics of Madso's customers, such as age, gender, class standing, Greek life affiliation, and proximity to College Town. By breaking the survey down into specific sections, the questions can be organized in a logical and easy-to-follow manner, ensuring that respondents can easily understand the purpose of the questions and provide accurate and meaningful answers. Overall, the survey will provide valuable insights into the experiences and preferences of Madison Social guests, which can be used to improve the customer's experience and increase customer satisfaction.

Essential Questions Measured:

This survey is divided into sections, each focused on a distinct set of questions on Madison Social guests' experiences and preferences. The first component includes screening questions to ensure that the survey only covers Madison Social customers. The second portion includes questions about how frequently the respondents attend, their favorite days to visit, and the daily promotions that they are most likely to take advantage of. The final portion contains questions about elements that influence consumers' decisions to attend Madso, such as value, entertainment, and deal popularity. There is also a question asking for ideas for new weekly challenges. Gender, age, class standing, Greek life affiliation, and proximity to College Town are among the demographic questions in the last portion. The attendance section contains questions about the frequency and duration of visits, the days when people are least likely to visit, and the impact of the monthly challenge on attendance. The offers section includes questions about the value of food and drink bargains, food and drink preferences, and the worth of the monthly challenge T-shirt deal. Finally, the experience portion includes questions about the impact of music, service, atmosphere, and cleanliness on Madso customers' experiences. Overall, the purpose of these questions is to provide a complete understanding of the aspects that influence Madison Social guests' experiences and preferences.

Data Analysis and Findings - *Lexi Fernandez*

Following the collection of ninety survey responses, the data was then transferred into Microsoft Excel for further evaluation. To ensure that the information gathered was as accurate as possible and demonstrated consistency, the dataset was “scrubbed” in Microsoft Excel, which required the modification of incorrect data and the removal of incomplete data. Following the completion of

this procedure, there were a total of fifty seven valid responses (thirty one responses had to be removed due to incompletion or “dropout” respondents), and the dataset was ready to be analyzed regarding the following factors: attendance (at Madison Social), perception of the deals offered by Madison Social, and respondent experience when visiting Madison Social. Assessing current Florida State University students’ perceptions of Madison Social served as one of the primary research objectives throughout the evaluation process. One of the initial questions evaluated, shown in *Figure 1*, asked respondents to report their visitation frequency regarding Madison Social through a Likert scale, which ranged from 0 to 7. According to the results of the independent samples t-test, the average number of days per week in which current Florida State University students visited Madison Social was 0.7193 (mean value). In addition, the minimum value for this measurement was 0.00, and the maximum value for this measurement was 5.00 (indicating that respondents, at most, visited Madison Social five times per week).

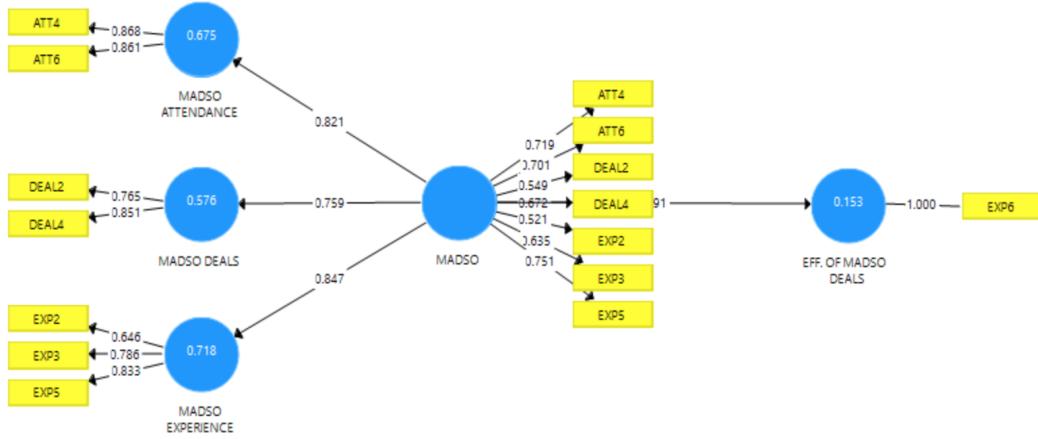
Figure 1

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
How many days a week do you visit Madison Social? - Number of Days Visited	57	.00	5.00	.7193	.86095
Valid N (listwise)	57				

Following this assessment of respondents’ visitation frequency, the Excel file containing the data was transferred to Smart PLS (Partial Least Squares) through FSU’s virtual lab to conduct structural equation modeling relevant to the dataset. Prior to uploading the Excel file, each survey question was labeled to indicate which construct it would associate with (i.e. questions associated with attendance were labeled ‘ATT1 - ATT9’, questions pertaining to Madison

Social's deals were labeled 'DEAL1 - DEAL4', and questions regarding the respondent's experience were labeled 'EXP1 - EXP8'). Using these labels, a model was created to reflect the overall impact of attendance, promotional offers, and experience on the effectiveness of Madison Social's deals. First, the indicators associated with first order constructs 'MADSO ATTENDANCE', 'MADSO DEALS', and 'MADSO EXPERIENCE' were assigned to their respective groups, with all of the indicators being assigned to the second order construct 'MADSO'. Then, connections were established between the second order construct 'MADSO' and the three first order constructs, which was followed by the establishment of a connection between 'MADSO' and the dependent variable, labeled 'EFF. OF MADSO DEALS'. Following the completion of this step, it was now possible to run the initial algorithm pertaining to the model of interest. Upon conducting the initial algorithm, it became apparent that not all of the resulting indicator loadings met the 0.70 value requirement, for a considerable amount fell below this threshold. In order to properly address this issue, it was required that the following indicators (which fell below a value of 0.70) be eliminated from the model: ATT1, ATT2, ATT3, ATT5, ATT7, ATT8, ATT9, DEAL1, DEAL3, EXP1, EXP4, EXP7, and EXP8. For the first order construct labeled 'MADSO ATTENDANCE', indicator loadings ATT4 and ATT6 were retained. The indicator loadings retained for first order construct 'MADSO DEALS' were DEAL2 and DEAL4, and the indicator loadings reserved for the first order construct labeled 'MADSO EXPERIENCE' included EXP2, EXP3, and EXP5. Following the removal of the previously listed variables, a second algorithm related to the model of interest was conducted, as seen below in *Figure 2*.

Figure 2

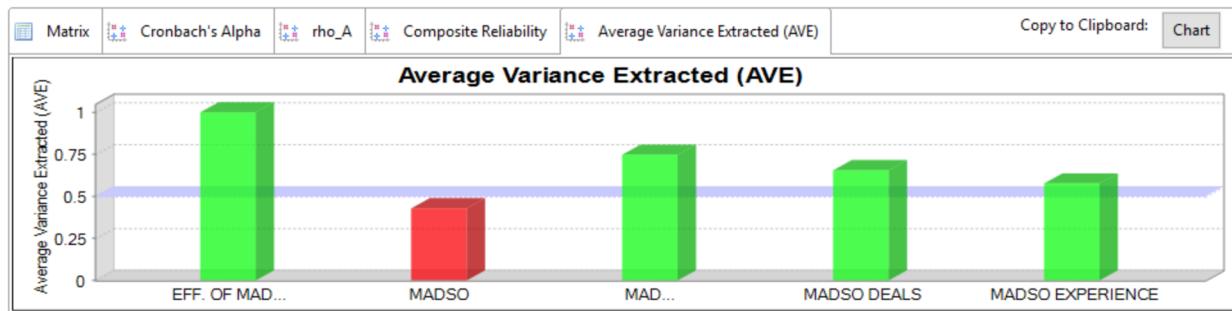


The R-squared value associated with the model is a value of 0.153, indicating that 15.3% of the variance is explained.

Within the SmartPLS section titled ‘Quality Criteria’, bar graphs are provided that serve as an indication of the model’s composite reliability and average variance extracted (AVE). When referring to the composite reliability of a model, it serves as a measurement of the internal consistency observed within the scale items. Additionally, the average variance extracted (AVE) is characterized by the different variances associated with the model’s indicators, serving as an illustration of the variation consistency observed amongst the numbers. Initially, the iteration associated with the model’s Variance Inflation Factor (VIF) followed the established guideline, which was a value of 5.00 or less. In addition, upon evaluating the model’s Average Variance Extracted (AVE), it was revealed that the second order construct, ‘MADSO’, fell below the acceptable threshold, as seen in *Figure 3*. With that said, there was no need for adjustments to be made, for the second order construct, ‘MADSO’, was composed of three separate first order constructs, which included indicators that all surpassed the acceptable threshold.

Figure 3

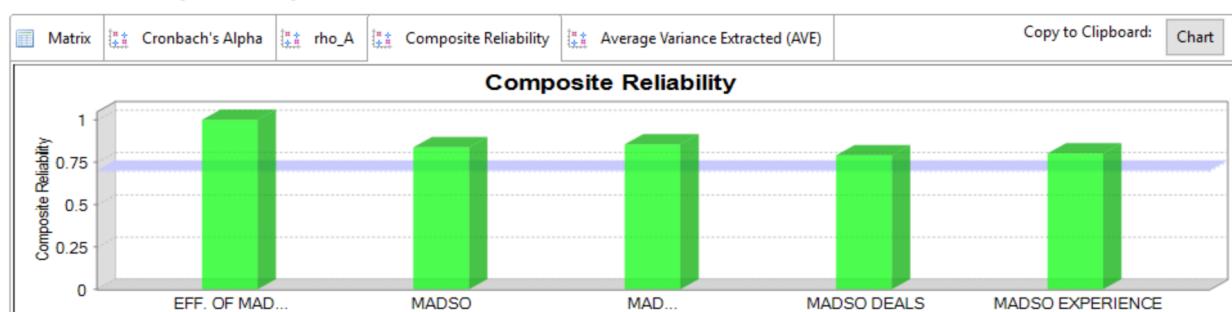
Construct Reliability and Validity



With that said, no changes beyond the initial elimination of indicators that failed to meet the requirement of a value of (or greater than) 0.70 were required upon the assessment of the model's Composite Reliability, which can be seen in *Figure 4*.

Figure 4

Construct Reliability and Validity



Upon implementing the necessary adjustments relating to the model's quality criteria, the dependent variable, labeled 'EFF. OF MADSO DEALS', revealed a value of 0.153 after the final run of the model's algorithm, which was above the initial result.

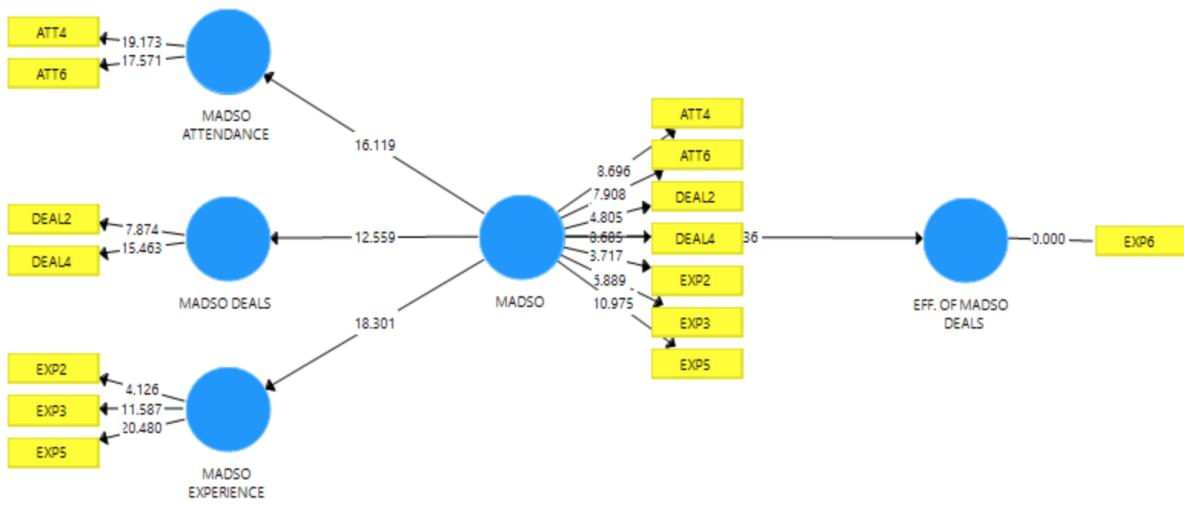
The results of the bootstrap associated with the model, which is implemented to assess the levels of significance associated with the relevant elements, the P-values related to the model demonstrated significance, which can be seen in *Figure 5*. Furthermore, the T Statistics that resulted from the bootstrap illustrated significance, and the corresponding paths (seen in *Figure 6*) were indicative of statistical significance.

Figure 5

Path Coefficients					
	Mean, STDEV, T-Values, P-Values	Confidence Intervals	Confidence Intervals Bias Corrected	Samples	Copy to Clipboard: Excel Format R Format
MADSO -> EFF...	0.391	0.391	0.105	3.736	0.000
MADSO -> MA...	0.821	0.819	0.051	16.119	0.000
MADSO -> MA...	0.759	0.765	0.060	12.559	0.000
MADSO -> MA...	0.847	0.849	0.046	18.301	0.000

Lastly, the path illustrated between second order construct ‘MADSO’ and the dependent variable (‘EFF. OF MADSO DEALS) demonstrated statistical significance as well.

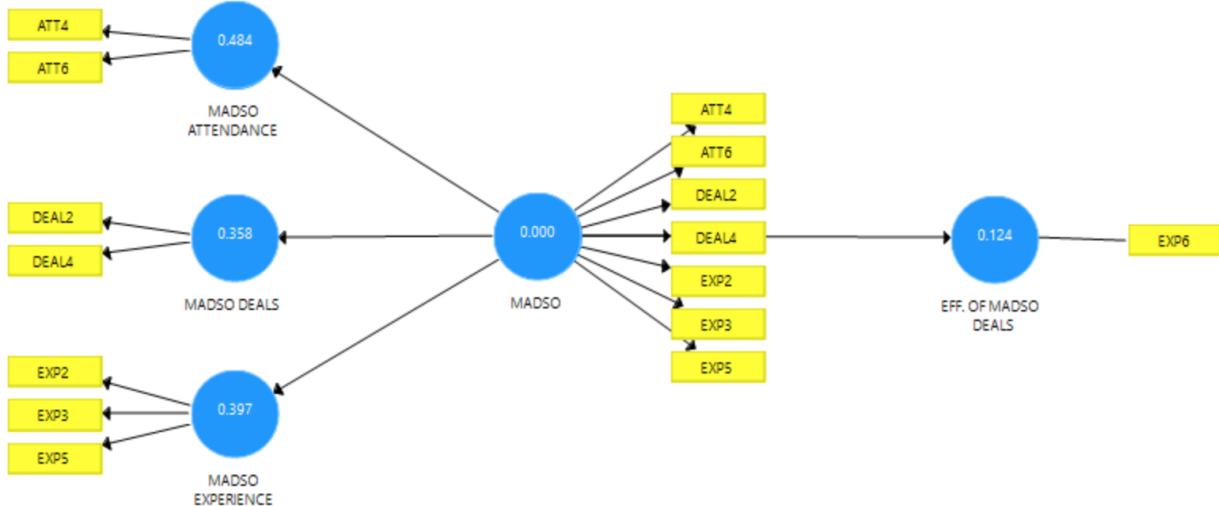
Figure 6



The significance of all of the resulting inner-path coefficients associated with the first order construct, ‘MADSO’, listed from the highest level of significance to the lowest level includes the following: ‘MADSO’ to ‘MADSO EXPERIENCE’ revealed a value of 18.301, ‘MADSO’ to ‘MADSO ATTENDANCE’ revealed a value of 16.119, and ‘MADSO’ to ‘MADSO DEALS’ resulted in a value of 12.559, as seen in *Figure 6*. Lastly, the path between ‘MADSO’ and ‘EFF. OF MADSO DEALS’ resulted in a value of 3.743.

To conclude the analysis conducted in Smart PLS, a blindfold analysis was conducted, which revealed that the value associated with the model's dependent variable was a value of 0.124, as seen in *Figure 7*. With that said, it was necessary to assess the ranges for model predictability (i.e. 'Small' = 0.02 - 0.1499, 'Medium' = 0.15 - 0.3499, and 'Large' = < 0.35). Following this evaluation, it was revealed that the model of interest's predictability should be classified as 'Small', for it falls within the range of values between 0.02 to 0.1499.

Figure 7



Conclusions - Payton Molen

Attendance

According to the responses, the mean for weekly Madison Social attendance is .7193 as seen in Figure 1. This means that on average, people attend Madison Social around once per week.

According to the bootstrap analysis in Figure 6, Attendance has a statistical significance of 16.119, meaning it is the second most important factor to the success of a Madison Social Deal

behind the Deal values and in front of the Experience. According to the AVE analysis in figure 3, Attendance was the most statistically consistent of the three factors.

Deal Values

According to the bootstrap analysis in Figure 6, the value of Deals at Madison Social was the most statistically significant to the effectiveness of a Deal, with a value of 12.559. According to the AVE analysis in figure 3, Deals had the second most consistent statistical consistency.

Experience

According to the bootstrap analysis in Figure 6, the overall experience of a Madison Social Deal is the least important factor, with a statistical significance of 18.301. According to the AVE analysis in figure 3, Experience was the least statistically consistent factor while still being significant.

Overall Conclusions

According to respondents, the value and savings of a deal at Madison Social is the most important factor that goes into making a deal or event important or attractive.

Recommendations - *Payton Molen*

Overall, the data shows that respondents prefer deals and events at Madison Social where they receive tangible value or savings, such as free products or reduced prices. I would recommend to the management that they create further deals with tangible value, or tweak current events to match. For example, currently Tuesdays are trivia night which offers no monetary savings, and Thursdays have no deal. I would recommend implementing a deal such as “People playing trivia night receive one free drink”. In addition, although only four respondents answered the optional open ended question for recommending new deals, two of those were to

have more drink deals. If Madison Social can offer more distinct opportunities for saving money, they would receive more customers who will then end up coming back due to the other factors such as attendance and the atmosphere/experience they receive.

That being said, it is clear that the atmosphere and experience is viewed as the least significant. This can be viewed as an area of improvement that Madison Social can improve on. They can work to implement better customer service through keeping servers and employees happier, or perhaps offering additional fun events in addition to the increased values and savings. For example Trivia Night is the only day of the week where there is the promise of a different and new experience. One of the open-ended responses suggested live music as a potential new addition, and due to the success of the live bands at the Friday Night Block Parties during the FSU Football Season, I would also recommend this as a potential avenue of exploration.

Overall, Madison Social is on the right track as nearly every day of the week they are offering customers great deals that offer a positive experience and attractive savings and deals. However, there is room for improvement such as creating a new deal on Thursdays offers savings and promises a better overall atmosphere and experience.

Limitations - *Sydney VanOvermeiren*

Lack of Qualified Respondents

Those under the age of 21 do not have the ability to accurately judge the drink deal questions we presented during our survey for those who attend Madison Social. Using the qualifying questions to eliminate those under 21 from the survey would hinder useful information and perspectives about recommendations on future deals and offers. It would also hinder answers on food deals if we were to eliminate their opinion because those who are under 21 go to Madison Social for the

socializing and food aspect of the venue. With this being said we value the participants under 21 but they brought limitations to our survey when it came to questions on drink deals.

Lack of Gender Distribution

More females answered the survey than males which results in a slightly skewed analysis. Of the respondents 61% of the respondents were female and 35% were male. Scale of female vs male is not terribly skewed but it is not as even as we had hoped. This lack of gender distribution can be partially attributed to our research group being four females and one male, so when our group members sent out our finished survey by default we sent it to sororities, friend groups, clubs, and teams that might have been more female dominated or responsive. This is not anything drastic, it just creates a little bit of bias to the research and doesn't allow full insight into the male perspective on deals/offers at Madison Social.

Possible Bias of Audience

The possible bias the audience contains is lack of diversity due to the groups in which the surveys were sent out to. Each member of the group sent out the qualtrics survey to their individual group chats and friend/acquaintance circles, thus creating bias in the audience. Friends and acquaintances tend to have similar interests and patterns because they run in close circles, so sending this survey out to FSU students far removed from personal circles would have been beneficial. This could be done on facebook using FSU Marketplace or by asking those walking around campus if they could take the result, therefore creating a more diverse set of respondents.

Limited Experience

As students just beginning their marketing education/career and have minimal experience with qualtrics, SPSS, and SmartPLS there is more room for error than if a professional completed this study. Though we learned a great deal in this class this semester, this was our first attempt at applying the concepts we learned in a less guided/structured format. More experience under our belt would have resulted in a better execution of the survey and its questions as well as analysis of the data for our topic.

Appendix - Lexi Fernandez

Figure 8 - Example of a Customer Survey to Evaluate the Effectiveness of Madison Social's Deals

Customer Survey

*Thank you for deciding to visit Madison Social- we appreciate your support tremendously. We hope that you enjoyed your dining experience, and we encourage you to respond to the following prompts to help us enhance your future experiences even further. Upon the completion of this questionnaire, we will provide you with a voucher for **one free challenge card beverage** of your choice, which can be redeemed the next time you visit our establishment (Limit of one voucher per customer). Thank you!*

1. On a scale of 1 – 10 (1 = Extremely Dissatisfied, 10 = Extremely Satisfied), please rate your satisfaction with the current deals offered at Madison Social (i.e. Monday – Half Off the So Classic Burger, Tuesday – Trivia at 7:00 P.M., Wednesday - \$5.00 Select Challenge Drink, Friday – So-Pitcher Cocktails from 4:00 P.M. to Close, Saturday/Sunday - \$10.00 So-Mosq Pitchers from 10:00 A.M. to 4:00 P.M.)

a. In your opinion, which daily deal offers the best value? _____
b. What makes this deal more appealing to you? _____
c. In your opinion, which daily deal offers the least value? _____
d. What makes this deal less appealing to you? _____

2. Do you have any suggestions for us to improve our weekly offers? _____

3. On Thursdays, do you have any recommendations for a potential daily deal (e.g. drink promotions, merchandise raffle, etc.)? _____

4. On a scale of 1 – to (1 = Extremely Insignificant, 10 = Extremely Significant), please rate the level of influence our daily deals have pertaining to your overall experience at Madison Social. _____

5. Please provide a list ranking our daily deals in order of what you believe to be the most valuable.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

6. Do you have any further suggestions or comments regarding your experience at Madison Social? _____

Present this survey to one of our staff members to redeem one **FREE** Challenge Card beverage of your choice during your next visit! Thank you for your help!

Figure 9 - Conceptual Outline for Overall Research Objective

