

Customer Preference and Buying Behavior of Batangueños for Homemade Baked Products

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Abstract – Foresight is basically an advantage to any business. Anticipating a customer’s needs is as important as reacting to it. Knowing and understanding your customer’s preferences before they buy allows you to create an even stronger experience. This study determined the consumer preference of Batangueños and its relation to their buying behavior when it comes to homemade and customized cakes. Specifically, it aimed to describe the demographic profile of the respondents; to assess the factors that affected their consumer preference and buying behavior based on the 7P’s of the Marketing Mix: Product, Price, Place, Promotion, Process, and Physical Evidence; and to test the significant difference between the factors that affected consumer preference and buying behavior and the respondent’s profile variables; and to develop marketing strategies in response to the market’s preference and buying behavior for homemade baked products. The study utilized a descriptive method of research wherein 186 respondents were selected from five (5) key target municipalities in Batangas Province that were previous customers and clients of Homemade Baked Products. The results of the data gathered shows that majority of the respondents are female, aged 21-30 years old, presently employed, and a resident of Batangas City. The respondents generally consider the factors that affects their preference as Very Important, while they consider the factors that affects their buying behavior as Agreeable. Based on the findings, it revealed that people as the most important indicator in both preference and buying behavior that affected the respondents followed by process and physical evidence. It was also observed in the results that there was a significant difference on consumer preference when classified by sex, consumer buying behavior in terms of promotion and process, and consumer buying behavior in terms of promotion. It was found out that male have greater assessment on the above-mentioned variables. Lastly, measures to strengthen marketing strategies was proposed in response to the Market’s Preference and Buying Behavior for Homemade Baked Products.

Keywords – Batangueños, Buying Behavior, Consumer Preference, Homemade Baked Product

INTRODUCTION

In every business, there’s always a competition amongst competitors of the same product. With the increasing number of home bakers, a lot of options are now available to cater the demand for the sweet cravings of the market. Be it in terms of product development or aggressive marketing strategies. With the increasing number of home bakers, a lot of options are now available to cater the demand for the sweet cravings of the market. Baking that was once a lucrative hobby, has now become an accessible skill to aspiring entrepreneurs as means for livelihood and self-employment. Batangueños has always had a penchant for sweets, starting from the local “kakanin”, to breads, and now, through the various innovations and trends of food, they have grown to fancy specialty cakes and pastries.

Foresight is basically an advantage to any business. Anticipating a customer’s needs is as important as reacting to it. Knowing and understanding your customer’s preferences before they buy allows you to create an even stronger experience. Having a great product isn't enough to ensure long-term sales stability. It's all about addressing customers' wants, getting to know what makes them tick, and speaking to them in ways that entice them to participate. Successful businesses, on the other hand, use consumer behavior as a foundation for their marketing strategy. Today's market winners are the companies that not only solve, but also effectively convey that they address, actual consumer problems [1].

A rising number of studies in the food retailing industry show that traditional marketing mix variables such as product quality and packaging, pricing, store location, and promotional techniques influence

consumer purchasing behavior. Such elements influence customer perceived value and purchasing decisions towards food products [2].

Due to the growing competition and demand in the market for homemade baked products, as a cake business owner himself, this scenario prompted the researcher to conduct a study to assess the consumer preference and buying behavior of Batangueños for homemade and customized cakes. Consumer behavior is much more than studying what consumers buy. It attempts to understand how the decision-making process goes and how it affects consumers' buying behavior [3]. The study focuses to examine the relationship of consumer preference and their buying behavior in order to formulate an appropriate marketing strategy in response to the demands of the market. The research findings may break down the factors in anticipating the needs and wants of the consumers for homemade and customized cakes.

OBJECTIVES OF THE STUDY

This research determines the consumer preference of Batangueños and its relation to their buying behavior when it comes to homemade and customized cakes. Specifically, it aims to answer the following objectives: to describe the demographic profile of the respondents in terms of sex, age, area of residence (municipality), professional / employment status, preferred medium of advertisement, to identify the factors that affect consumer preference of the market based on the 7 P's of Marketing Mix: Product, Price, Place, Promotion, People, Process, Physical Evidence; to assess the factors affecting consumer's buying behavior; to test the significant difference on the factors affecting consumer preference and buying behavior and the respondent's profile variables; and to develop marketing strategies in response to the market's preference and buying behavior for homemade baked products.

MATERIALS AND METHODS

RESEARCH DESIGN

The study utilized a descriptive method of research to obtain a general overview of the subject. The researcher has utilized a self-made questionnaire based on the 7P's of the Service Marketing Mix as indicators as the main data gathering instrument that was used to acquire information concerning consumer preference and buying behavior of the respondents and to present facts concerning the factors affecting it. To characterize the mentioned variables, a quantitative method of

inquiry was utilized to quantify quantities, establish relationships, and characterize how often a phenomenon occurred. The researcher has utilized textbooks, journals, articles, research papers, electronic sources, and feedbacks from former clients/beneficiaries in gathering the necessary data needed and will be used as basis for the construction and formulation of the questionnaire.

INSTRUMENT AND PROCEDURE

The questionnaire was approved and validated by the University's graduate school faculty and was accomplished by the respondents of the study which consisted of previous customers and clients of Homemade baked products (female, male) from 5 key target municipalities in Batangas Province. The five identified areas in the province with a total of 186 respondents includes Batangas City (126), Bauan (17), San Pascual (11), Mabini (5), and Lipa City (27), Batangas Province, where in they are prospect target market. In doing the survey, questionnaires were distributed online to the respondents via Google docs due to certain restrictions concerning face-to-face human interaction by the implementing rules and regulations issued by the IATF as preventive measures due to the on-going pandemic.

DATA ANALYSIS

Frequency and percentage distribution were used to describe the demographic profile of the respondents. Weighted means and ranking were used to assess the factors that affect consumer preference of the market based on the 7 P's of Marketing Mix: Product, Price, Place, Promotion, People, Process, Physical Evidence and the factors affecting consumer's buying behavior. The result of Shapiro-Wilk Test revealed that p-values of four major variables are less than 0.05 which means that the data set is not normally distributed. Therefore, Mann-Whitney U test for two groups and Kruskal Wallis test for three groups were used as part of the non-parametric tests to determine the significant differences.

ETHICAL CONSIDERATION

The respondent's voluntary participation serves as the consent and basis for their participation in the study. In compliance with the Data Privacy Act, that will also be stated at the beginning of the questionnaire, none of the respondents will be mandated or forced to give personal information as his/her right to secure one's confidential data. The information gathered will only be used for this research purpose alone and would therefore not be revealed to any other party with the need to carry out a similar study

RESULTS AND DISCUSSION

Table 1

Percentage Distribution of the Respondents Profile

Sex	Frequency	(%)
Male	82	44.10
Female	104	55.90
Age		
18 - 20	15	8.10
21 - 30	117	62.90
31-40	40	21.50
41 - 50	7	3.80
51 and above	7	3.80
Area of residence		
Batangas City	126	67.70
Lipa City	27	14.50
San Pascual	11	5.90
Bauan	17	9.10
Mabini	5	2.70
Professional / Employment Status		
Full-time employment	118	63.40
Self-Employed	16	8.60
Student	33	17.70
Unemployed	14	7.50
Part-time employment	4	2.20
Home-maker	1	0.50

Table 1 shows the percentage distribution of the respondents' profile according to their sex, age, area of residence, and professional / employment status. The data gathered shows that most customers / clients of homemade baked products are female, obtaining a frequency of 104 while male respondents obtained a frequency of 82. In terms of age bracket, ages 21-30 has the greatest number of respondents with a frequency of 117, while in area of residency, customers/ clients from Batangas City shows the largest number of market share for homemade baked products with a frequency of 126 or 67.70 percent and majority of the respondents are Full-time employed with a frequency of 118.

Table 2

Mediums Used to Find out a Product Seller for Homemade Baked Products

Indicators	M	R
Social Media	2.11	1
Local News Paper	3.23	6
Tarpaulins	2.92	4
Brochures	2.84	3
Referral/Word of Mouth	2.28	2
Radio	3.19	5

Table 2 presents the mediums used to find out about a product seller for homemade baked products and ranked accordingly to its level of importance. Social Media ranked first with a mean rank of 2.11 among the types being media used. Social media has progressed beyond merely being a way for people to keep in touch with their family and friends. It's now a resource for customers to learn more about their favorite businesses and the products they sell [4]. It is followed by Referrals/Word of Mouth with a mean rank of 2.28.

Table 3

Summary Table on the Factors that affects Consumer Preference

Indicators	WM	VI	R
1. Product	3.67	VI	4
2. Price	3.26	VI	7
3. Place (Accessibility)	3.55	VI	5
4. Promotion	3.30	VI	6
5. People	3.81	VI	1
6. Process	3.74	VI	2
7. Physical Evidence	3.71	VI	3
Composite Mean	3.58	VI	

Legend: 3.50 – 4.00 = Very Important(VI); 2.50 – 3.49 = Important(I); 1.50 – 2.49 = Slightly Important(SI); 1.00 – 1.49 = Not Important(NI)

Table 3 presents the summary of the factors that affects consumer preference in terms of over-all physical evidence. The composite mean of 3.58 shows that the assessment of the summary of the given indicators based on the participant's responses were considered very important. People as the primary indicator that affects majority of the respondents in terms of their preference with a mean score of 3.81, followed by process with 3.74. It has been defined that people refer to those who are involved in production and delivery of the goods or service. One of the main goals that greatly contributes to the success of a business is by achieving customer satisfaction. Amofah et al. quoted Ergen [5] stating that people are the most significant "P" that distinguish product and service marketing. Customer satisfaction is largely determined by the quality of service provider encounters, according to Arnaldo [6]. While Mahmood and Khan stated that the positive effect on consumer choice is greatly affected on the attitude of how customers are received [5].

Table 4 presents the summary of the factors that affects consumer buying behavior in terms of over-all physical evidence.

Table 4
Summary Table on Factors that affects Consumer Buying Behavior

Indicators	WM	VI	R
1. Product	3.19	A	4
2. Price	3.17	A	5.5
3. Place	3.17	A	5.5
4. Promotion	3.06	A	7
5. People	3.73	SA	1
6. Process	3.40	A	3
7. Physical Evidence	3.60	SA	2
Composite Mean	3.33	A	

Legend: 3.50 – 4.00 = Strongly Agree(SA); 2.50 – 3.49 = Agree(A); 1.50 – 2.49 = Disagree(D); 1.00 – 1.49 = Strongly Disagree(SD)

The composite means of 3.33 shows that the overall assessment of the summary of the given indicators based on the participant’s responses were considered agreeable. Likewise, as stated in table 4.8, people is also the primary indicator that affects majority of the respondents in terms of influence in their buying behavior with a mean score of 3.40, while again obtaining the lowest in rank is price as well with 3.17.

Due to the vital role of customers’ expectations, satisfaction, and their loyalty, analyzing the relationship among the abovementioned indicators is a must for every entrepreneur or business owners. As stated by Romdonny and Rosmandi [7], the greater the satisfaction received by consumers and the higher the

value of customer loyalty, the greater the profits the company will get. He cited that according to Bei & Chiao, consumer loyalty can be affected by a number of factors, including good service quality, reasonable pricing, and satisfaction with product quality. Customer loyalty to the company's products will make it easier for customers to recommend the company's products to others. As a result, consumer loyalty is vital to the success of business organizations.

Table 6 presents the comparison of factors that affects consumer preference of the market based on the 7 P’s of Marketing Mix and factors affecting consumer’s buying behavior when grouped according to profile. It was observed that there was a significant difference on consumer preference in terms of promotion (p = 0.045) and process (p = 0.033); when grouped according to sex since the obtained p-values were less than the alpha level of 0.05. This means that there was a significant difference observed and based from the pairwise comparison, it was found out that male have greater assessment on the above mentioned variables. Referrals is the primary indicator that affects the buying intention of in terms of promotions.

Table 5
Difference of Responses on Factors that Affects Consumer Preference of the Market Based on the 7 P’s of Marketing Mix and Factors Affecting Consumer’s Buying Behavior When Grouped According to Profile

Sex	U / λ^2_c	p-value	I
Product	4116.50	0.668	NS
Price	3936.00	0.361	NS
Place (Accessibility)	4042.00	0.533	NS
Promotion	3546.00	0.045	S*
People	3970.00	0.301	NS
Process	3560.00	0.033	S*
Physical Evidence	4067.00	0.583	NS
Age			NS
Product	1.827	0.768	NS
Price	2.447	0.654	NS
Place (Accessibility)	3.315	0.507	NS
Promotion	1.344	0.854	NS
People	5.832	0.212	NS
Process	3.351	0.501	NS
Physical Evidence	2.433	0.657	NS
Area of Residence			
Product	2.406	0.662	NS
Price	0.973	0.914	NS
Place (Accessibility)	4.268	0.371	NS
Promotion	9.150	0.057	NS
People	4.190	0.381	NS
Process	11.260	0.024	S*
Physical Evidence	5.280	0.260	NS
Professional / Employment Status			
Product	2.406	0.662	NS
Price	0.973	0.914	NS
Place (Accessibility)	4.268	0.371	NS
Promotion	9.150	0.057	NS
People	4.190	0.381	NS
Process	11.260	0.024	S*
Physical Evidence	5.280	0.260	NS

Legend: Significant at p-value < 0.05

As mentioned in the previous tables, majority of the respondents values the impact of referrals based on the firsthand experience of previous customers for a certain product to influence their buying intention. Though majority of the respondents were females, the male respondents were more particular of the technicality of the factors mentioned above rather than the popularity. It is more convenient for them to give value to the quality of the product based on firsthand experience of previous customers than to scout and compare different sellers of the same product.

According to Lim [8], consistent to the result of males as utilitarian purchasers. In utilitarian motivation, males are concerned more on convenience, lack of sociality and timesaving than females

In terms of area of residence, there was a significant difference on consumer preference in terms of process because the resulted p-value of 0.024 was less than the alpha level. This implies that those customers in Batangas City assessed the process as very important. Due to the number of competitors available in the market of Batangas City, as supported in table 5.6 timeliness, urgency and convenience in terms of flexibility to customer’s means of availing the product is an important factor in terms of process were majority of the respondent strongly agrees. Meanwhile, the study of Amofah [5] states that it is a series of interconnected patterns for delivering a successful service in the most convenient way possible.

Lastly, there was a significant difference consumer’s buying behavior in terms of place when grouped according to professional / employment status. This was observed since the obtained p-value of 0.040

was less than 0.05 alpha level. Based on the post hoc test conducted, it was found out that students considered place greatly. The data in table 1 reveals that most of the customers for homemade baked products are already a part of the labor force with a stable or sustainable income as means of resources to avail the said products. The limited resources that a student have in terms of financial capability will entail additional cost for transportation if proximity in location is compromised as compared to those who are employed.

According to Khan [9] an organization should pay attention to place decisions, because of the importance of the product and consumption occurring at the same time and at the same place. He stated that the price of a certain product must support the other elements of the marketing mix. Consumers' perceptions of higher prices may have a negative impact on their likelihood of making a purchase. Customer loyalty, probability of switching, and likelihood of recommending to others are all influenced by price perception, so customers often switch due to perceived high prices, unfair or misleading pricing practices.

Table 6
Proposed Measures to Strengthen Marketing Strategies in Response to the Market’s Preference and Buying Behavior for Homemade Baked Products

KRA	Objectives	Strategy / Activity
• People	<ul style="list-style-type: none"> • To improve over-all customer experience • To Increase customer retention • To build customer loyalty • To boost brand trust and image 	<ul style="list-style-type: none"> • Enhancement of customer service communication/interaction skills • Adding personal touch when transacting with customers (Personalized messages/response, addressing the customers by their name, etc.) • Use of positive scripting through suggestive selling and upselling during customer transactions, inquiries, and negotiations. • Increase post-customer engagement with previous clients for suggestions and feedbacks and Practice Active Listening (understanding customer wants, needs, and preferences)
Process	<ul style="list-style-type: none"> • To provide convenience in handling customer transactions • To Increase productivity • To improve process efficiency and quality To upgrade service quality 	<ul style="list-style-type: none"> • Utilization of Business Options for Social Media and other platforms for a more systematized flow/process of transactions • Utilization of automated response in social media accounts with the inclusion of alternative contact information for a more prompt and timely response • Implementation of order forms for a more secure and systematized flow of transactions • Increase customer convenience thru partnership with Food Delivery Services Networks available in the locality • Addition of e-payment options
• Physical Evidence	<ul style="list-style-type: none"> • To increase and maintain customer satisfaction • To Increase market share • To meet and exceed customer expectations • To increase sales and foster business growth 	<ul style="list-style-type: none"> • Product Innovation and Enhancement through exploring of other alternative resources (brand of ingredients/materials used). • Enhancement of Social Media Portfolio • Encourage and display customer reviews and feedbacks • Improvisation/ Innovation and enhancement of product presentation (packaging) • Create memorable customer experiences (meeting/exceeding customer expectations)

CONCLUSION AND RECOMMENDATION

Majority of the respondents are female, aged 21-30 years old, presently employed and a resident of Batangas City. Their most common source of information about Homemade Baked Products is through social media specifically Facebook. The respondents generally consider the factors that affects their preference as Very Important. While they consider the factors that affects their buying behavior as Agreeable. The respondents are very particular on the indicators such as People, Process and Physical evidence on both factors that mostly affect their preference and buying behavior. The study reveals that People as the most important indicator in both preference and buying behavior. They strongly agree that the manner of how the sellers transact with their clients is very important. Maintaining a positive customer service creates a positive outlook for the seller making it more accommodating and attractive to potential clients/customers. It was observed in the results that there was a significant difference on consumer preference when classified by sex, consumer buying behavior in terms of promotion and process, and consumer buying behavior in terms of promotion. It was found out that male have greater assessment on the above-mentioned variables. Measures that will Strengthen Marketing Strategies in Response to the Market's Preference and Buying Behavior for Homemade Baked Products have been proposed.

Social Media Marketing efforts should be intensified, particularly on the other target market areas aside from Batangas city. Due to the innovations in social media (facebook), they have launched a program which entrepreneurs can avail to boost their business which is highly recommended to increase customer awareness and interaction. Business owners of Homemade baked products may continue to analyze their areas for improvement through customer feedbacks and suggestions in order to adapt with the continuously changing trend in the food industry business. Although product and price are the two most obvious and common factors, business owners of Homemade Baked products should also prioritize good customer service relations with current and prospect clients. A satisfied customer followed with good customer service can always lead to a positive word of mouth marketing that can influence other customers preference and buying behavior. The researcher acknowledges that this study has its limitations that can

be addressed by future research. The respondents of this study are the customers of homemade baked products. But prospect clients should also be studied in order to validate or compare the results gathered in this study. In addition, this study only focused on the customer preference and buying behavior of batangueños for homemade baked products. Future researchers may replicate this paper to look into the other aspects of the marketing mix to fully gauge customer preference and buying behavior of the said study.

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