Market Research Report for:

Prepared for Dr. Hyman

Prepared by

May 9, 1997

V.V. & L.S. Research Inc.

May 9, 1997

Mr. Beau Gilbert, President
Snoggles Dog Bakery
6111 Los Hermanos NE
Albuquerque, NM 87111

Subject: Market Research Report for Snoggles Dog Bakery

Dear Mr. Gilbert:

Enclosed is the market research report for Snoggles Dog Bakery that you
requested. This report study was approved on February 17, 1997, and is now
completed.

The results from the survey data collected was inconclusive. We recommend
that another primary study will need to be conducted to make any major
decisions concerning the objectives. We suggest that a random sampling
method be used in the future for data collection due to the fact that using a
convenience sample produced skewed results.

Projects results are extremely informative and should be considered when
structuring future studies. It will give you a general idea of what to expect. We
also recommend that secondary data be used. It may provide helpful
information about the dog biscuit market at a lower cost.

We are grateful to Snoggles Dog Bakery for giving us an opportunity for
conducting a primary research study on all natural dog biscuits. Feel free to
contact us for clarification of the report, or if any questions arise. Please keep
us up to date with your decisions after reviewing this report.

Sincerely,

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EXECUTIVE SUMMARY

Background

Pets are ranked as the third largest animal industry in the United States. Annually the dog and cat food industry gross sales of nearly $9 billion, which consists of canned, dried, and semi-moist products, along with snacks and treats. Because two-thirds of all adult dogs are overweight, there is a need for low-calorie, lo-fat, and lite products. The pet industry has the potential to become very profitable if they can target the right market. Snoggles Dog Bakery is a company that will be niche marketing all natural dog baked biscuits in the Albuquerque area. Snoggles Dog Bakery's mission is to bake and distribute fresh healthy dog biscuits by utilizing natural ingredients.

Snoggles plans to open a dog bakery in Albuquerque within the next two years. The purpose of this study is to learn more about the dog food industry in the Albuquerque area. This information will be used by Snoggles Dog Bakery to get an idea of what its target market is and to make decisions regarding how they want to focus future research projects.

Several key areas were identified when determining the boundaries of this study. The following were the specific research objectives: identifying the target market and characteristics that exist in the dog biscuit market, determining if the product has potential, discovering how much the consumer is willing to invest in their pet, and identifying methods of reward that consumers display to their pets.

An exploratory research study was conducted in the Albuquerque area for Snoggles Dog Bakery which consisted of primary data gathering. Snoggles needed an inexpensive, convenient, and efficient way of collecting data about dog owner's behaviors, interests, and preferences in Albuquerque. People who are pet owners or purchase dog biscuits for other peoples' pets in the Albuquerque area were eligible for participating in the research study. Respondents were selected by convenience sampling. Out of 200 surveys, only 141 were answered and collected for a 71% response rate. The surveys successfully answered used a statistical method for analyzing the results, which was obtained through the use of SPSS Statistical Analysis Computer Program. Throughout the use of this program mean, frequency and cross tabulation data was generated which reflects the results of the report.

Results
Consumer Behavior
The majority (68%) of the respondents give dog biscuits to "reward good behavior" and 43% ranked "pampering" as the second most popular reason to give dogs biscuits. Fifty-four percent of the respondents between the ages of 19-29 gave biscuits to their dogs to pamper them. Income has no impact on the reasons respondents give "biscuits" to their dogs.

The majority (74%) of the respondents viewed "dog biscuits" as the number one treat. The second most popular treat was "affection" with 60% followed by "dog toys," (43%);

"people food," (41%); "walk," (26%); "give nothing," (7%) and "other," (6%). Sixty-one percent of the respondents between the ages of 19-39 gave "affection as a treat." There is a relationship between giving "affection as a treat" and "household income." When the respondents income bracket increases the percentage of respondents answering yes they gave "affection as a treat" decreases.

Thirty percent of the respondents replied that they purchase dog biscuits "1-2 weeks ago" followed by 27% who purchased dog biscuits "3-4 weeks ago." Fifty-seven percent of the respondents purchase dog biscuits in a 1-4 week time period.

The majority (45%) of the respondents purchased their dog biscuits at grocery stores; followed by 31% who purchased at Petsmart.

<u>Product Attributes</u>
The majority (64%) of respondents preferred "traditional beef flavor." The next most popular flavor was "veggie" with 44%, followed by "oatmeal raisin" and "peanut butter" with 41% each. Thirty-eight percent of the respondents preferred "granola" followed by "carob" with 43%, "cheese" with 34% and "mint" with 31%. These results indicate that all the flavors show a significant amount of respondent interest.

Forty-three percent of the respondents preferred small dog biscuits and 36% preferred medium. Two dollars and twenty-five cents is the average price respondents are willing to spend on a box of fifteen medium dog biscuits.

"Price" was ranked as the most important feature by 31.6% of the respondents, followed by "quality" with 24.7% and "nutritional value" with 20.8%.

<u>Demographics</u>
Eighty-one percent of the respondents owned a dog. The typical number of dogs per household is 1.5 with an average age of 5.4 years.

Forty-two percent of the respondents are between the ages 19-29. Thirty-three percent had completed "some college" while 30% are "college graduate's." Twenty-seven percent of the respondents are "students." The majority (28%) of the respondents had a total income "<$20,000-$24,999."

Conclusions
Income has no impact on whether or not respondents give their dogs biscuits. Dog biscuits are the number one treat given to dogs. Lower income respondents will purchase less dog biscuits than higher income respondents. Respondents purchase dog biscuits in a 1-4 week time period. This purchase tends to occur more frequently at grocery stores and Petsmart. There was a significant amount of interest in the eight flavors of dog biscuits surveyed (traditional beef, veggie, oatmeal raisin, peanut butter, granola, carob, cheese, and mint). The majority of respondents preferred small dog biscuits and price was the most important feature considered when purchasing.

Recommendations

The result's of this report are not intended to provide conclusive evidence from which to determine a particular course of action. It should be noted that subsequent research will be required to provide such conclusive evidence. Future research should be directed to a target audience about specific objectives. The new research study should be conducted more scientifically to obtain the results needed to make business related decisions. Ordinal and interval data questions should be asked to help in analyzing the data. A larger sample size and a random sample technique should be used in order to obtain meaningful data.

SNOGGLES DOG BAKERY SURVEY RESULTS

Introduction

Pets are ranked as the third largest animal industry in the United States. People invest great amounts of time and money in to their beloved animals. Annually the dog and cat food industry gross sales of nearly $9 billion, which consists of canned, dried, and semi-moist products, along with snacks and treats. No longer are they fed only scraps from the table. In view that two-thirds of all adult dogs are overweight, there is a need for low-calorie, low-fat, and light products. This rapidly growing industry holds a great opportunity for the newly emerging entrepreneur or business. The pet industry has the potential to become very profitable if they can target the right market. Businesses and advertisers know that pet owners love to indulge their pets and are willing to spend the money to do so. Today you see more and more businesses taking advantage of this and breaking into the growing pet industry market.

Snoggles Dog Bakery is a company that will be niche marketing all natural dog baked biscuits in the Albuquerque area. Snoggles Dog Bakery's mission is to bake and distribute the fresh healthy dog biscuits by utilizing natural ingredients in reusable and refillable containers. This in turn will satisfy all dogs and their owners. Snoggles plans to open a dog bakery in Albuquerque within the next two years. The bakery will primarily sell a variety of all natural healthy dog biscuits and will offer other dog paraphernalia that customers can purchase for their dogs.

The purpose of this study is to learn more about the dog food industry in the Albuquerque area. Snoggles has contracted V.V. and L.S. Research to conduct an exploratory study in order to determine the market potential of Snoggles dog biscuits. The research will be conducted in order to discover interest in all natural dog biscuits. This information will be used by Snoggles Dog Bakery to get an idea of what its target market is and to make decisions regarding how they want to focus future research projects.

Objectives

Several key areas were identified when determining the boundaries of this study. The following describe the specific research objectives:

- To identify the target market and characteristics that exist in that market.
- To determine if the product has potential.
- To discover how much the consumer is willing to invest in their pet.
- To identify methods of reward that consumers display to their pets.

Methodology

V.V. & L.S. Research conducted an exploratory research study in the Albuquerque area for Snoggles Dog Bakery which consisted of primary data gathering. Snoggles needed an inexpensive, convenient and an efficient way of collecting data about dog owner's behaviors, interests, and preferences in Albuquerque. In order to meet these needs a structured questionnaire was designed. The survey included a variety of questions (such as category scale, constant sum and likert) which related to the research objectives. The survey was collectively designed by V.V. & L.S. Research. The President of Snoggles Dog Bakery assisted with the survey collection.

People who are pet owners or purchase dog biscuits for other peoples pets in the Albuquerque area were eligible for participating in the research study. Respondents were selected by convenience sampling. The distribution of the surveys was executed two. Respondents taking their dog for a walk in the park were intercepted and others were obtained through store interception at Petsmart in Albuquerque, NM.

The aim was to distribute and collect 200 surveys. Out of those 200 only 141 were answered and collected for a 71% response rate. Some of the surveys were incomplete and contained missing answers. V.V. & L.S. Research believe that the problems encountered were due to the fact that the survey directions may have been somewhat vague and/or lacked attention given to the questions by the respondents. The surveys successfully answered used a statistical method for analyzing the results, which was obtained through the use of SPSS Statistical Analysis Computer Program. Through the use of this program mean, frequency and cross tabulation data was generated which is reflected in the results of the report.

RESULTS

Consumer Behavior

Reasons To Give Dogs Biscuits

Frequency: The majority (68%) of the respondents give dog biscuits to "reward good behavior." The second most popular reason to give dog biscuits was "pampering" with 43%. The ranking after the top two are as follows: "training," (39%); "leaving dog alone," (38%); "fresh breathe," (28%); "cute behavior," (26%). The next grouping of responses are: "out of habit," (19%); "no reason," (15%); "distract attention," and "stop annoying behavior," (14%) each. (See Graph 1.1)
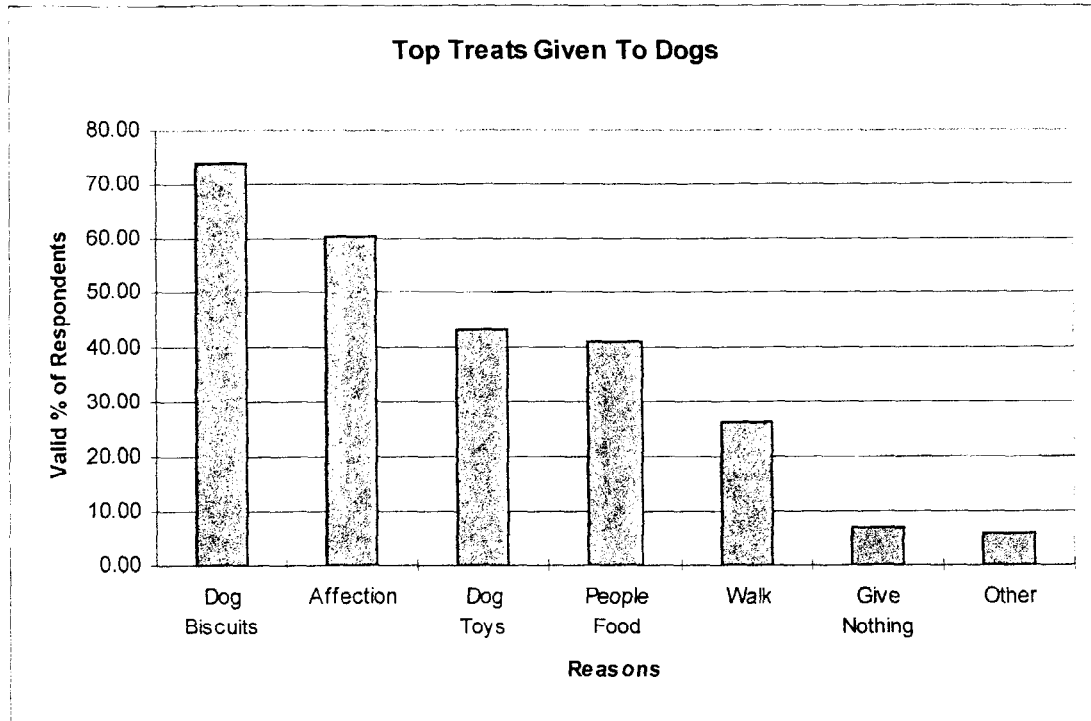
Reasons To Give Dogs Biscuits
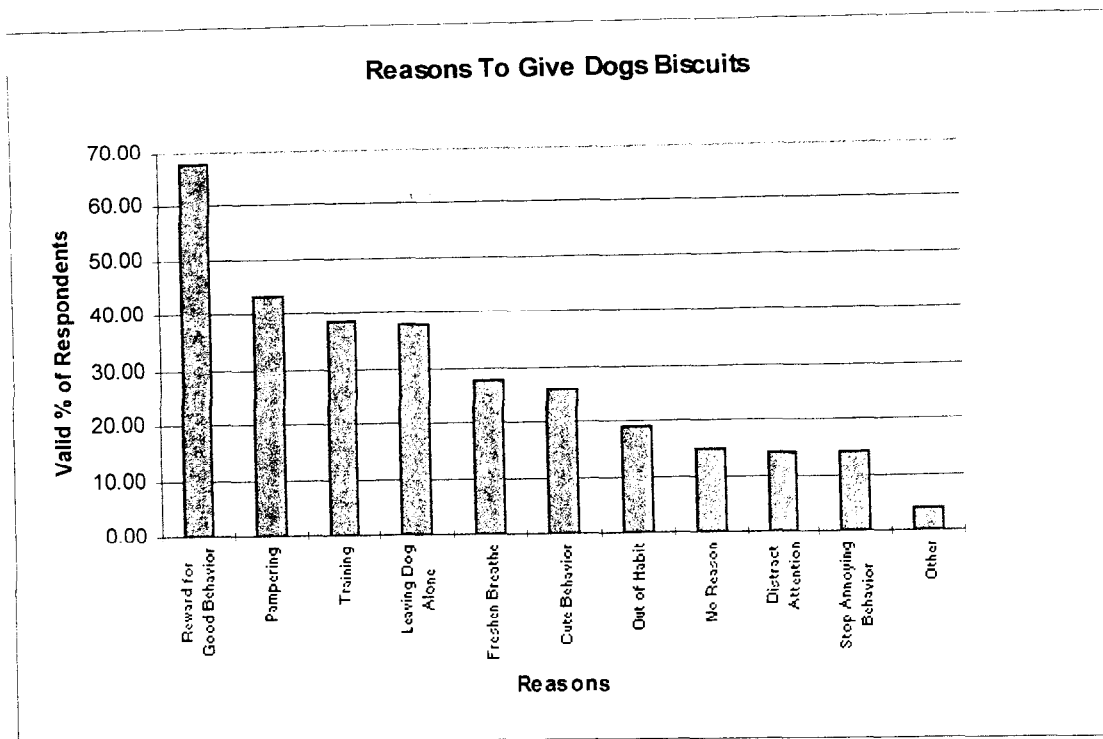
Graph 1.1

Income: Cross tab analysis indicates that there is no relationship between giving dog biscuits to "reward good behavior" and "household income." There was also no relationship between giving biscuits for "pampering" and "household income." This suggests that income has no impact on the reasons respondents give biscuits to their dogs.

Age: Cross tab analysis indicates that age plays an important factor in determining why consumers give their dogs biscuits. When a cross tab analysis was run on "pampering" and "age" of respondents an underlying relationship was discovered. The majority (54%) of the respondents who answered yes, that they give biscuits for "pampering," were between the ages of 19-29. These results suggest that this age group indulges their pets due to the fact that this is the first pet they have ever owned. When another cross tab was run on "leaving dog alone" as a reason for a treat and "age" another significant relationship was discovered. The age group "<18" had the lowest percentage (2%) of respondents who answered yes. This can be attributed to the fact that most of these people are not the primary owners of the dog and they are generally not the ones leaving the dogs alone. The rest of the respondents had a higher percentage that ranged from "19-29" with 35% to "40-49" with 10%. This can be attributed to the fact that most of these people are in the work force and/or attending school. Subsequent cross tab analyses run on the rest of the reasons for giving a treat turned up no relationships.

Types of Treats Given
Frequency: The majority (74%) of the respondents viewed "dog biscuits" as the number one treat. The second most popular treat given to dogs is "affection" with

60%. The ranking after the top two are as follows: "dog toys," (43%); "people food," (41%), "walk," (26%); "giving nothing," (7%) and "other," (6%). (See Graph 1.2)

Top Treats Given To Dogs

Graph 1.2

Income: Cross tab analysis indicates that there is no relationship between giving "dog biscuits as a treat" and "household income." This suggests that there is an inelastic demand for dog biscuits among pet owners. When a cross tab analysis was run between "affection as a treat" and "household income" a strong relationship emerged. Thirty percent of the respondents that give affection to their dogs are in the $22,499 below rang income bracket. When the respondent's income bracket increases to $27,499 the percentage drops dramatically to 14%. The percentage continues to fall as the income brackets increase. This implies that people in a lower income bracket cut down on the costs associated with pets by showing them love and people in a higher income bracket find alternate methods of treating their dogs. As subsequent cross tabs were run on the treats given to dogs no relevant relationships were discovered.
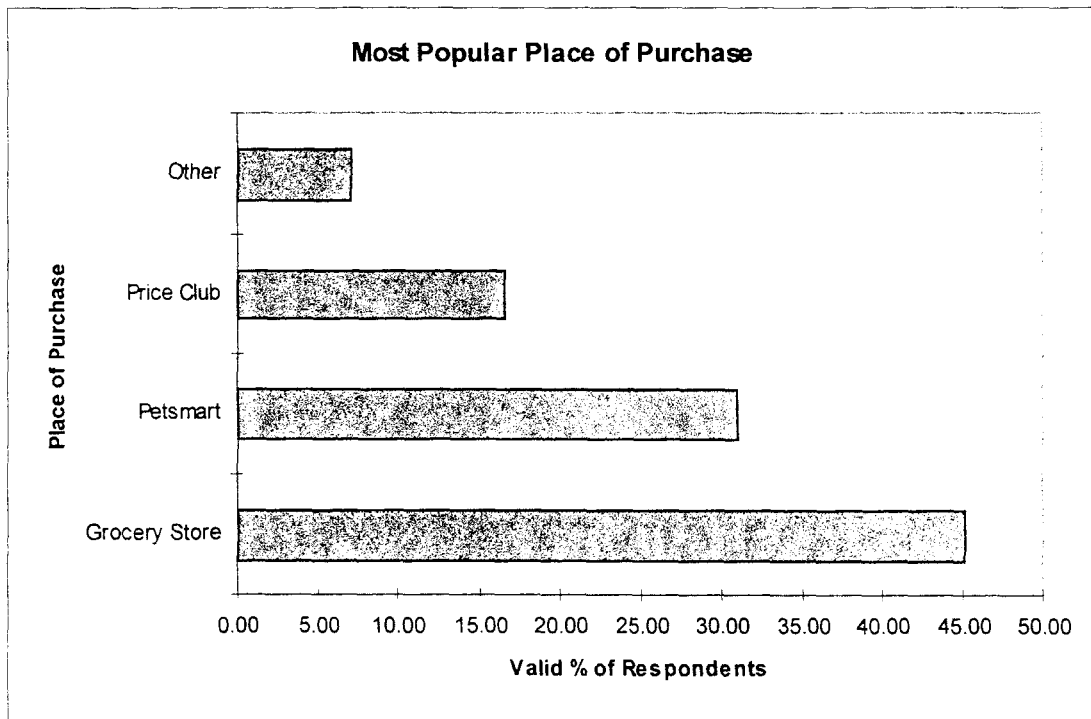
Age: Cross tab analysis indicates that age plays an important factor in determining what consumers give to their dogs as treats. When a cross tab analysis was run on "affection given to dogs as treats" versus "age" of respondents an underlying relationship was discovered. The majority (61%) of respondents who answered yes, that they gave "affection as a treat," are between the ages of 19-39. Another cross tab was run between "people food given as a treat" and "age." The majority (43%) of the respondents between the ages of 19-29 said, yes they give "people food as a treat" to their dogs. This suggests that this age group should not be considered a potential target market. As with income no relationship existed between "age" and "dog biscuits as a treat."

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Buying Dog Biscuits

Frequency: Thirty percent of the respondents who answered this question replied that they purchased dog biscuits "1-2 weeks ago" followed by 27% who purchased dog biscuits "3-4 weeks ago." This question indicates that 57% of the respondents purchase biscuits in a 1 to 4 week time period.

Location

Frequency: The majority (45%) of the respondents purchased their dog biscuits at the grocery store. Petsmart followed with 31%. These results indicate that distribution of the product should seriously be considered. (See Graph 1.3)

Most Popular Place of Purchase

Place of Purchase	Valid % of Respondents
Other	~7
Price Club	~16
Petsmart	~31
Grocery Store	~45

Graph 1.3

Product Attributes

Types of Biscuit's

Frequency: The majority (64%) of respondents preferred "traditional beef flavor." The next most popular flavor was "veggie" with 44%, followed by "oatmeal raisin" and "peanut butter" with 41% each. Thirty-eight percent of the respondents preferred "granola" followed by "carob" with 43%, "cheese" with 34% and "mint" with 31%. The "other" category consisted 6% who suggested that lamb and rice should be considered as a flavor. These results indicate that all the flavors show a significant amount of respondent interest. (See Graph 1.4)

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Top Flavors Of Dog Biscuits
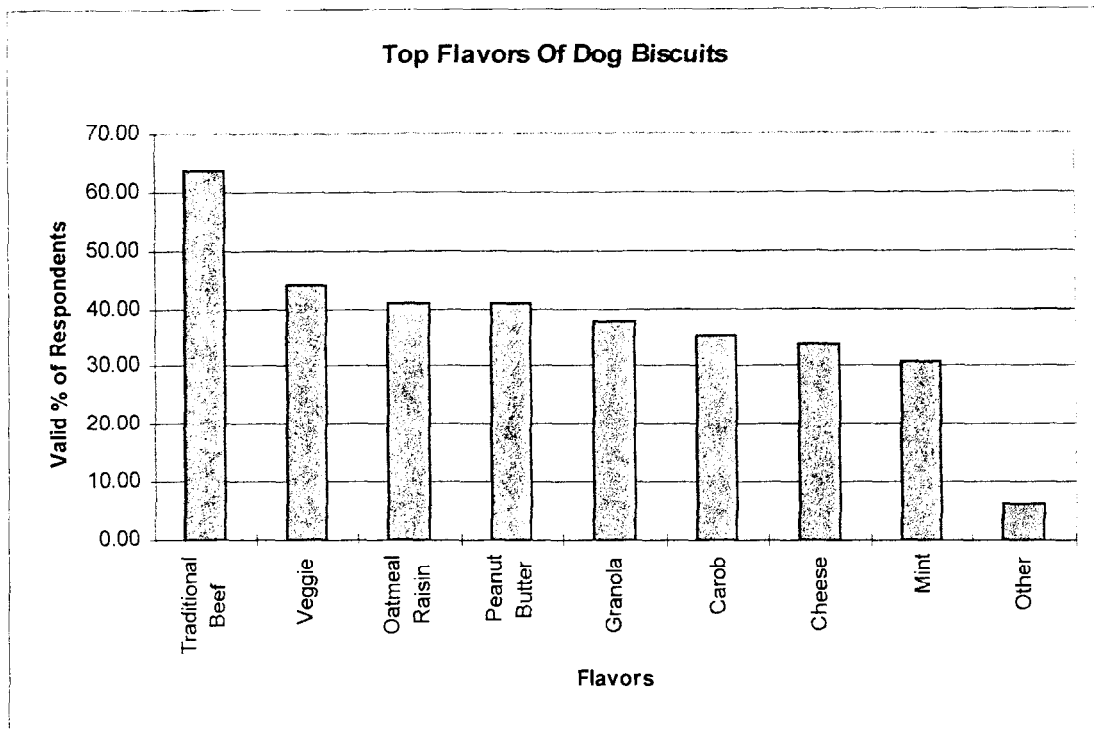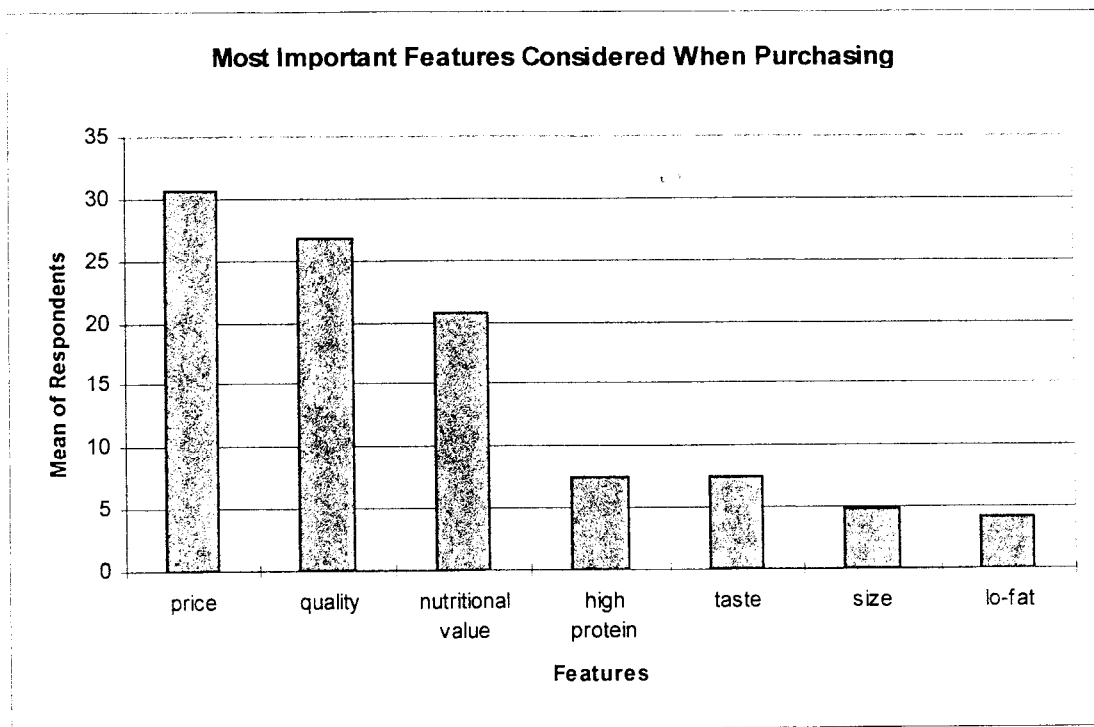

Graph 1.4

Size of the Dog Biscuits
Frequency: Of the sizes small, medium and large, the majority (43%) of respondents preferred "small" dog biscuits. Thirty-six percent preferred "medium" dog biscuits and 21% preferred "large." It can be concluded that the majority of respondents dogs receive small dog biscuits.

Price
Frequency: The most frequent response to "How much are you willing to spend on a box of fifteen medium dog biscuits?" was "$1.81-$2.10," given by 26% of the respondents. The second most frequent response was "$2.11-$2.40," given by 22% followed by "$2.41- $2.70," given by 19% of the respondents. The results reflect that $2.25 is the mean price people are willing to pay per box of fifteen medium dog biscuits.

Important Features
Frequency: Respondents ranked the most important features when purchasing dog biscuits. "Price" ranked number one with 31.6%, followed by "quality" with 24.7% and "nutritional value" with 20.8%. The respondents ranked the remaining four features consisting of "high protein, taste, size, and lo-fat" significantly lower. The range was between 7.5% to 4.3% respectfully. These results indicate that all the flavors show a significant amount of respondent interest. (See Graph 1.5)

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Most Important Features Considered When Purchasing

Bar chart titled "Most Important Features Considered When Purchasing." Y-axis labeled "Mean of Respondents" ranging from 0 to 35. X-axis labeled "Features" with categories: price (~31), quality (~27), nutritional value (~21), high protein (~7.5), taste (~7.5), size (~5), lo-fat (~4.5).

Graph 1.5

Demographics

Dog Owners
Frequency: Out of those surveyed, 81% responded that they owned a dog and 19% did not.

Dogs In Household
Frequency: Of those who were dog owners, 58% owned one dog, 32% owned two dogs, 8% owned three dogs, and of the categories four dogs and six dogs, the respondents answered 1% each. The average number of dogs per household is 1.5.

Dogs Age
Frequency: Of the respondents who owned dogs, 52% of the dogs are between the ages of 1 and 4.9 years. Thirty-three percent of the dogs are between the ages of 5 and 9.9 years. Ten percent of the dogs are older than 10 years and 5% of the dogs are less than 1 year old.   The average age of the respondents dogs are 5.4 years.

Owners Age
Frequency: Of the 141 respondents surveyed and who answered the question, 12% are "<18," 42% are "19-29," 14% are "30-39," 9% are "40-49," 14% are "50-59," and 8% are ">60." (See Graph 1.6)

Respondents Age

Legend:
- □ <18
- ■ 19-29
- □ 30-39
- □ 40-49
- ■ 50-59
- □ >60
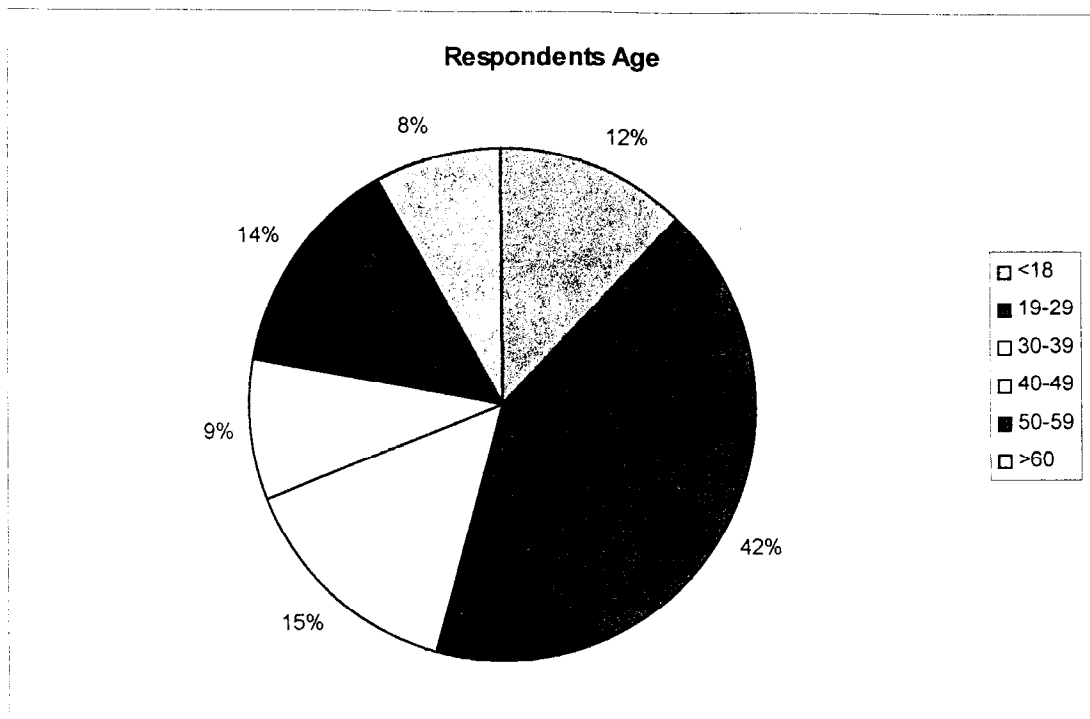
Graph 1.6

Education Level

Frequency: The majority (33%) of the respondents had "some college" followed by 30% who are "college graduate's. The rest of the respondents followed holding around the same percentages in relation to one another: "completed graduate school," 10%; "some high school," 10%; "high school graduate," 9% and "some postgraduate school," 8%.

Marital Status

Frequency: When asked their marital status, 42% of the respondents are "single," 33% are "married," 12% are "divorced/separated" and 7% are "widowed."

Children At Home

Frequency: Seventy-nine percent of the respondents did not have any children living at home with them while 21% did.

Household Income

Frequency: The majority (28%) of the respondents who answered the question had a total household income "<$20,000- $24,999." Fifteen percent answered "$35,000-39,000" and "$30,000-34,999" each, 13% answered ">$50,000," 11% answered "$40,000-49,999," 10% answered "$45,000-49,000," and 9% answered "$25,000-29,999." (See Graph 1.7)

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Household Income
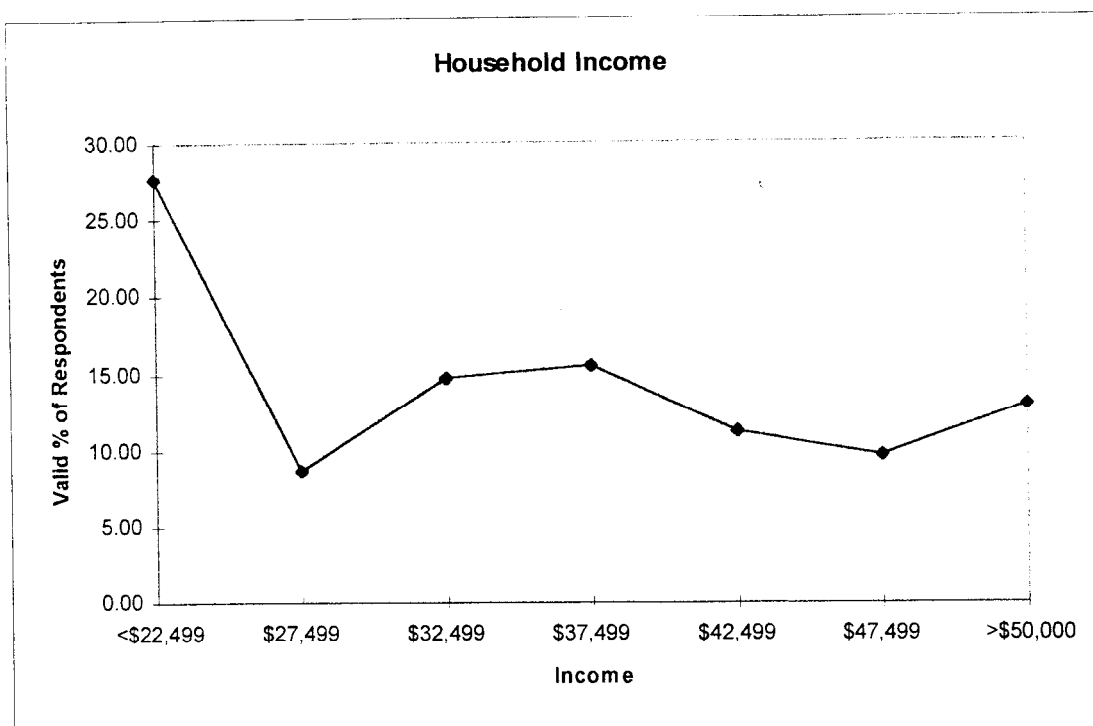
Graph 1.7

Current Occupation

Frequency: When asked their current occupation 27% responded that they are "students." The respondents who answered the categories of "professional" and "retired" responded 11% each. Nine percent said that they are "managerial," 8% are "labor," 7% are "executive," and "homemaker" each, 6% "technical," 5% are "sales," 4% are "administrative," 5% are "secretarial," and 2% responded "other."

LIMITATIONS AND PROBLEMS

As with any research project, this one had several limitations. One very important limitation had to do with budget. As a result of limited resources, the methodology used to collect the data was hindered. The selection of respondents was obtained by those most conveniently available. Since this convince sampling method was used, projecting the results beyond the specific sample is inappropriate and unscientific. Another problem had to do with the sample frame. A majority of the respondents were students who earned low incomes and this may have skewed the results. If a bigger sample size were used, this may have generated more significant statistics.

Other problems that were encountered had to do with respondent error. Throughout the tabulation of surveys, nonresponse error was encountered. Many respondents failed to fill out questions, whether because the survey was too long or because they did not have the time. This could have been eliminated to some extent had the interviewer checked the survey for completeness. Many of the questions could have been falsified or answered with a certain slant. Those questions that were misunderstood could also yield biased answers. Because this was an exploratory

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research survey for a new company, the intentions of subjects who have little knowledge or who have not yes made any purchase plans can not be expected to accurately predict their purchase behavior of dog biscuits.

A majority of the problems resulted from poor organization of the survey. Had some of the problems been predicted in devising the survey, many could have been avoided. A few of the surveys were not filled out completely. This could have been averted if the questions were on four pages instead of two, front to back. Also doing this would have eliminated some of the nonresponse bias encountered. When designing the survey, more interval and ordinal data should have been asked. This would have made it easier to analyze the results. Some of the questions like, "How many children are in your household?" could have been dropped because they were insignificant to the research objectives. Other questions like "Gender" and "Type of Dog" should have been asked. Along these same lines, some of the questions did not get at important items that were needed to answer the objectives. More questions are needed involving the characteristics of peoples dogs and getting at the underlying notion of why people purchase dog biscuits of a particular kind (i.e. price, flavor, convenience). Also some of the wording on the survey may have been ambiguous and wordy. Many of the respondents did not take the time to fill out and read the directions (i.e. constant sum question) and therefore answered it incorrectly. Looking back, a constant sum question should not have been asked for many respondents are reluctant to divide 100 points between seven answers.

Tabulating the data also contained sources of error. Data processing error was encountered while coding the data. Due to this, the data can be skewed but, executing a sampling plan free from procedural error is arduous. When performing cross tabs to define relationships among two variables, very few relationships were found and if their seemed to be a relationship, it was too insignificant to report. This could have been avoided by using interval and ordinal data, by including more questions pertaining to the specific objectives and by increasing the sample size.

CONCLUSIONS

Consumer Behavior
Reasons To Give Dogs Biscuits
The majority of respondents give their dogs biscuits to "reward them for good behavior and/or pampering." Income has no impact on whether or not respondents give their dogs biscuits. Therefore respondents will purchase dog biscuits regardless the reasons. Furthermore these reasons do not help define the target market.

Types of Treat Given
The majority of respondents viewed "dog biscuits" as the number one treat. This is good in light of the fact that the research study is assessing the potential market for dog biscuits. There exists an inelastic demand for dog biscuits since household income plays no role in whether or not respondents give dog biscuits as a treat. Respondents in lower income brackets tend to give more "affection" to their dogs than those in higher ones. This suggests that lower income respondents will purchase less

dog biscuits than higher income respondent's. The majority of respondents, ages 19-39, gave "affection" as a treat. This suggests that this age group should not be considered as a potential target market. Another prime example that this target market should not be considered can be explained by another cross tab run between "people food given as a treat" and "age". Again 19-39 year olds accounted for the majority percent that answered yes. Therefore they would be a poor target market.

Buying Dog Biscuits
The majority of the respondents purchase dog biscuits in a 1-4 week time period. These results suggest that a minimum inventory turnover rate should occur within a two week time period.

Location
The majority of the respondents purchase their dog biscuits at the "grocery store" and "Petsmart." In view that "grocery stores" and "Petsmart" are popular places to purchase dog biscuits one of two things should be considered. Opening a dog bakery next door to these types of stores, or distributing the product directly to the store in order to maximize sales.

Product Attributes

Types of Biscuits
The results indicate that all the flavors show a significant amount of respondent interest. These results suggest that Snoggles Dog Bakery should consider producing "traditional beef flavor" dog biscuits. The rest of the five flavors showed a significant amount of interest in that it may be worthwhile to produce those also. It should be noted that lamb and rice may also want to be added to the flavor list due to respondents requests.

Size
All three sizes of dog biscuits showed a significant amount of interest. The majority of respondents give their dogs "small" dog biscuits followed by "medium" and then "large."

Important Features
"Price" was ranked the most important feature when purchasing dog biscuits. Two dollars and twenty-five cents is the average price that respondents are willing to pay for a box of fifteen medium dog biscuits. "Quality" and "nutritional value" followed close behind.

RECOMMENDATIONS

Prior to forming Snoggles Dog Bakery, a few things should be considered. This research was conducted to clarify an ambiguous problem, "Are people in the Albuquerque are interested in all natural dog biscuits?" This question needs to be addressed before a great deal of money is invested. The results of this report are not intended to provide conclusive evidence from which to determine a particular course

of action. It should be noted that subsequent research will be required to provide such conclusive evidence. Future research should be directed to a target audience about specific objectives. The research objectives should be reidentified which will in turn delineate the type of information that should be collected and it will provide the framework for the scope of the new study. The target market may even need to be clarified or redefined depending on the new objectives being met. The results of this study have uncovered consumer needs that are a great source of product ideas that the owner of Snoggles Dog Bakery may want to incorporate into the product. In the new research study, one objective should be to see how consumers feel about these new ideas (i.e. flavors of dog biscuits). Once problems have been identified through this research, they will be ready to be solved.

Secondary data should also be collected on other dog bakeries. Some of the ideas that they are implementing can be useful and adopted by Snoggles. This data can be gathered quicker and at a lower cost than primary data. The new research study should be conducted more scientifically to obtain the results needed to make business related decisions. Also, ordinal and interval data questions should be asked to help in analyzing the data. A larger sample size and a random sample technique should be used in order to obtain meaningful data. The new survey should address questions that were left out of this study.

APPENDIX

Research Proposal
Survey Design
Frequency Tables
Cross Tab Tables

RESEARCH PROPOSAL

by

Introduction

A recent New Mexico State University graduate has decided to open his own company. Due to lack of capital he has outsourced us to do marketing research. He has provided us with the basic structure of his corporation and the research will determine whether there is demand for the product. This marketing research will benefit both parties, by providing essential information for the success of his company and giving us first hand practical experience.

Purpose of the Research

The main purpose of this study is to identify the target market that exists for a new corporation in the canine industry. This study will determine the unknown potential market. This research will be conducted in order to ascertain whether there is enough interest in the premium/healthy doggie biscuit market. The following identifies specific research objectives:

1.   To identify the target market and the characteristics that exist in that market (e.g. income level,   age, career, education level, and family structure).

2.   To determine if the product has market potential.

3.   To discover how much the consumer is willing to invest in their pet.

4.   To identify methods of reward that consumers display to their pets.

5.   To assess the potential of the product line.

Research Design

The applied research design method will be used in conducting this survey. Each pet owner will be personally interviewed by a questionnaire. This questionnaire is expected to take no longer than 10 minutes. They will be expected to answer questions pertaining to demographics and attitudes towards the proposed product. This process needs to be completed prior to determining if this business can be successful.

Some sample questions are:

Are you a dog owner?
O   Yes
O   No

Do you reward your dog with biscuits?

O   Yes

O   No

Would you consider buying homemade dog biscuits for your dog?

O   Yes

O   No

What flavors of dog biscuits would you be interested in giving your dog(s)? Check all that apply.

O   Traditional beef   O   Peanut butter

O   Carob (dog chocolate dipped)   O   Cheese

O   Mint   O   Veggie

O   Oatmeal raisin   O   Granola

O   Other_____

Sample Design

The survey will be distributed to approximately 200 pet owners in the Albuquerque area. A test survey of around 20 will be distributed in the Las Cruces area to determine the effectiveness of the survey. The sample will be selected on specific criteria.

Data Gathering

The field survey in the Las Cruces area will be done by the preparers of this proposal. The owner of the company will be distributing at least half of the surveys in the Albuquerque area. This is due to financial and time constraints on our behalf.

Data Processing and Analysis

A statistical program in the BC lab will be utilized to tabulate and analyze the results.

Report Preparation

A written report will be prepared, followed by an oral presentation.

Dear Friend,

The following questionnaire pertains to a new enterprise being started by a local entrepreneur. The intent of the study is to discover the potential market for all natural dog biscuits and other pet paraphernalia. The questionnaire will take only 5 to 10 minutes to fill out at your convenience.

Your name will in no way be connected with the questionnaire. If you have any questions about the survey, please feel free to ask.

Thank you for your assistance.

Please answer the following questions by placing an X in the appropriate box(s).

1. Do you own a dog? (This can be your dog or a family/ household dog)
    - O · Yes
    - O No

    If so how many dogs are in your household? _____
    What are the approximate ages of your dog(s)? _____

2. Do you purchase dog biscuits for dogs other than those you own?
    - O Yes
    - O No

3. When giving your dog(s) a treat, what do you give them? (Check four or fewer treats you give your dog most often)
    - O · Dog biscuits
    - O Dog toys
    - O Walk
    - O Other_____
    - O People food
    - O Affection
    - O Do not give them anything

4. What is the reason you give your dog(s) a dog biscuit? (Check five or fewer reason that are most important)
    - O Pampering
    - O Habit
    - O Stop annoying behavior
    - O You leave them alone
    - O Cute Behavior
    - O Other_____
    - O Reward for good behavior
    - O Training
    - O Distract attention
    - O Freshen breathe
    - O No reason

5. What is the main type of "people food" you give your dog(s)?
    - O Share whatever you are eating
    - O Table scraps
    - O Do not give them "people food"
    - O · Other_____

6. What flavors of dog biscuits would you be interested in giving your dog(s)? (Check all that apply)

- O Traditional beef
- O Carob (dog chocolate dipped)
- O Mint
- O Oatmeal raisin
- O Other_____

- O Peanut butter
- O Cheese
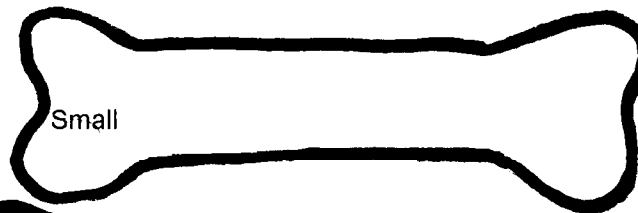- O Veggie
- O Granola

7. What brand of biscuits do you currently purchase?

- O Iams
- O Pedigree
- O Purina
- O Store brand
- O Other_____

8. Where was the last place you purchased your dog biscuits?

- O Grocery store
- O Price Club
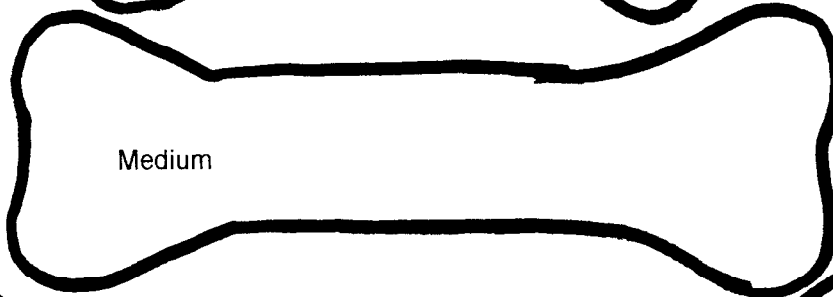- O Other_____

- O Petsmart
- O Make your own

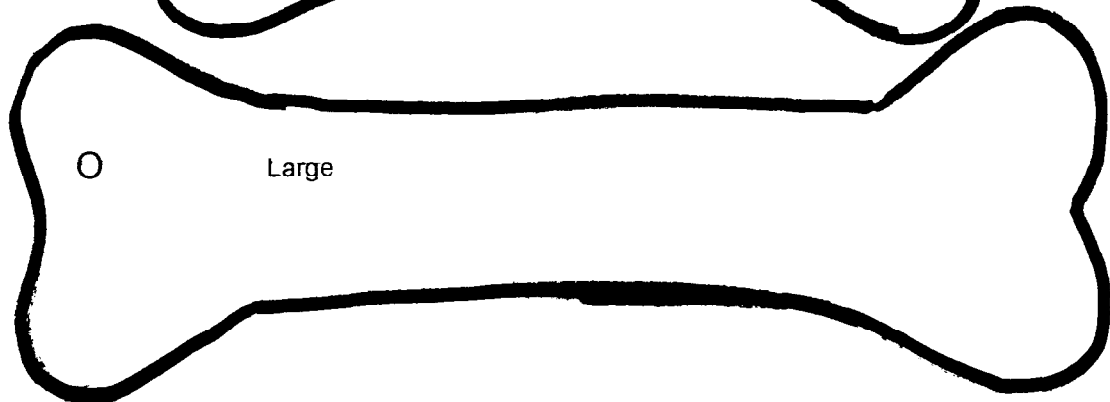9. What size of dog biscuit do you buy most often? (Pictures are drawn to size)

- O Small
- O Medium
- O Large

10. What is the most important feature in purchasing your dog biscuits? Divide 100 points among each of the seven categories according to the features that are most important to you. When you are finished, the numbers in each category should total up to 100. For example if price is the most important factor, 20 points might be alloted to it. Then the remaining 80 points would be alloted to the other six categories accordingly.

	Price		Lo-Fat
___	Price	___	Lo-Fat
___	Quality	___	Taste
___	Nutritional Value	___	High in Protein
___	Size		

11. Would you consider buying homemade dog biscuits for your dog?

O　Yes

O　No

12. How much would you be willing to spend on a box containing 15 medium dog biscuits?

O　Less than $1.50

O　$1.51- 1.80

O　$1.81- 2.10

O　$2.11- 2.40

O　$2.41- 2.70

O　$2.71-3.01

O　More than $3.01

13. When was the last time you purchased dog biscuits?

O　In the last week　　　O　3-4 Weeks ago

O　1-2 Weeks ago　　　O　5-6 Weeks ago

14. Who primarily purchases the dog biscuits in your household?

O　You　　　O　Spouse

O　Friend　　　O　Other_____

**For the next series of questions (15-18) answer by circling the answer that best represents your opinion.

15. Using recyclable packages for dog biscuits is...

Very important　　Fairly important　　Neutral　　Not so important　　Not at all important

16. The nutrition that your pet receives in dog biscuits is important.

strongly disagree　　　　disagree　　uncertain　　agree　　strongly agree

17. My pet having clean teeth is meaningful to me.

strongly disagree　　　　disagree　　uncertain　　agree　　strongly agree

18. The package size of dog biscuits is important to me when purchasing them.

very true　　　somewhat true　　neutral　　　not very true　　not at all true

19. On average, how often does your dog receive biscuits in any given day?

- O 0-1
- O 2-3
- O 4-5
- O more than 5

20. What is your age please?

- O less than 18
- O 19-29
- O 30-39
- O 40-49
- O 50-59
- O greater than 60

21. What is the highest level of education you have obtained?

- O Some High School or less
- O College Graduate
- O High School graduate
- O Some Postgraduate school
- O Some College
- O Completed graduate school

22. What is your marital status?

- O Married
- O Widowed
- O Divorced/Separated
- O Never married/single

23. Are there any children or young teens under the age of 16 living with you?

- O Yes
- O No

24. If you answered yes to question 23, how many?

_____

25. Which group describes your total household income before taxes. Include income for yourself as well as for all other persons who live in your household.

- O <$20,000- $24,999
- O $40,000-$49,999
- O $25,000- $29,999
- O $45,000-$49,000
- O $30,000- $34,999
- O >$50,000
- O $35,000-$39,000

26. What is your current occupation?

- O Professional
- O Executive
- O Managerial
- O Administrative
- O Sales
- O Technical
- O Labor
- O Secretarial
- O Homemaker
- O Student
- O Retired
- O Other_____

Thanks again for your assistance! Please return this completed survey to the researcher.

Frequency Tables

Q1A   Dog Owner

Value Label	Value	Frequency	Percent	Valid Percent	Cum Percent
yes	1	114	80.9	80.9	80.9
no	2	27	19.1	19.1	100.0
	Total	141	100.0	100.0	

Mean	1.191	Std err	.033	Median	1.000
Mode	1.000	Std dev	.395	Variance	.156
Range	1.000	Minimum	1.000	Maximum	2.000
Sum	168.000				

Valid cases   141   Missing cases   0

- -

Q1B   Number of Dogs in Household

Value Label	Value	Frequency	Percent	Valid Percent	Cum Percent
	1	50	35.5	57.5	57.5
	2	28	19.9	32.2	89.7
	3	7	5.0	8.0	97.7
	4	1	.7	1.1	98.9
	6	1	.7	1.1	100.0
	.	54	38.3	Missing	
	Total	141	100.0	100.0	

Mean	1.575	Std err	.090	Median	1.000
Mode	1.000	Std dev	.844	Variance	.712
Range	5.000	Minimum	1.000	Maximum	6.000
Sum	137.000				

Valid cases   87   Missing cases   54

Pages omitted

Contained SPSS output

Q25 Total Household Income by Q4I Training Reason for Treat

```
                     Q4I              Page 1 of 1
              Count
              Row Pct |yes       no
              Col Pct'
              Tot Pct |     1|       2| Row
                                         Total
   Q25
                   1 |    12 |     20 |    32
      <$22,499        |  37.5 |   62.5 |  27.6
                      |  26.1 |   28.6 |
                      |  10.3 |   17.2 |
                      ----------------
                   2 |     6 |      4 |    10
      $27,499         |  60.0 |   40.0 |   8.6
                      |  13.0 |    5.7 |
                      |   5.2 |    3.4 |
                      ----------------
                   3 |     6 |     11 |    17
      $32,499       . |  35.3 |   64.7 |  14.7
                      |  13.0 |   15.7 |
                      |   5.2 |    9.5 |
                      ----------------
                   4 |    10 |      8 |    18
      $37,499         |  55.6 |   44.4 |  15.5
                      |  21.7 |   11.4 |
                      |   8.6 |    6.9 |
                      ----------------
                   5 |     3 |     10 |    13
      $42,499         |  23.1 |   76.9 |  11.2
                      |   6.5 |   14.3 |
                    ' |   2.6 |    8.6 |
                      ----------------
                   6 |     4 |      7 |    11
      $47,499         |  36.4 |   63.6 |   9.5
                      |   8.7 |   10.0 |
                      |   3.4 |    6.0 |
                      ----------------
                   7 |     5 |     10 |    15
```

Chi-Square	Value	DF	Significance
Pearson	5.62203	6	.46683
Likelihood Ratio	5.64191	6	.46447
Mantel-Haenszel test for linear association	.39393	1	.53024

Minimum Expected Frequency -   3.966
Cells with Expected Frequency < 5 -   2 OF   14 (14.3%)

Number of Missing Observations: 25

Pages omitted

Contained SPSS output