

## **BIBLIOGRAPHY**

CAY-UHEN, DELIA D. APRIL 2013. Assessment on the Promotional Activities of Lagawe Blend to Consumers Behavior. Benguet State University. La Trinidad, Benguet.

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## **ABSTRACT**

This study was conducted to identify the different promotional activities of Lagawe Blend, determine the effects of the promotional activities to sales, and determine the level of awareness of consumers about the product and the satisfaction rating of the consumers on the product. The study was conducted in Lagawe, Ifugao and the respondents were three project implementers, three sellers and thirty consumers as respondents.

Project implementers were doing advertisement for Lagawe Blend such as holding activities, joining trade fair, facebook account, promotion by words, encouraging customers to advertise Lagawe Blend to their family and friends. Advertisement on radio, promotion by words and joining trade fair had increase the sales and the other kind of promotion such as newspaper and holding tree planting activities did not increase sales.

The consumers were aware of the existence of Lagawe Blend mainly because of their advertisement on radio, from other people and have seen the product during trade fairs. The consumers are also much satisfied with the product.

It is recommended that continuous promotional activities should be done, not only in the area, but also to other areas in order to link the product to other market. The product



could be advertised in the local television of CAR in order for the product to penetrate the market of other provinces in CAR specially Baguio and Benguet.



## INTRODUCTION

### Rationale

The Philippines adopted One Town One Product (OTOP) promotion to encourage rural development. The OTOP promotion for Lagawe Blend was designed by a team lead by Ms. Sharon Grace, a former employee of the Provincial Government of Ifugao, but then when the new mayor was elected, Mayor Cabbigat, he wanted the OTOP to be handmade brooms but the priest was able to convince him to stick with coffee. The mayor did not change it but made the program more strategic. Mayor Cabbigat and his team proposed a new direction for its OTOP-to produce Arabica Based Coffee Blend or Lagawe Arabica Blend (Lagawe Blend). Thus, in partnership with the Department of Trade and Industry and SN Abiotic Power Inc., the coffee program in Lagawe began to take shape. Lagawe Blend became the brand that preceded coffee brand in Ifugao.

Since 2001 Father Nicolas Valentin and Father Marion Buyagawan, priests at the local Roman Catholic parish church (Don Bosco Church) had been involved in conducting environmental education with the people living in Cordillera Mountain Ranges. The two priests had observed that people were converting their forest to vegetable gardens, and they found out that they are doing it for survival, and their perennial plant are fruits and coffee trees. So the priest convinced the farmer to have training in Sante Fe on how to harvest fruits, turn fruits into jam, juice and fruits preserves and blending for the coffee.

The enterprising priests have set up two coffee brand made of CoRDI (Cordillera Mountain Range and Coffee Research and Development Institute), the local farmer's cooperative. Lagawe blend is made by the cooperative and sold locally at Kapehan (small



coffee shop at parish ground between the church and the school). The priest confessed their need to work in the marketing side of the venture (Teberg, 2001). This has prompted the activities in the promotion of Lagawe Blend.

In November 21, 2008, the Lagawe Blend was formally launched by the municipality of Lagawe as it showcases the “One Town One Product”. Present during the launching was SN- Power, the Provincial Government of Ifugao, Department of Trade and Industry (DTI), Social Action and Development Center (SNDC), St. Mary Magdalene Parish, The Sagada Coffee Council, TESDA, Ifugao and Mr. Kilip, President Assistant for Cordillera Affairs (SN-Abiotiz Power, 2010).

### Statement of the Problem

This study was conducted to assess the effects of promotional activities of Lagawe Blend to consumer behavior. It specifically aims to answer the following questions:

1. What are the different promotional activities conducted to promote the Lagawe Blend?
2. What is the effect of the different promotions of Lagawe Blend to sales?
3. What is the awareness level of the consumer on the presence of Lagawe Blend?
4. What is the satisfaction level of consumers who already tried the Lagawe Blend?

### Objectives of the Study

This study was conducted to assess the effect of the promotion of Lagawe Blend to consumer behavior. It specifically wanted to know the following:



1. Identify the different promotional activities done on Lagawe Blend;
2. Determine the effect of the different promotional activities done on Lagawe Blend to sales;
3. Determine the level of awareness of consumers on the presence of Lagawe Blend; and
4. Determine the level of consumer's satisfaction level of consumers who already tried the Lagawe Blend.

### Importance of the Study

The result of this study would be beneficial to the producers of Lagawe Blend. Given the result, the producers would know what kind of promotional activities should concentrate on to yield higher sales.

Since it is the OTOP of the Municipality of Lagawe, Ifugao then it would be beneficial to the municipality itself and to the people in that community as well for the product, Lagawe Blend would help them raise their economic status. Result can be a basis for decision in other promotion of other products especially in other municipalities in the promotion of their OTOP products.

### Scope and Delimitation of the Study

The study concentrated on the assessment on the promotion done on Lagawe Blend to consumer behavior. This study also include the different promotional activities on the product and the awareness of consumers on the presence of Lagawe Blend as OTOP, and the satisfaction level of consumers on the product.



## REVIEW OF LITERATURE

### Deciding on the Media and Measuring Effectiveness

After choosing the message the advertiser's next task is to choose media to carry it. The steps here are deciding on desired reach, frequency, and impact, choosing among major media types; selecting specific media vehicles, deciding on media timing, and deciding on geographical media allocation. Then the results are these decisions need to be evaluated (Kotler and Keller, 2006).

Media selection. It is finding the most cost-effective media to deliver the desired number and type of exposures to target audience.

The effect of exposures on audience awareness depends on the exposure's reach, frequency and impact.

Reach. The number of different persons or households exposed to a particular media schedule at least once during a specific time period.

Frequency. The number of times within the specific time period that an average person or household is exposed to the message.

Impact. The qualitative value of an exposure through a given medium.

### Choosing Among Major Media Types

The media planner has to know the capacity of the major advertising media type to deliver reach, impact and frequency. Media makes their choices by considering the following variables; a) target audience, b) product characteristics and c) cost. On target audience media habits. Radio and television are the most effective media for reaching



teenagers, however television advertising cost is very expensive, and radio is a little lower than television, while newspaper advertising is relatively low (Kotler and Keller, 2006).

Timeliness and information content will influence media choice. A message announcing a major sale tomorrow will require radio, TV or newspapers (Kotler and Keller, 2006).

### Alternative Advertising Options

For a long time, television was the dominant media. In recent years, researchers have noticed reduced effectiveness due to increased commercial clutter (advertising bearing shorter and more numerous commercial at the audience) and lower viewing owing to growth in cable and satellite TV and PVP/VCRs (Kotler, P. et. al., 2006).

Place advertising, also called out-of-home advertising is a broadly defined category that captures many different alternative advertising forms. Marketers are using creative and unexpected ad placement to grab consumers' attention. The rationale often given is that marketers are better off reaching people in other environment and point-of-purchase (Kotler, *et al.*, 2006).

Billboards. Billboards have been transformed over the years and now use colorful digitally produced graphics, backlighting, sounds movements, and unusual-even three dimensional images (Kotler, *et al.*, 2006).

Public spaces. Advertising are placing traditional TV and print ads in unconventional places such as movies, airlines, lounges, classrooms, sport arenas, offices and hotel, elevators, escalators hand rills, restrooms, and other public places (Kotler, *et al.*, 2006).



Product placement. Product placements have expanded from movies to all types of TV shows. Marketers pay high fees so that their exact sum depends on the amount and nature of the brand exposure. Sometimes placement are the results of a larger network advertising deal, but other times they are the work of small product placements shops that maintain close ties with prop. Master, set designers, and production executives. Product placements can be combined with special promotions to publicize entertainment ties-in (Kotler, *et al.*, 2006).

Point-of-purchase. There are so many ways to communicate with consumers at the point-of-purchase (POP). In-store advertising includes ads on shopping carts, cart straps, aisle and shelves, as well as promotion options such as in-store demonstrations, live sampling, and instant coupon machines (Kotler,*et. al.*, 2006).

## Marketing

Marketing is primarily a legal-economic ethical relationship formed between individuals in their efforts to acquire rights to scarce goods which they believe will have a further value, in business marketing is the process by which the products are matched with market ownership transfer are affected. The efficiency of the marketing is often dependent on marketing practice employed middlemen (Salbino, 2006). Processors play an important role in marketing process of Lagawe Blend because they satisfy some of the consumers' needs and wants at right place and right time.





## Lagawe Coffee Industry Gaining Ground

Lagawe, Ifugao- With the increasing demand of the local coffee, farmers are encourage to plant more which will help also preserve the “muyong” forest here.

Sharon Sarol of the municipality Mayors’ office said, “That the Lagawe Blend is not only sold at the domestic market but also internationally. This is a big help to our farmers in improving their economic conditions” (Bulayungan, 2010).

Teddy Baguilat Jr., the Governor of the province congratulated the municipality for supporting the coffee industry since aside from improving the economic status of the farmers; it is also pro-environment project (Bulayungan, 2010).

Engr. Melvin Eugenio, Site Manager of SN Aboitiz and one of the stakeholders of the project said that the undertaking emphasizes the social dimension in community development. “Ushering in local economic development through responsible project driven business is laudable, but applying market-based strategies to achieve a social purpose through total enterprise organizations both bold and creative” he said (Bulayungan, 2010).

On the other hand, Valentine Baguidudol, Provincial Director of the Department of Trade and Industry said that as we recognize the gains of the coffee industry, it equally tells the assisting agencies the emergency and immediacy of stepping up the various support services, we ought to provide on two levels that is to re-educate our farmers and to upgrade the technological skills of coffee growers on propagation, care and maintenance.

Meanwhile, Fr. Marion Buyagawan, the Parish Priest here said that coffee production attests to the fact that it is easier to make a product, to blend any coffee but it is never easy to create a brand the people actually proud of and happy about. “Lagawe Blend



is that brand of coffee that this community are happy about and proud of (Bulayungan, 2010).”

### Types of Promotion

Advertising. It is a paid, non-professional communication regarding goods, services, organizations, people, places and ideas that is transmitted through various media by business forms, government and non-profit organization and individuals who are identified in the advertising message as the sponsor. The message is generally controlled by the sponsor (Evans and Berman, 2001).

Public relation. Includes any communication to foster a favorable image for goods, services, organizations, people, places and ideas among their publics- such as consumers, investors, governments channel members, employees and the general public. It may be non-personal or personal, paid or unpaid and sponsors control or not controlled (Evans and Berman, 2001).

Publicity. Is the form of public relation that entails non personal communication passes on via various media but not paid for an identified sponsor. Wording and placement of publicity message are generally media controlled (Evans and Berman, 2001).

Personal selling. It involves paid marketing communication activities (other than advertising, publicity or personal selling) that are intended to stimulate consumer purchases and dealer effectiveness. Included are trade shows, premiums, incentives, give always, demonstrations and various efforts not in the ordinary promotion ventures (Evans and Berman, 2001).



## Promotion Planning

Objectives. The promotion should provide information-obtain consumer product recognition then gain consumer knowledge of products attributes, develop positive attitudes and feelings. Obtain favorable attitudes then gain consumer knowledge of products attributes, stimulate purchases and repeat purchases- Obtain strong consumer preference, gain purchase of goods and services, encourage continued purchase (brand loyalty) ( Evans and Berman, 2001).

Budgeting. All-You-Can-Afford method, a firm first allots funds for other elements of marketing, any remaining marketing funds than go to the promotion budget. It is the weakest technique and is used offend by small production oriented firms (Evans and Berman, 2001).

Incremental method. A company bases its new promotion budget on the previous one. A percentage is added to or subtracted from this year's budget to determine next year's budget (Evans and Berman, 2001).

Competitive parity method. A film's promotion budget is raised or lowered according to competitors' action. The benefits are that it is keyed to preference point, market-oriented and conservative (Evans and Berman, 2001).

Percentage-of-sale-method. A firm ties its promotion budget to sale revenue. In the first year, a promotion-to-sale ratio is set. During succeeding years, the ratio of promotion to the sales dollar is constant (Evans and Berman, 2001).



## Marketing Communication (MarCom or Integrated Marketing Communication)

This is messages and related media used to communicate with a market. Marketing communications is the “promotion” part of the “Marketing Mix” or the “four Ps”: price, place, promotion, and product.

Those who practice advertising, branding, brand language, direct marketing, graphic design, marketing, packaging, promotion, publicity, sponsorship, public relations, sales, sales promotion and online marketing are termed marketing communicators, marketing communication managers, or more briefly, marcom manager (Clow and Donalds, 2007).

The communication process is sender-encoding-transmission device-decoding-receiver, which is a part of any advertising or marketing program. Encoding the message is the second step in communication process, which takes a creative idea and transforms it into attention-getting advertisement designed for various media (television, radio, magazines, and others). Messages travel to audiences through various devices. The third stage of the marketing communication process occurs when a channel or medium delivers the message. Decoding occurs the message reaches one or more of the receiver’s senses. Consumers both hear and see television. Others consumers handle (touch) and read (see) a coupon offer. One obstacle that prevents marketing messages from efficient and effective is called barrier. Barrier is anything that distorts or disrupts a message. It can occur at any stage in the communication process. The most common form of noise affecting marketing communication is cluttering (Evans and Berman, 2007).

Traditionally, marketing communications practitioners focused on the creation and execution of printed marketing collateral however academic and professional research



developed the practice to use strategic elements of branding and marketing in order to ensure consistency of the message delivery throughout an organization—a consistent “look & feel”. Many trends in business can be attributed to marketing communications; for example: the transition from customer service to consumer relations, and the transition from human resources to human solution and the trends to blogs, email, and other online communication delivered from an elevator pitch (Clow and Donalds, 2007).

### Arabica Coffee

It is a species of *Coffea* originally indigenous to the mountains of Yemen in the Arabian Peninsula, hence its name, and also from the southwestern highlands of Ethiopia and Southeastern Sudan. It is also known as the “coffee shrub of Arabia”, “mountain coffee” or “Arabica coffee”. *Coffea Arabica* is believed to be the first species of coffee to be cultivated, being grown in southeast Arabia for well over 1,000 years (Charrier, 1985).

It is said to produce better coffee than the other major commercially grown coffee species, *Coffea canephora* (Robusta), but taste vary. Arabica contains less caffeine than any other commercially cultivated species of coffee. Wild plant grow to between 9 and 12 meters tall, and have an open branching system; the leaves are opposite, simple elliptic-ovate to oblong, 6-12 centimeter long and grow in axillaries clusters. The fruit is a drupe (though commonly called a “berry”) 10-15 millimeter in maturing bright red to purple and typically contains two seeds (the coffee bean) (Charrier, 1985).



## Definition of terms

Consumers. It pertains to the people who buy and consume product.

Promotion. The different activities being done by the producers of Lagawe Blend to promote their product.

Producers. Refers to the people who process coffee or the Lagawe Blend.

Product. Refers to the output of production, in the study it is the Lagawe Blend coffee.



## **METHODOLOGY**

### Locale and Time of the Study

The study was conducted in Lagawe, Ifugao from November 2012 to January 2013. It is accessible through land transportation.

### Respondents of the Study

The respondents of the study include three (3) program implementers of the project, three (3) sellers, 30 consumers from Ifugao and 30 consumers from Baguio. The consumers were identified from the sellers. Thus, total respondents of 66.

### Data Gathering Procedure

Data gathering was done through survey, the respondents were given the questionnaire, and then interview and observation were done to verify their answers. Secondary data on promotional activities were taken from newspaper and other articles about the product and this data supports and validate the answer of the respondents.

### Data Gathered

The data gathered were the different promotional activities of Lagawe Blend, the effect to the sales of sellers, and the satisfaction level of consumers who have already tried Lagawe Blend.



## Data Analysis

The data that were collected were tabulated, analyzed and interpreted according to the objective of the study.





## RESULTS AND DISCUSSION

### Socio-Demographic Profile of the Respondents (Project Implementers and Sellers)

Age. Table 1 shows the socio-demographic profile of respondents as to their age, gender, educational attainment and occupation. Three of those were sellers of Lagawe Blend and project implementers. Majority (66.67%) of the respondents (sellers and project implementers) belonged to age bracket of 36-38 years old and one of the project implementers belonged to age bracket of 33-35 years old. The other seller belonged to 39-40 years old. It shows that the age of the respondents is in the age ranged of 33 to 40 years old.

Gender. All of the sellers were female. Two of the project implementers were male and one female. Results imply that selling is mostly done by female.

Educational attainment. All of the project implementers were degree holders who had finished courses like Bachelor of Science in Commerce, major in Economics and Entrepreneurship. One seller had also finished college degree, another seller is college graduate who finished Bachelor of Science in Education and the other is a high school graduate. The results show that the project implementers have finished courses related to their work, cognizing entrepreneurial activities and other business related work.

Occupation. As to occupation two of the sellers were employed in private agency aside from selling Lagawe Blend and one seller was self-employed where selling Lagawe Blend and other products as source of livelihood. Two (66.67%) of the project implementers are government employee, employed in the Department of Trade and Industry (DTI) and one is employed in the promotion of Lagawe Blend.



Table 1. Socio-demographic profile of respondents

PROFILE	SELLERS		PROJECT IMPLEMENTERS	
	F	%	F	%
<b>Age</b>				
33-35	-	-	1	33.33
36-38	2	66.67	2	66.67
39-40	1	33.33	-	-
<b>TOTAL</b>	<b>3</b>	<b>100</b>	<b>3</b>	<b>100</b>
<b>Gender</b>				
Male	-	-	2	66.67
Female	3	100	1	33.33
<b>TOTAL</b>	<b>3</b>	<b>100</b>	<b>3</b>	<b>100</b>
<b>Educational attainment</b>				
High school graduate	1	33.33	-	-
College undergraduate	1	33.33	-	-
College graduate	1	33.33	3	100
<b>TOTAL</b>	<b>3</b>	<b>100</b>	<b>3</b>	<b>100</b>
<b>Occupation</b>				
Government employee	-	-	2	66.67
Self employed	1	33.33	-	-
Private employee	2	66.67	1	33.33
<b>TOTAL</b>	<b>3</b>	<b>100</b>	<b>100</b>	<b>100</b>



## Different Promotional Activities Done by Project Implementers and Sellers

Table 2 shows the different promotional activities done by the sellers and project implements of Lagawe Blend. The producers were no longer included because they mentioned that they were not involved in any promotional activities, thus their main role is just to produce and packed the Lagawe Blend. The promotional activities done were as follows: advertisement on radio, advertisement through posters and newspapers.

Advertisements on radio. The three sellers and three project implementers mentioned that they had an advertisement about Lagawe Blend with the local radio stations in Lagawe (the 99.1 kilohertz and Kiphodan radio stations). The advertisement is aired three to four times a day for 3 to 4 minutes and mentioning the different features of Lagawe Blend. The advertisement mentioned the different places/market outlet where customers could buy the Lagawe Blend, the contact information of the sellers where they could order. The Cordillera Mountain Range and Coffee Research and Development Institute (CoRDI), a cooperative organize for the production of Lagawe Blend provide products to the radio station as a form of payment for the aired advertisement which started on March 2011.

Advertisement on posters. Table 1 also shows that only two (2) project implementers or 33.33% of sellers and project implementers mentioned there are also posters made for Lagawe Blend. These tarpaulin posters were posted at the “Kapehan” a coffee shop in the Don Bosco Parish, the tarpaulin posters contain the name Lagawe Blend and the “Kapehan” indicating that Lagawe Blend could be bought in the coffee shop ai cups or in packs of 250-500 grams of roasted ground coffee. The same poster is posted every time the sellers and project implementers join a trade fair.



Advertisement on newspapers. Two of the project implementers mentioned that they had advertisement in the local newspaper of Ifugao called the “Happitan” that is published weekly. The advertisement in this newspaper was from the provincial Government. The advertisement did not only mention Lagawe Blend but other Ifugao Certified Products (ICP) like taro products and wooden products. The Lagawe Blend is the only coffee that is included in the ICP. The advertisement is published once or twice in a quarter.

Advertisement on flyers. There is only one seller (16.67%) that is involved in the advertisement through flyers. The seller mentioned that whenever she makes flyers for her souvenir shop, she includes Lagawe Blend because this is one of the products that are sold in her souvenir shop. These flyers are being distributed whenever she joins trade fairs and whenever she makes personal selling to customers, mostly to the people that she knows.

Holding tree planting. Two project implementers (66.67%) conducted a tree planting activity where coffee seedlings were used. The respondent mentioned that this activity was done to motivate and encourage farmers to plant coffee.

Holding river/surrounding cleaning. One of the project implementers conducted an activity in river/surrounding cleaning the Lagawe Blend which was sponsored by DTI. The two respondents were employees of DTI and are project implementers. This cleaning was done to promote the different products that they promote including Lagawe Blend.

Scope about Lagawe Blend on radio. Table 2 shows that three of the respondents mentioned that they were aware on the presence of some articles about their products over the radio. The “Kiphodan” radio station, a local radio station in Lagawe, sometimes



features Lagawe Blend aside from the advertisements in some of their programs. One seller was interviewed in that local radio station thrice in a morning air time.

Articles about Lagawe Blend on newspapers. Table 2 further shows that only 33.33% of all the respondents were aware that there are some articles made about Lagawe Blend in local newspapers, “Happitan newspaper”, and also in Baguio News, a local publication in Baguio City.

Article about Lagawe Blend in internet. Three (50%) of the respondents read some article about Lagawe Blend in internet. Articles were present on Facebook account of Ifugao “Ifugao Wall”, some are in Blog of people and on facebook account of consumers.

Participation in trade fairs. Four (66.67%) of the respondents (project implementers and sellers) mentioned that joining trade fairs were some of the ways to promote the product. Trade fairs during “Gotad ad Ifugao”, a festival in Ifugao done every May, provincial meets, and festivals in other provinces and region like Isabela, Benguet, Manila and others.

Promotion by words. All of the respondents were involved in the promotion of Lagawe Blend by words. When they are selling the products they explained its benefits and try to convince the consumer that Lagawe blend is much better than the “3 in 1” instant coffees that are commercially available. The respondents also encouraged customers and some people close to them to buy Lagawe Blend because it is good and request them to share the information about Lagawe Blend to their friends and family.

Having own facebook or / and email account. Four (66.67%) of the respondents mentioned that they had their own facebook and e-mail account. Most of them mentioned that facebook and e-mail account of Lagawe Blend exists but do not know who is running



it. One of the respondents mentioned that it was Sharol (former project implementer) who made and knows the password of the account, but Sharol migrated in the USA and didn't share the password of the account, but still the respondent said that the account is still active.

Participation on online marketing. There are two project implementers who are participating on online marketing. The two project implementers mentioned that they made an account and posted contact information and other announcements. The project implementers also posted on their own facebook account that they are accepting orders of Lagawe Blend and also joined the yahoo group of Ifugao and continually post information about Lagawe Blend in that group mail. But then the respondents mentioned that there had been no orders made thru this on-line marketing.

Encouraging customers to advertise Lagawe Blend to their families and friends. Five of the respondents (33.34 %) were encouraging or asking customers to advertise the product to their families and friends. This goes hand and hand with promotion by words. Respondents were convincing their customers to tell their families and friends about the Lagawe Blend. The respondents themselves also tell their families and friends that Lagawe Blend is a great coffee and, can have a try of it. The respondents added that there were times when they convince a person, the person immediately buys the coffee and sometimes some people get their contact number and after sometimes receive a message requesting/ordering for a coffee.

Table 2. Different promotional activities done by project implementers and sellers



ACTIVITIES	SELLER		PROJECT IMPLEMENTERS	
	F	%	F	%
<b>Advertisement on;</b>				
Radio	3	100	3	100
Posters	-	-	2	66.67
Newspaper	-	-	2	66.67
Flyers	1	33.33	-	-
<b>Held activities;</b>				
Tree planting	-	-	2	66.67
River/surrounding cleaning	-	-	1	33.33
<b>Articles about Lagawe Blend on;</b>				
Radio	1	33.33	2	66.67
Newspaper	-	-	2	66.67
Internet	1	33.33	2	66.67
<b>Participation on Trade fair</b>				
Participation on Trade fair	1	33.33	3	100
<b>Promotion by words</b>				
Promotion by words	3	100	3	100
<b>Having own facebook and e-mail account</b>				
Having own facebook and e-mail account	1	33.33	3	100
<b>Participation on online marketing</b>				
Participation on online marketing	-	-	2	66.67
<b>Encouraging customers to advertise the product to their family and friends</b>				
Encouraging customers to advertise the product to their family and friends	2	66.67	3	100

### Effects of Promotional Activities to Sales



Table 3 shows the different promotional activities done by the sellers and the project implementers, and rating on the effect of these activities to the sales especially after the promotional activity.

The advertisement on radio and promotion by words of mouth had resulted to much or high increase in sales. The respondents mentioned that every time they convince people to buy and ask them to tell their family and friends, they noticed that there was an effect on sales, that the person sometimes would buy immediately and if the person has no money they get the contact information of sellers and sometimes the seller would receive a message ordering coffee. Encouraging customers to advertise the product to their family and friend also increased the sales with a mean rating of 3.2 which means there is a much increase on the sales.

For the advertisement on radio, the respondents mentioned that the advertisement has a wide coverage that's why in just one airing the people would know about the Lagawe Blend and the customers are being informed on to where to buy and what are the benefits of the product. The respondents believed that most of the people are listening to the local radio station since the people in Ifugao loves to hear music from that local radio station where advertisement on Lagawe Blend is aired.

Participation to trade fairs placed second as to the effect of promotional activities to sales which has a mean rating of 3.5 which implies that sales had also increased much. It is in trade fairs that orders were made but this is not always the case as there are instances that there were orders. Joining trade fairs is a good way to introduce the product and make market linkages.





Advertisement on flyers had also increased sales but not high as compared to that over the radio and word of mouth. Advertisement on flyers had a mean rating of 3 which means that this method of advertisement had lead to a good increase in sales. Through the flyers distributed, some customers would go to shop and buy Lagawe Blend and other products that her souvenir shop has and sometimes orders are made though text messaging as mentioned by one seller.

Advertisement on newspaper and posters, and article and scope about Lagawe Blend on radio and newspaper had a mean rating of two (2) which means that these kind of promotional activities leads a poor increase on sales of the respondents, that increase as compared to advertisement on radio, word of mouth and flyers lead a higher sale than advertisement on newspaper and posters, and article and scope about Lagawe Blend on radio and newspaper. As mentioned by the sellers when they ask some of their customers especially the first time buyers as to where they heard about the Lagawe Blend no one would say that they read it on newspaper, posters and in scopes and articles. Thus, project implementers mentioned that this kind of promotional activity is no longer done and was not even spared with budget from the government.

Participation on online marketing and having own facebook and email account has a mean rating of one (1) which means that this kind of activity had no effect in sales because there was no increase in sales. Respondents mentioned further that there had been no order made through this e-market. Furthermore, the respondents believe that this activity will serve as an information site but could be a good way to penetrate the on-line marketing world and maybe could lead to a sale increase in the future.



Tree planting and river cleaning activity has a mean rating of one (1) which indicates that this activity did not also increase sales of the product. Respondents mentioned this kind of activity is just to create a good image in the community.

Table 3. Effect of promotional activities to sales

ACTIVITIES	1	2	3	4	W. MEAN	RATING	RANK
<b>Advertisement on;</b>							
Radio	-	-	2	4	3.67	MI	1
Posters	-	2	-	-	2	PI	5
Newspaper	-	2	-	-	2	PI	5
Flyers	-	-	1		3	GI	4
<b>Held activities;</b>							
Tree planting	2	-	-	-	1	NI	
River/surrounding cleaning	2	-	-	-	1	NI	6
<b>Articles about Lagawe Blend on;</b>							
Radio	-	3	-	-	2	PI	5
Newspaper	-	2	-	-	2	PI	5
Internet	3	-	-	-	1	NI	6
Participation on Trade fair	-	-	2	2	3.5	MI	2
Promotion by words	-	-	2	4	3.67	MI	1
Having own facebook and e-mail account	4	-	-	-	1	NI	6
Participation on online marketing	2	-	-	-	1	NI	6
Encouraging customers to advertise the product to their family and friends	-	-	4	1	3.2	MI	3

**Likert's Scale**

0.1-1.0 – no increase (NI)

1.1-2.0 – poor increase (PI)

2.1-3.0 – good increase (GI)

3.1-4.0 – much increase (MI)



### Socio-demographic Profile of Respondents (Consumers)

Age. Table 4 shows that 46.67% of the respondents belonged to the 25-30 age bracket, 18.33% of them belonged to 21-25 age bracket and 6.67% belonged to the age bracket of 36-40. 20% were at the age of 31-35 and only 3.33% were 46-50 age bracket. This shows that most of the coffee drinkers were adults.

Gender. Thirty-two (53.33%) respondents of the respondents were female and 28 (46.67%) were male. This means that consumers were male and female.

Address. Twenty-one (35 %) of the respondents were from Lagawe and only some were living in Hingyon (10%) and Lamut (5%). The same percentage (25%) is shared for respondents from Baguio City and Benguet. This shows that the respondents are equally divided by the people from Ifugao, Baguio City and Benguet.

Table 4. Socio-demographic profile of respondents (consumers)

PROFILES	FREQUENCY	PERCENTAGE
Age		
21-25	11	18.33
25-30	28	46.67
31-35	12	20
36-40	4	6.67
46-50	2	3.33
TOTAL	60	100
Gender		
Male	28	46.67
Female	32	53.33
TOTAL	60	100



Table 4: Continued . . .

PROFILES	FREQUENCY	PERCENTAGE
Address		
Lamut	3	5
Lagawe	21	35
Hingyon	6	10
Benguet	15	25
Baguio	15	25
TOTAL	30	100

Promotional Activities where Respondents  
Became Aware of Lagawe Blend

Advertisement. Table 5 shows that 73.33% of the respondents mentioned that they became aware of Lagawe Blend through advertisement on radio. But according to them the commercial is slightly boring because it sounds just like an announcement.

Some (33.33%) of the consumers mentioned that through the advertisement of Lagawe Blend in posters they have known Lagawe Blend. But during the conduct of the study it was observed that the posters of Lagawe Blend were already old and does no longer looks good.

In addition, 6.67% of respondents became aware of Lagawe Blend because of advertisement on newspaper but this was long time ago.

This implies that advertisements were good outlet to promote the product and let people know that Lagawe Blend exist especially on radio but not so much on newspaper.



Lagawe Blend's activity like tree planting. One (3.33%) of the consumers became aware of Lagawe Blend because of the tree planting that was sponsored by Lagawe Blend which was conducted in Lagawe.

This implies that tree planting as a promotional activity is not so impressive but then it could be a good way to create a good image to the community or a social responsibility to the community promoting good environmental conservation.

Article or scope on radio, internet and newspaper. Table 5 shows that 53.33% of the consumers mentioned that they became aware of Lagawe Blend because of the advertisement about Lagawe Blend over the radio, when they have heard project implementers interviewed

Furthermore, 20% of the consumers mentioned that they came to know Lagawe Blend through article or scope in the internet, the respondents mentioned that they had read some article in some blog of people, in the facebook group of Ifugao and in some online newspaper.

In addition 26.67% of the respondents mentioned that they have known/read about Lagawe Blend published in local newspaper like Happitan.

This implies that articles and scope about Lagawe Blend is a good way to promote and made the consumers aware of the product but then this kind of promotion is not done by the business owners, but usually by the government like DTI who support Lagawe Blend.

Joining Trade Fair. Majority (73.33%) of the consumers mentioned that because of the trade fairs they became aware of Lagawe Blend. The respondents said that during fiesta and other activities they had seen this OTOP of Lagawe that is displayed on the booth of



Lagawe and sometimes are displayed in government offices like provincial Agriculture Office and Department of Trade and Industry.

This implies that joining trade fair is a good outlet to promote a product and to introduce it to other community and provinces.

Facebook and e-mail account. Table 5 also shows that 20% of the respondents became aware of Lagawe Blend because of their facebook and e-mail account. The respondents mentioned that they had once visited the account of Lagawe Blend when they were scanning their facebook.

This implies that having facebook and email account for Lagawe Blend is not as good as the other means of promotion because very few (20%) were informed about the product and it was only incidental.

From other people. Majority (73.33%) of the respondents became aware of Lagawe Blend because of other people. Some of them mentioned that some of their friend, family members, workmates and even some sellers told them about the product.

This implies that encouraging customers to advertise the product to others is a good way to promote the product.

Table 5. Promotional activities where consumers became aware of Lagawe Blend

ACTIVITIES	FREQUENCY	PERCENTAGE
Advertisement on;		
Radio	22	73.33
Poster	10	33.33
Newspaper	2	6.66
Lagawe Blend's activity like;		
Tree planting	1	3.33



Table 5: Continued . . .

ACTIVITIES	FREQUENCY	PERCENTAGE
Article and scope on;		
Radio	16	53.33
Internet	6	20
Newspaper	8	26.67
Joining Trade Fair	22	73.33
Their Facebook and e-mail account	6	20
From other people	22	73.33

#### Awareness Level of Consumers

Table 6 shows that 26 of the respondents are not aware of Lagawe Blend. They never heard or read about Lagawe Blend.

Sixteen of the respondents were aware of Lagawe Blend, this means that they know that it is the OTOP of Lagawe and they know where they could buy the product.

Another twelve (12) respondents were much aware. This implies that twelve (12 ) respondents knows that Lagawe Blend exist, they know where to buy, it is the OTOP of Lagawe, Ifugao and they know some information about Lagawe Blend like as to where it is being processed and who processed it.

Six respondents were very much aware of the existence of Lagawe Blend. This means that they were much oriented about Lagawe Blend. These consumers know that Lagawe Blend is OTOP of Lagawe, know where Lagawe Blend was processed and all other information about Lagawe Blend.



Over all mean rating awareness was 1.96 which implies that the respondents were aware of Lagawe Blend.

Table 6: Awareness level of consumers about Lagawe Blend

AWARENESS LEVEL	FREQUENCY	PERCENTAGE
Very much aware	6	10
Much aware	12	20
Aware	16	26.67
Not aware	26	43.33
MEAN	1.96	
DESCRIPTION	Aware	

Likert's Scale

- 0.1-1.0 – Not aware
- 1.1-2.0 – Aware
- 2.1-3.0 --Much Aware
- 3.1-4.0 –Very Much Aware

#### Consumers Level of Satisfaction

Table 7 shows the level of satisfaction of consumers as to the different criteria and the consumers overall satisfaction on the product.

The first criterion which is attractive packaging got a mean of 2.66 which means that the consumer were satisfied in the attractiveness of packaging material of Lagawe Blend. However, the respondents mentioned that the packaging looks like a milk container and that the Lagawe Blend has to improve the packaging but some of the respondents also added that it is still good and attractive.





The second criterion which is the product is well sealed have a mean rating of 3.53 which means the respondents are much satisfied. This means that the respondents are much satisfied with the way the product is sealed.

The third criterion which is the coarseness or fineness of the granules had a mean rating of 3.06 which implies that the coarseness and fineness of the coffee granules has much satisfied the consumers. This is also the same with the attractiveness of the granules which got a mean rating of 3 which means that consumers are much satisfied. Thus, result implies that the coarseness of the ground coffee and the attractiveness of the granules have satisfied the consumers preference.

The fifth criterion which is the blending of sugar and creamer when mixed with the coffee taste good got a mean rating of 2.93 which means that the consumers are satisfied. This means that blending of coffee and creamer with sugar is accepted by the consumers. However, some respondents mentioned that you have to put a lot of creamer in order to balance the strong taste of the coffee but some consumers also mentioned the coffee without adding any creamer so that you can taste the real taste of the coffee. As to aroma, the mean rating was 3.2, which implies that the aroma of the product gives much satisfaction to the consumers. The respondents said that the coffee is really aromatic.

On the overall satisfaction rating result shows that consumers were much satisfied with a weighted mean of 3.06. Some respondents also mentioned that the coffee is a good product to be sold in other market like international market or export because of benefits derived from drinking coffee.



Table 7. Consumer's level of satisfaction

CRITERIA	4	3	2	1	W. MEAN	DESCRIPTION
The packaging is visually attractive	2	16	12	-	2.66	Satisfied
The product is well sealed	16	14	-	-	3.53	Much satisfied
Coarseness or finest of the granules is good	8	16	6	-	3.06	Much satisfied
The coffee granules is attractive	6	18	6	-	3	Much satisfied
The coffee blended the sugar and creamer as to its taste	4	20	6	-	2.93	satisfied
It has a good aroma	12	14	4	-	3.2	Much satisfied
Overall satisfaction					3.06	Much satisfied

Liker's Scale

0.1-1.0 – Not Satisfied

1.1-2.0 – Poorly Satisfied

2.1-3.0 – Satisfied

3.1- 4.0 – Much Satisfied



## SUMMARY, CONCLUSION AND RECOMMENDATION

### Summary

This study was conducted to identify the different promotional activities of Lagawe Blend, to determine the effects of the promotional activities to sales, and determine the level of awareness of consumers about the product and the satisfaction rating of the consumers on the product.

This study was conducted in Lagawe, Ifugao and the respondents were composed three (3) project implementers, three (3) sellers and thirty (60) consumers as respondents. The respondents were given a questionnaire to answer. Data were tabulated and analyzed according to the objectives of the study.

The results showed that different promotional activities were employed on Lagawe Blend like advertisement, sponsorship on holding community activities, joining trade fairs, facebook account, promotion by words, encouraging customers to advertise Lagawe Blend to their family and friends and advertisement through radio, promotion by words, and joining trade fairs has high effect on the sales and promoting awareness on the product to consumers. Result shows that these promotional activities had increased the sale of Lagawe Blend.

The consumers became aware of Lagawe Blend because other people told them; saw it during trade fairs and heard from the advertisement over the radio. The consumers also are much satisfied with the packaging of the product, how it is sealed, the taste, aroma, suitability of blending the coffee with creamer and sugar and fineness and coarseness of granules is accepted.



## Conclusions

After the results are interpreted the following conclusion was made:

1. Advertisement on radio, promotion by words of mouth and participation on trade fairs had resulted to a high increase in sales;
2. The consumers are much aware on the existence of Lagawe Blend. The consumers know some information about Lagawe Blend due to the consumer's exposure on the promotional activity of Lagawe Blend especially to advertisement on radio, some people who told them and saw the product displayed during trade fair;
3. The Lagawe Blend has a good aroma, the coffee granule is aromatic, well sealed packaging, coarseness and fineness of granules is well accepted by consumers; and,
4. The packaging of the product is not so attractive to the consumers, thus it is needs improvement.

## Recommendations

After the above conclusion, the following recommendations are made;

1. One of the factors that affect sales of a product is the attractiveness of packaging material, thus, it is recommended that the packaging material for Lagawe Blend should be improved;
2. Promotional activities should be done, not only in the area, but also to other area in order to link the product to other market. Brewed coffee like Lagawe Blend has elite and huge market and those market are found in urban areas like Metro Manila and other big cities and even in other countries, thus, promotional activities like joining trade fairs to these areas is recommended; and,



3. For local and market with in CAR region; it is recommended that the product could be advertised to the local television of CAR in order for the product to penetrate the market of other provinces in CAR specially Baguio and Benguet.



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