

CONSUMER PERSPECTIVES ON THE IMPORTANT ATTRIBUTES OF PEANUT BUTTER: THE CASE OF NORTH COTABATO, PHILIPPINES

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*Introduction

- The volume of production of peanuts in the Philippines reached as high as 3,747 metric tons in September of 2014 which is .6% higher than the volume of production in the same month of 2013.
- Locally, peanuts are consumed in boiled or roasted form. It is available in the grocery stores, public markets, or even in the “tiangge” or a small convenient store in the neighborhood.



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Problem Statement and Objectives

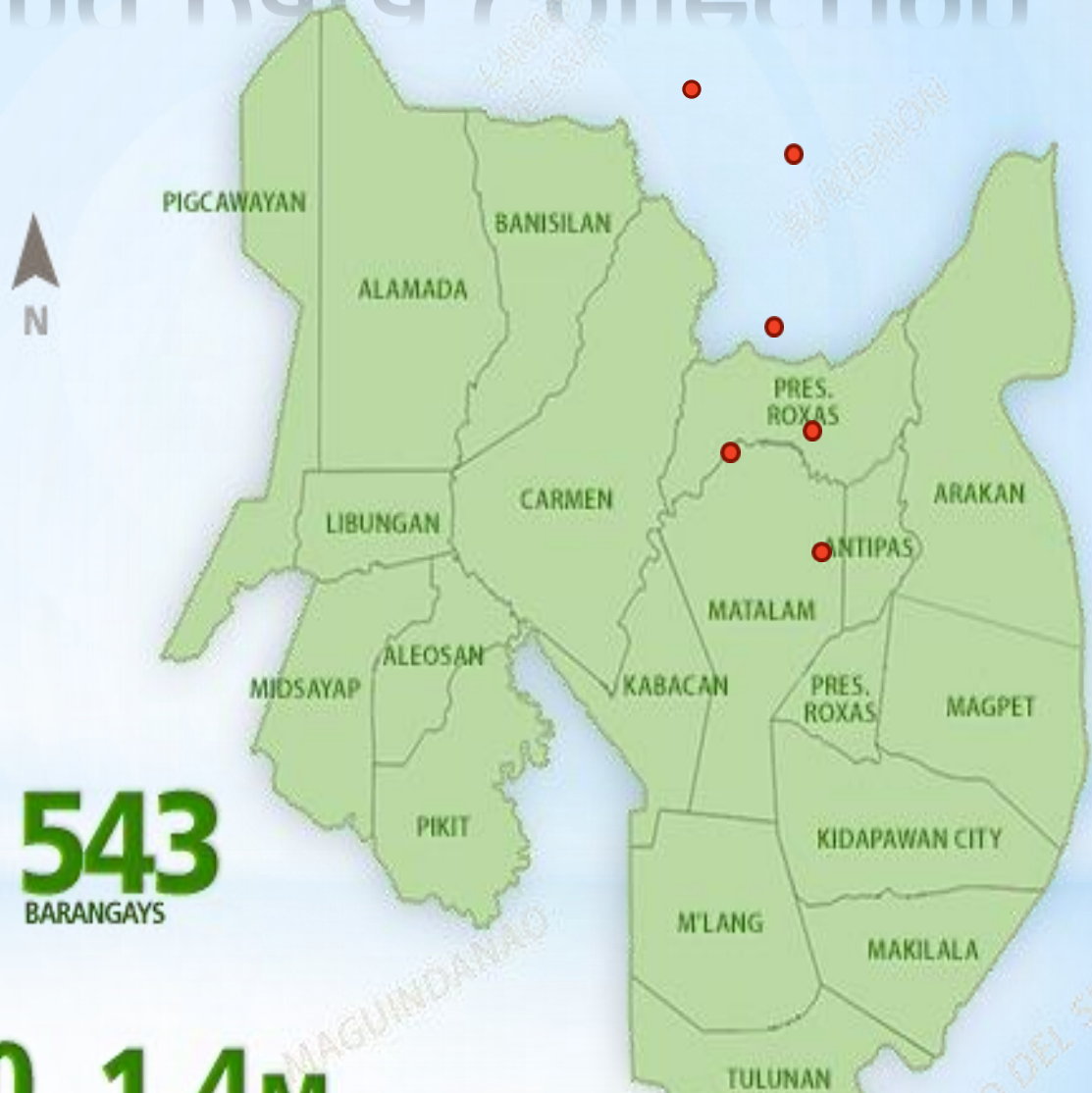
- ❑ In order to increase the value of peanuts, farmers and entrepreneurs transform peanuts into another product like peanut butter. Producing peanut butter gives them additional income as its price is higher compared to the boiled or roasted peanuts.
- ❑ The objective of the study to answer the following questions:
 1. What attribute and level of peanut butter is preferred by the consumers in terms of texture, flavor, packaging, price, and size?
 2. What is the socio-economic profile of the consumers in terms of age, gender, educational attainment, employment status?

*Methodology

Steps :

- 1) Determine the product attributes and levels, FGD and literature review
- 2) Develop survey questionnaire
- 3) Design profile questions using Sawtooth Software
- 4) Data collection using Conjoint Choice analysis
- 5) Data were analyzed using Sawtooth Software utilizing the latent class analysis

*Survey and Data Collection



17 TOWNS and
ONE CITY

543
BARANGAYS

656,590
HECTARES IS THE TOTAL LAND AREA

1.4M
POPULATION AS OF 2010

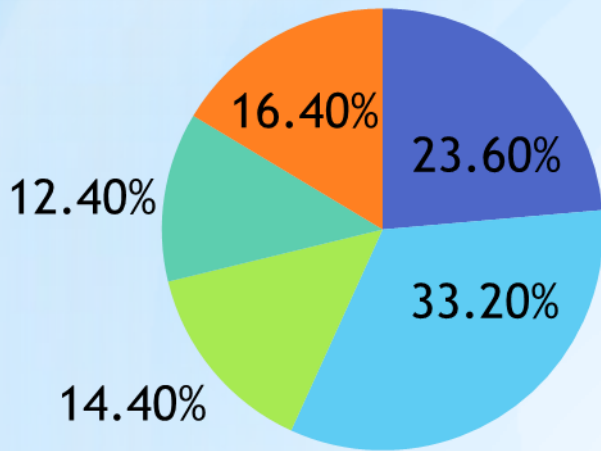


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*Survey Card

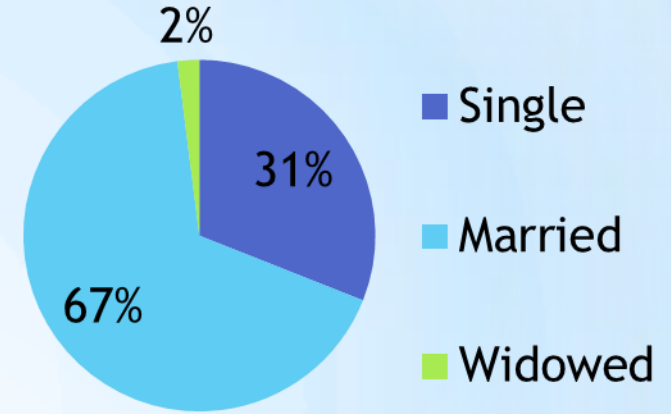


Income Levels



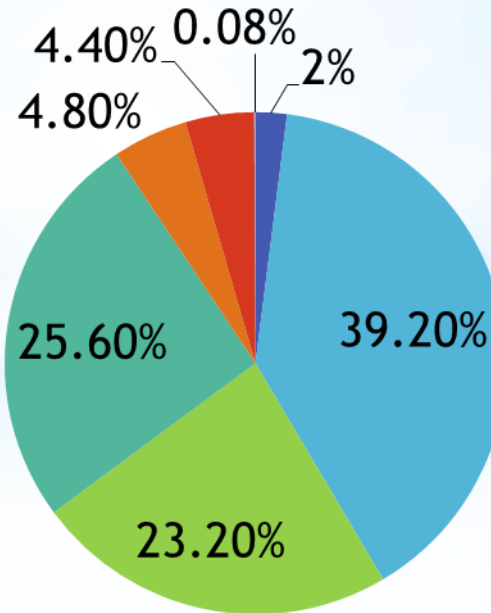
- Below
- Php50,001.00-Php100,000.00
- Php100,001.00-Php150,000.00
- Php150,001.00-Php200,000.00
- Php200,001.00 and above

Marital Status



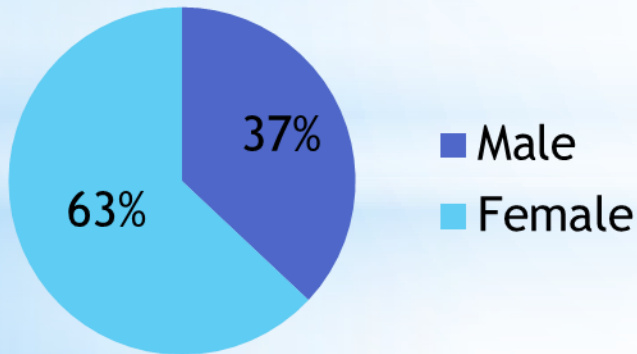
- Single
- Married
- Widowed

Highest Level of Completed Education



- Post-graduate
- College
- Some College
- High School
- Some High School
- Primary School
- Some Primary

Gender



- Male
- Female

Part worth utilities of four-segment model

Segment Sizes	Segment 1 57.6%	Segment 2 19.0%	Segment 3 15.7%	Segment 4 7.7%
Part Worth Utilities				
Smooth (fine)	0.01262	-0.21687*	0.83433*	0.85196*
Medium (not so fine)	-0.21282*	0.46808*	-0.52850*	-0.21411
Chunky (with chunks of nuts)	0.20021*	-0.25121*	-0.30583**	-0.63785*
Sweet	0.14116*	-0.28332*	1.79522*	-0.46953**
Salty	-0.26801*	0.47264*	-0.97421*	-2.15191*
Natural	0.12685*	-0.18932*	-0.82101*	2.62144*
Glass Jar	0.02629	0.08647	0.05729	-0.22788
Plastic Jar	-0.03771	-0.01221	0.24062**	0.11935
Plastic Disposable Cup	-0.01143	-0.07426	-0.29791*	-0.34723**
Price (Pesos)	-0.78137*	0.88854*	-0.16847	-0.10744
170 grams (6 ounces)	0.03061	-0.05535	-0.19445*	-0.32110*
340 grams (12 ounces)	-0.03061	0.05535	0.19445*	0.32110*

* Significant at the 0.05 level, ** significant at the 0.01 level

* Recommendations

The result of the survey showed that consumer buying behavior towards peanut butter is highly influenced by several factors such as price, flavor, texture, and package and size. Consumers give high importance to the texture and flavor of the peanut. The local farmers, entrepreneurs or even big companies who are engaged in the business of producing peanut butters should consider the fact that the consumers of this product have strong preferences for flavor and texture. Price is negatively significant to the consumers which mean that they are willing to pay more to get the peanut butter they prefer to eat.





Thank you! Any Questions?

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