

# **FINAL REPORT**

## **Purpose**

The purpose of this new product development survey is to conduct concept development for Buhi Supply Co.'s potential luggage line to better understand the target market, competitors, desirable features, and pricing.

This study attempts to answer the following questions:

1. What does the competitive landscape for high-quality, mid-market luggage look like? Who are the players? What are their market shares? Is there room for Buhi to enter this market?
2. What are the most desirable functions and features that should be built into this line of luggage?
  - a. Learn from category users about their experiences with luggage in general (pros and cons) to uncover unique features and functions that may not yet be available in the marketplace.
  - b. Along with the top-of-mind features gathered, Buhi would also like to obtain interest ratings on ergonomic handles, unbreakable shells, and antimicrobial interior fabric.
3. What are the most desirable aesthetic elements (e.g., colors, design, material, etc.)?
4. What can consumers be expected to pay for such a product in a large size (price range)?
5. What marketplace segmentation would require product variations (e.g., business travelers, vacationers, world travelers, domestic travelers, etc.)?

### **Methodology**

- An email invitation to an online survey was emailed to a random sample of 20% of all potential respondents in a purchased database (50,000).
- 1,233 surveys were completed as a result of the initial email. A reminder email was sent to those who did not respond, accumulating an additional 447 surveys.
- A total of 1,680 surveys were collected in one week, resulting in a response rate of 16.8%.
- At the 95% confidence level, this study has a margin of error of +/- 2.38%.
- Since the methodology was limited to those on a purchased list of consumers interested in fashion, travel, and accessory apparel, the results may not be representative of Buhi's target market.

# **FINAL REPORT**

## **Respondent Profile & Study Limitations**

**What is your gender?**

Column 1	Column 2
Male	40%
Female	53%
Other	7%

The majority of respondents are female. This is a limitation because the breakdown is not a perfect representation of Buhi's target market, which is primarily male.

**What is your age?**

Column 1	Column 2
Under 21	2%
21-30	42%
31-40	30%
41-50	11%
Over 50	15%

The typical respondent is 21-30 years old, which is representative of Buhi's target market.

**What is your ethnicity?**

Column 1	Column 2
American Indian or Alaska Native	9%
Asian	18%
Black or African American	22%
Hispanic or Latino	19%
Native Hawaiian or Pacific Islander	5%
White	24%
Other	3%

Based on responses, white was the largest ethnic group, which is neither a limitation or a representation but may aid Buhi in understanding their target market.



**JIM  
MARKETING**  
**FINAL REPORT**  
**Respondent Profile & Study Limitations**

**What is your income before taxes?**

Column 1	Column 2
Less than \$40,000	15%
\$40,000 to less than \$50,000	19%
\$50,000 to less than \$60,000	25%
\$60,000 to less than \$70,000	23%
\$70,000 to less than \$80,000	10%
\$80,000 to less than \$90,000	5%
\$90,000 to less than \$100,000	2%
\$100,000 to less than \$150,000	0%
\$150,000 or more	1%

The majority of respondents earn \$50,000 to less than \$60,000 or \$60,000 to less than \$70,000 before taxes, with an almost even number of respondents reporting to earn each. This is representative of Buhi's target customer who earns \$55,000 to \$65,000 a year.

**What is your marital status?**

Column 1	Column 2
Married	48%
Single	32%
Divorced	11%
Separated	9%

The typical respondent is married, which is a study limitation because Buhi's target market is single.

**How much do you and your immediate family spend per year on leisure and travel activities?**

Column 1	Column 2
Less than \$1,000	22%
\$1,000 to less than \$5,000	26%
\$5,000 to less than \$10,000	27%
\$10,000 or more	25%

The amount of responses each range received was nearly equal, which may aid Buhi in understanding their target market.

# FINAL REPORT

## Respondent Profile & Study Limitations

**How much do you spend per year on business travel (both reimbursed and not reimbursed)?**

Column 1	Column 2
Less than \$1,000	24%
\$1,000 to less than \$5,000	22%
\$5,000 to less than \$10,000	35%
\$10,000 or more	19%

The typical respondent reported spending \$5,000 to less than \$10,000 per year on business travel, which may aid Buhi in understanding their target market.

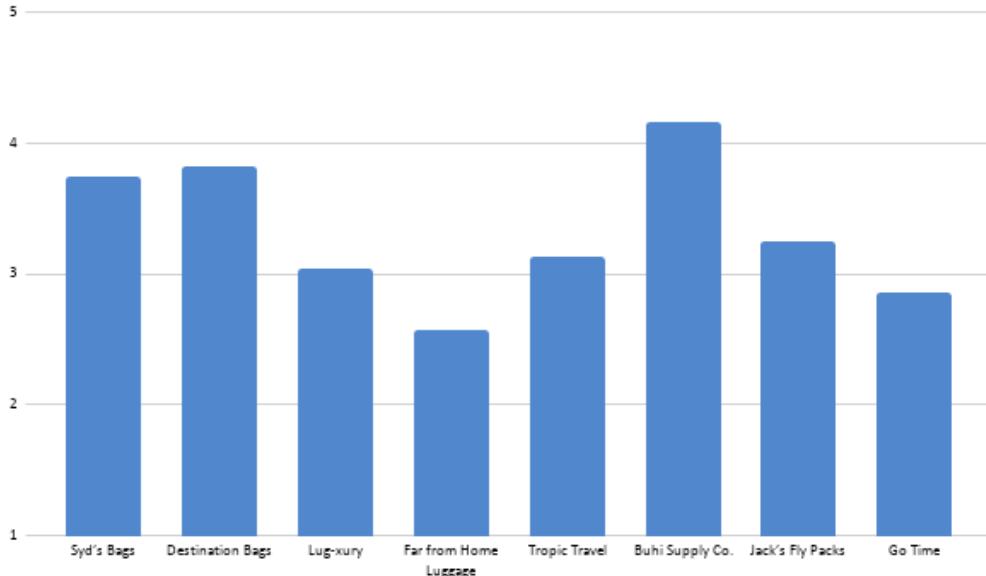
**How many long-range trips do you take per year (e.g., out-of-state trips or trips that require flights and/or long drives)?**

Column 1	Column 2
1	15%
2	30%
3	32%
4	15%
5	3%
More than 5	5%

The majority of respondents report taking 2-3 long-range trips per year, which is a study limitation because Buhi's target market takes four long-range trips per year.

# Detailed Findings

# JIM MARKETING FINAL REPORT

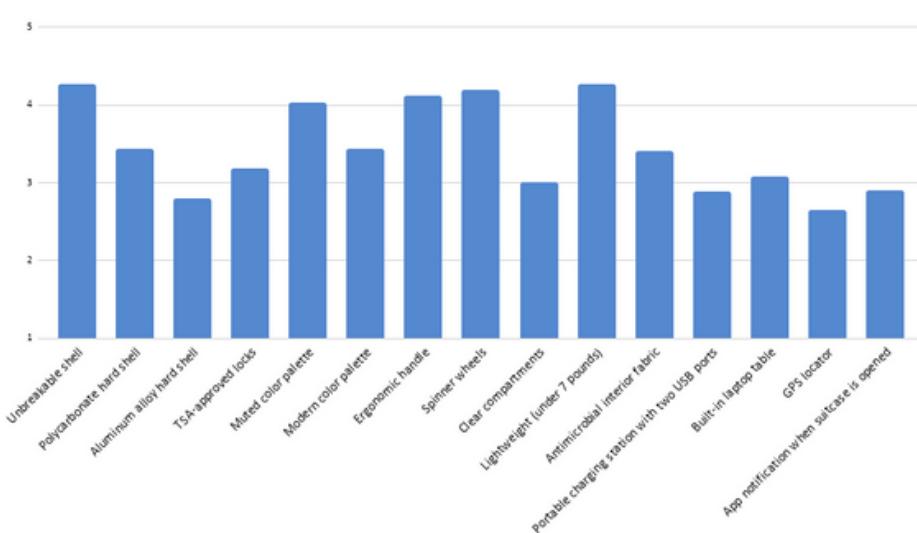
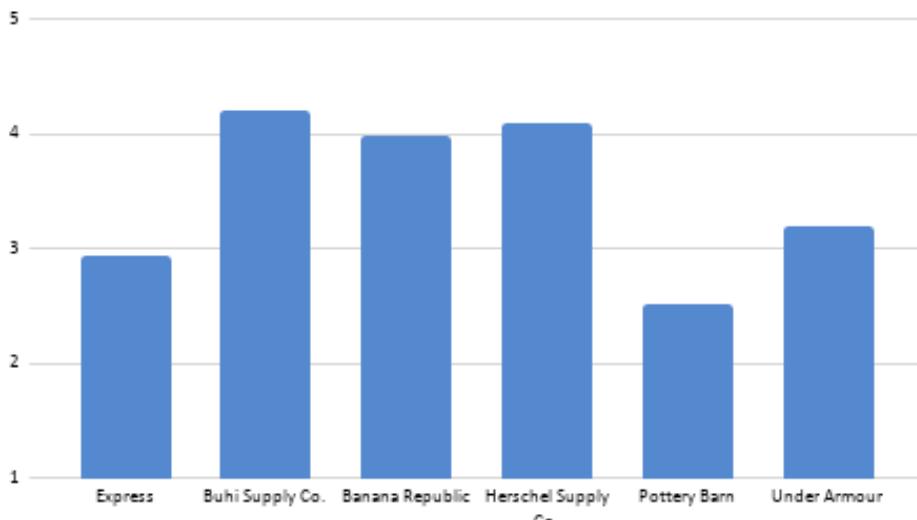


## BRAND QUALITY RATINGS

RESPONDENTS RATED LUGGAGE BRANDS ON QUALITY (1-5 SCALE). BUHI RANKED HIGHEST (4.16), WITH DESTINATION BAGS (3.83), SYD'S BAGS (3.74), AND JACK'S FLY PACKS (3.25) FOLLOWING. BUHI MAINTAINED ABOVE AVERAGE QUALITY AND COMPETITIVE POSITIONING.

## PURCHASE CONSIDERATION

CONSUMER INTEREST IN BUHI LUGGAGE COMPARED TO COMPETITORS WAS STRONG WITH BUHI LEADING (4.21) FOLLOWED BY HERSCHEL (4.09), AND BANANA REPUBLIC (3.99)



## DESIRED LUGGAGE FEATURES

TOP RATED ENTICING PRODUCT FEATURES: UNBREAKABLE SHELL (4.37), LIGHTWEIGHT DESIGN UNDER 7 LBS (4.27), SPINNER WHEELS (4.20), ERGONOMIC HANDLE (4.13), AND A MUTED COLOR PALETTE (4.03). THESE RATINGS HIGHLIGHT KEY DESIGN PRIORITIES FOR CONSUMERS

## Detailed Findings

# JIM MARKETING FINAL REPORT

Durable soft shell **Expander**  
**Cup holder** Motorized wheels  
Tie-down straps **Waterproof materials**  
Bright color **Pockets** Waterproof material  
Pockets  
Side handles **Expander**  
Collapsible luggage  
Durable hardware Internal lights

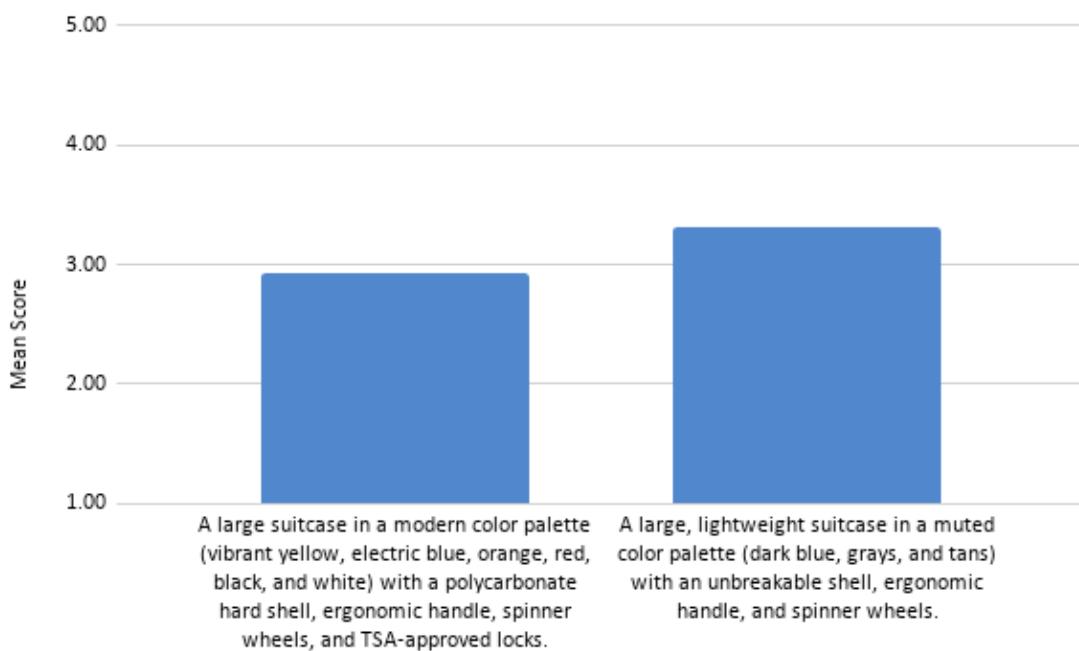
### ADDITIONAL FEATURES OF INTEREST

RESPONDENTS MENTIONED DESIRED FEATURES LIKE POCKETS AND EXPANDERS

### GLOBAL DESIGN PERCEPTIONS

"LUGGAGE INSPIRED BY GLOBAL DESIGNS" WAS ASSOCIATED WITH BEING MULTICULTURAL, FUNCTIONAL, AND VERSATILE AMONG OTHER THEMES THAT COULD AID DESIGN

Professional      High-tech  
Unique      Functional  
Multicultural  
On-trend      Versatile  
Durable Designer      Sustainable

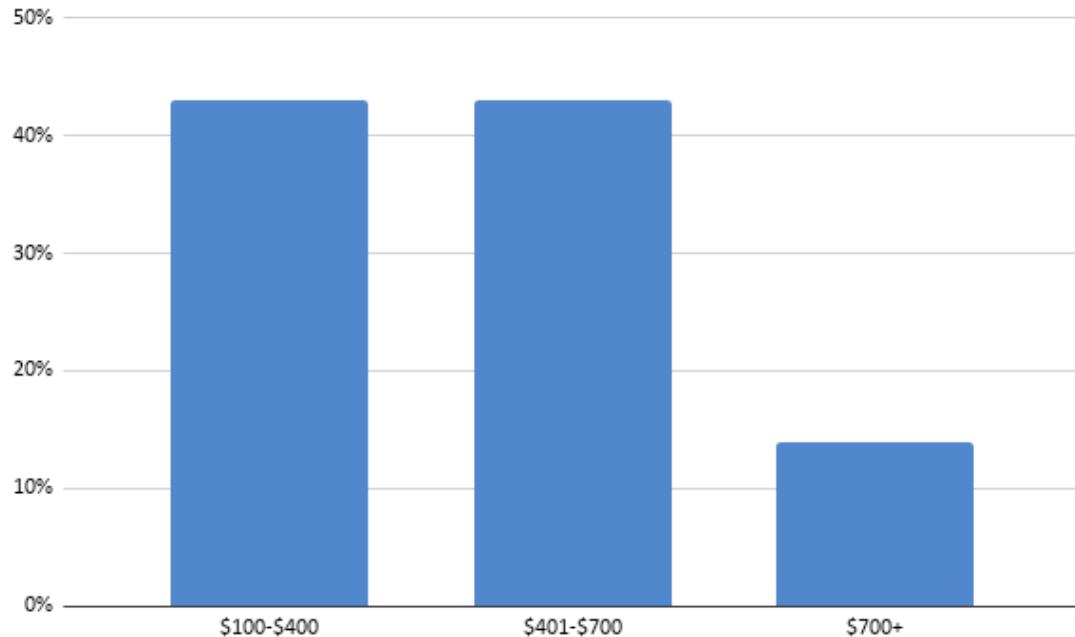


**DESIGN PURCHASE INTEREST**  
GREATER INTEREST IN THE MUTED, LIGHTWEIGHT LUGGAGE (3.31) THAN THE VIBRANT, MODERN DESIGN (2.92)  
--> INDICATING A PREFERENCE FOR SUBTLE COLORS AND PRACTICAL FEATURES.

JIM  
MARKETING  
**FINAL REPORT**

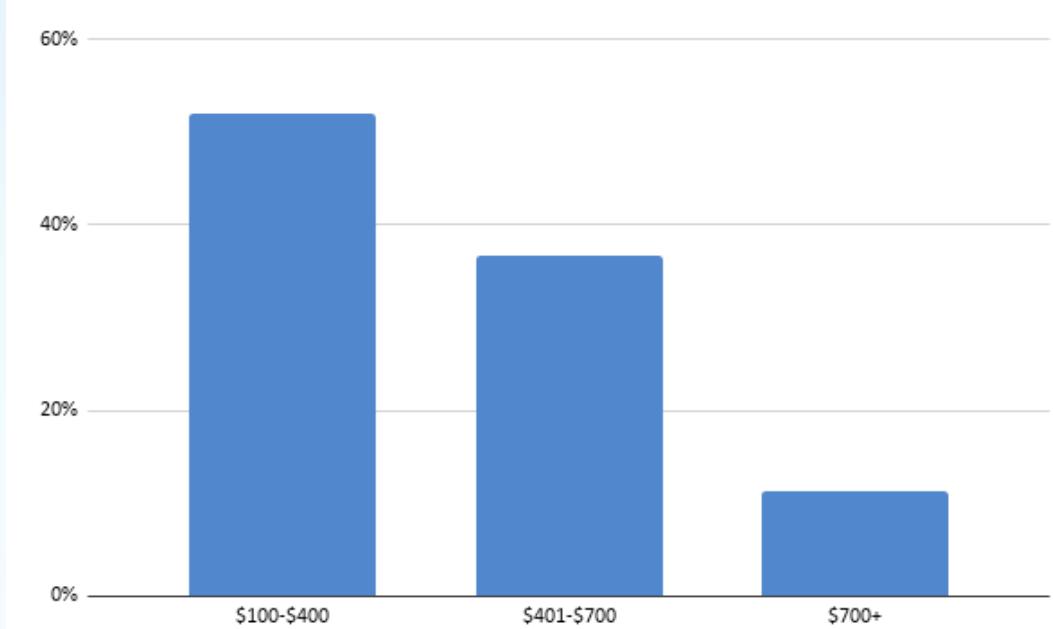
## Detailed Findings

*RESPONDENTS EXPECTED TO PAY SIMILAR PRICES FOR BOTH CONCEPTS*



**EXPECTED PRICE FOR FIRST CONCEPT**  
(36%) EXPECTING \$301-\$400, (33%) \$401-\$500 FOR THE FIRST DESIGN

**EXPECTED PRICE RANGE**  
MOST RESPONDENTS (41%) EXPECTED TO PAY \$301-\$400 FOR THE SECOND LUGGAGE CONCEPT, FOLLOWED BY \$401-\$500 (36%)



# **FINAL REPORT**

## **DIFFERENCES BY SEGMENT & STRATEGIC RECOMMENDATIONS**

<b>Respondent report of leisure and travel activities</b>	<b>Most enticed by (features)</b>	<b>Most enticed by (style)</b>
<\$1,000 per year	Polycarbonate hard shell	Muted color palette (dark blue, grays, and tans), and Modern color palette (vibrant yellow, electric blue, orange, red, black, and white)
\$1,000 - <\$5,000 per year	Polycarbonate hard shell, Aluminum alloy hard shell	Muted color palette (dark blue, grays, and tans)
\$5,000 - <\$10,000 per year	TSA-approved locks, Spinner wheels, Lightweight (under 7 pounds), Antimicrobial interior fabric, Portable charging station with two USB ports, and Notification upon suitcase opening	Muted color palette (dark blue, grays, and tans), and Modern color palette (vibrant yellow, electric blue, orange, red, black, and white)
\$10,000+ per year	Notification upon suitcase opening, Built-in laptop table, GPS locator, Portable charging station with two USB ports, Antimicrobial interior fabric, Clear compartments, Spinner wheels, Ergonomic handle, TSA-approved locks, and Unbreakable shell	Muted color palette (dark blue, grays, and tans)

### **STRATEGIC RECOMMENDATIONS:**

OVERALL, THE DATA INDICATES THAT CONSUMERS WOULD LIKELY BE INTERESTED IN LUGGAGE SOLD BY BUHI. THE FOLLOWING RECOMMENDATIONS ARE TO ASSIST BUHI IN DEVELOPING AND REFINING THE PRODUCT LINE.

# **FINAL REPORT**

## **Competitors**



**GO TIME**  
**ANNUAL REVENUE:**

\$14,000,000.00

**AVERAGE PRICING:**

- **SMALL LUGGAGE:** \$165.00
- **MEDIUM LUGGAGE:** \$255.00
- **LARGE LUGGAGE:** \$340.00

**MARKET PLACEMENT: MID-MARKET**

- **HIGH-QUALITY & MODERN LUGGAGE**
- **SPINNER WHEELS**
- **DURABLE POLYCARBONATE HARD SHELLS**



**JACK'S FLY PACK**  
**ANNUAL REVENUE:**

\$11,000,000.00

**AVERAGE PRICING:**

- **SMALL LUGGAGE:** \$160.00
- **MEDIUM LUGGAGE:** \$260.00
- **LARGE LUGGAGE:** \$345.00

**MARKET PLACEMENT: MID-MARKET**

- **CONTEMPORARY LUGGAGE**
- **SUBTLY PATTERNED INTERIORS**
- **POLYCARBONATE HARD SHELLS**



**SYD'S BAGS**  
**ANNUAL REVENUE:**

\$9,000,000.00

**AVERAGE PRICING:**

- **SMALL LUGGAGE:** \$210.00
- **MEDIUM LUGGAGE:** \$290.00
- **LARGE LUGGAGE:** \$380.00

**MARKET PLACEMENT: MID-MARKET TO HIGH-END**

- **UNIQUE LUGGAGE**
- **PATTERNED EXTERIORS**
- **DURABLE SOFT AND HARD SHELLS**

# FINAL REPORT

TOP FEATURES/ATTRIBUTES AND  
PRICING

## TOP FEATURES

-  **Material:** Polycarbonate hard shell
-  **Color Palette:** Muted (dark blue, grays, and tans))
-  **Handle:** Ergonomic handle
-  **Wheels:** Spinner wheels
-  **Safety & Convenience:** Lightweight (under 7 pounds)

## PRICING

ACCORDING TO THE SURVEY RESULTS, THE IDEAL PRICE  
FOR A LARGE CASE WITH MULTIPLE DESIRABLE FEATURES  
IS

**\$345.00**