EXPERIENCE INSIGHTS #2

DUMBER SCOOTERS

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•TEAM 3•

INTRODUCTION

Dumber Scooters is a start up company that provides an innovative scooter that is a mix between a moped and an electric scooter. It has thick wheeled tires that help provide greater durability. Dumber scooters has gained momentum in Utah Valley. These scooters provide a unique ability to ride on the road even without a license which has increased profit through teenagers and young adults.

Since this company is a start up, we strived to evaluate the effects of customer satisfaction and the word of mouth theory through our survey to find significance through regression analysis. The word of mouth theory entails product promotion through consumers recommendation through conversation with friends or family. We hope that this data can be evaluated and used to help benefit the success of Dumber Scooters to identify areas they could improve to increase profit.

DATA COLLECTION

We gathered data by creating a Qualtrics survey, which was shared with the CEO and then distributed to past customers. The survery was active for two days.

DUMBER SCOOTERS

SAMPLE

The survey that we created was sent out specifically to past and present customers of Dumber Scooters. We chose to target the owners of Dumber Scooters because we knew it would help bring back valid data from those who owned their product and have experienced interactions with their company.

INSIGHTS SURVEY

Our questionnaire consisted of seven concise questions. The first two determine whether word of mouth plays a role **(driver)** and identify for whom the Dumber Scooter was purchased. The next two utilize a five point satisfaction scale to gauge opinions on purchasing experience and product performance **(drivers)**.

The final three questions evaluate the likelihood of customers recommending **(outcome)** the product through inquiring about the number of Scooters owned and gaining insights on what they enjoy about the product.

DEMOGRAPHICS

Ages:

18-24 5%

25-34 11%

35-44 28%

45-54 37%

54-64 15%

65-74 4%

Marrital Status:

Married 45%

Divorced 29%

Widowed 3%

Separated 12%

Never married 11%

Location:

Salt Lake County: 44%

Utah County: 41%

Other: 15%

OPEN RESPONSES

From our open responses we learned that customers who enjoyed the product's features were more likely to say positive things about the product when recommending. Customers also shared that peers were more likely to ask about the product because of the overall look.

INSIGHTS HYPOTHESES

H1: Customers who are recommended the product by a friend (Word of Mouth) are more likely to recommend the product to others.

H2: Customers with a higher perception of service performance are more likely to recommend the product to others.

H3: Customers with a higher perception of product enjoyment are more likely to recommend the product to others.

H4: Customers with a higher perception of product quality are more likely to recommend the product to others.
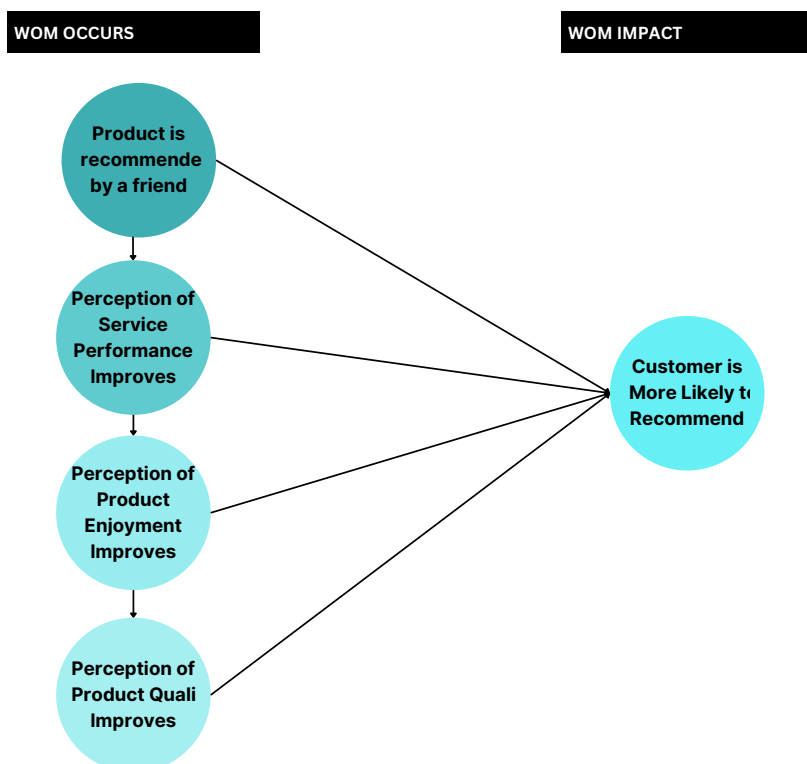
Hypotheseses Diagram

WOM OCCURS

WOM IMPACT

Product is recommende by a friend

Perception of Service Performance Improves

Perception of Product Enjoyment Improves

Perception of Product Quali Improves

Customer is More Likely to Recommend

Figure 1

FINDINGS

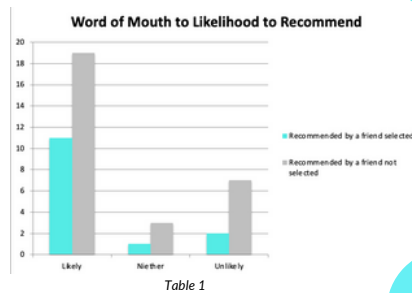**Likelihood to recommend**

Likely	69.8%
Niether	9.3%
Unlikely	20.9%

Mean: 2 (Somewhat likely)
Standard Deviation: 1.39

Our outcome variable is the likelihood to recommend. Almost 70% of customers said that they were likely to recommend Dumber Scooters to others. The average score was a 2, which is being somewhat likely. The average deviation from this average is 1.39.

Recommended by a Friend → **Likelihood to recommend**

P-Value	0.57
R-square	0.004
r	-0.062

Word of Mouth to Likelihood to Recommend
Table 1

There is not a statistically significant relationship between being recommended by a friend and likelihood to recommend

Service Peformance
(Purchasing Experience) → **Likelihood to recommend**

P-Value	0.016
R-square	0.103
r	0.321

Purchasing Experience and Likelihood to Recommend
Table 2

There is a statistically significant relationship between service performance and likelihood to recommend, but the correlation is weak.

Product Enjoyment
(Satisfaction) → **Likelihood to recommend**

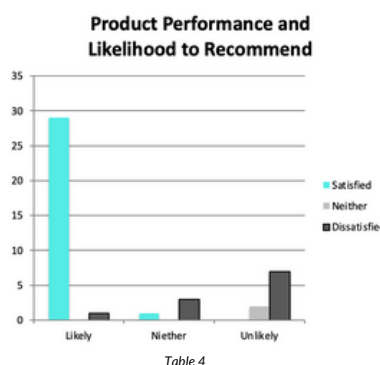|	
P-Value	0.016
R-square	0.103
r	0.321

Satisfaction and Likelihood to Recommend
Table 3

There is a statistically significant relationship between product enjoyment and likelihood to recommend, but the correlation is weak.

Product Quality
(Product Perfomance) → **Likelihood to recommend**

P-Value	0.0000002
R-square	0.751
r	0.866

Product Performance and Likelihood to Recommend
Table 4

There is a statistically significant relationship between product quality and likelihood to recommend, and the correlation is strong.

RECOMMENDATIONS &
KEY TAKEAWAYS

CONCLUSION

After analyzing the data, our team found that purchasing experience and friend recommendation—initially considered key drivers—exhibited weak positive correlations with the likelihood of customers recommending the product to others. Surprisingly, product performance and satisfaction emerged as the standout factor, demonstrating a robust positive correlation with customer recommendations.

RECOMMENDATIONS

Product Performance Focus

Our team recommend a strategic shift aiming at enhancing the performance of Dumber Scooter products. This could involve investing in research and development, technology improvements, or quality assurance measures to ensure that the product consistently meets or exceeds customer expectations. A superior product performance is likely to generate positive word-of-mouth, contributing to increased customer advocacy and potential new customer acquisitions.

Optimizing Customer Touchpoints

Management can concentrate on refining customer touchpoints, streamlining the purchasing process, and addressing feedback to enhance overall satisfaction. Despite weaker correlations than with product performance, a positive and seamless customer experience can still boost word-of-mouth recommendations.

Harnessing Word-of-Mouth Potential

Dumber Scooter should cultivate strong relationships with satisfied customers, encouraging them to share positive experiences on social media and review platforms. Managers can implement referral programs to incentivize recommendations and promptly address customer feedback to build trust. By leveraging the authenticity of word of mouth, the business can organically expand its reach and influence, fostering a loyal customer base and driving growth.*

*Buttle, F. A. (1998). Word of mouth: Understanding and managing referral marketing. Journal of Strategic Marketing, 6(3), 241-254.

APPENDIX

Google doc with calculations

PDF of StatsIQ

Graphs, Kurtosis, and Skewness