



# Goodwill Industries

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Jim Gibbons

President and CEO

Goodwill Industries International, Inc.

15810 Indianola Drive

Rockville, MD 20855

Dear Mr. Jim Gibbons,

Attached are our final reports concerning the perception of Goodwill's brand in the eyes of the public, specifically the millennial generation - our largest target audience. We focused our efforts on evaluating the perception of the retail aspect of Goodwill.

We conducted primary and secondary research, including a focus group of 6-8 millennials and a survey questionnaire with 10 questions. We found that overall a negative connotation outweighs a positive connotation when millennials hear and think of Goodwill as a retail brand. Our sample population related most of their negative experiences with the retail location in Muncie, IN and surrounding areas.

While conducting our focus group, we found that the perception of the Goodwill brand is altered depending on the location. For example, a more negative connotation was associated with the Muncie, IN location, but a more positive perception was associated with the location in Carmel, Ind. We concluded that marketing and public relations strategies should be executed and tailored to different locations.

We also found that a "hit-or-miss" image is strongly associated with the retailer when it comes to product availability and the quality of products. Because this image is contributing to the overall negative connotation associated with the brand, we concluded that increased marketing, promotion and incentive strategies need to be executed in order to increase product and apparel donations.

When the charitable aspect of the Goodwill brand was discussed, our sample population knew about Goodwill's charitable efforts, but hadn't seen it "firsthand." Their perception of the charitable efforts Goodwill partakes in was seen more as "corporate" rather than a "local philanthropic place." They also discussed how volunteer hours aren't easily organized and set up.

In conclusion, we determined that our efforts need to focus on redirecting negative perceptions to positive perceptions among our target audiences through marketing and public relations strategies.

See below for a more detailed look into our research.

Sincerely,

Kendall Davies, Katie Ronzio, Erin Plummer and Logan Jones

**Executive Summary:**

Goodwill Industries International, Inc. is a consignment retailer that aims to “enhance the dignity and quality of life of individuals and families by helping people reach their full potential through education, skills training, and the power of work.” They have job training programs specialized for youth, seniors, veterans, people with disabilities, criminal backgrounds, and other specialized needs. Eighty-nine million employees work at Goodwill across the country and more than 318,000 people were placed into higher employment due to Goodwill’s dedication to professional development.

**Problem Statement:**

The public perceives Goodwill as a second-hand consignment shop instead of a trendy place to buy lightly worn designer clothes, and because of this they are missing an important audience with huge buying power. Millennials feel inclined to help others, so Goodwill should actively publicise not only their trendy product base, but also their mission to help others through meaningful work.

**Program Goal:**

Goodwill aims to increase sales to millennials by 10 percent by June 2017 by creating a better environment, promoting awareness of community initiatives, and offering a wider selection to that audience.

**Target Audiences:**

From our research, we determined that single millennials (18-24) are our target audience because they have a negative perception of Goodwill, but still shop there for specific items. We hope to entice young millennials to shop at Goodwill for trendy clothes and encourage them to volunteer their time there. A secondary audience is in the millennial group, but the older millennials who are settled down with a partner from ages 25-32. They are still interested in serving businesses that give back to the community and are on a

budget. A tertiary audience is millennials interested in volunteering. Although our main goal is to bring revenue to Goodwill, we are interested in bringing volunteers to the organization to satisfy the mission of Goodwill.

## **Research Summary**

### **Report 1 Explanation:**

For the first report we did secondary research on Goodwill Industries, Inc. and the issues that it currently faces as a company. We examined Goodwill's website for information regarding the company's structure, staff, media content, and products that they offer. As a group, we formulated a SWOT analysis as well as conducted further research to help us create a problem statement. Throughout this process, we were able to collect industry data and trends about our audience. Our findings from this research are listed below.

## **Situation Analysis**

### **SWOT Analysis:**

#### **Strengths (Internal):**

- Focused on customers, employees and community
- Specialized programs + training programs
- Job placement for unemployed
- 165 independent locations nationwide
- 42.6% market share in the U.S
- Social media (active, hashtags, campaigns)
- Mission statement & company motto
- Company mission results
- Nets \$4 billion yearly

- Products sold at discounted rate
- Strong branding/logo (92% brand recognition)
- Revamping retail strategy to attract millennials
- Sub-branding (boutique strategy)

### **Weaknesses (Internal):**

- Geography affects products/prices
- Rely heavily on buzz and word-of-mouth
- Rely heavily on quality donations
- Lack of innovation
- Budget limits
- Lack of technology & digital

### **Opportunities (External):**

- Millennials
- Continue being awarded one of “America’s Most Inspiring Companies” by Forbes (increases brand recognition & credibility)
- International market growth
- Donations
- Employee growth
- Public & private grants
- Partnerships with companies who donate or help others donate (Dell, Uber)

### **Threats (External):**

- Hit-or-miss image
- Store/Product image
- Donations

- Economy
- Retail competitors
- Consignment competitors
- Nonprofit money going to executives

We will base our research off of the SWOT analysis we developed for Goodwill Industries. Goodwill has strong brand positioning and brand recognition. They are devoted to improving the lives of people and families around the world. They stick to their values as a company and are devoted to providing more than just products to consumers, but a positive and inspiring life experience. The analysis has shown us that the brand needs to improve their image in the eyes of target audiences and potential consumers. They need to develop a more concrete marketing strategy and not rely so heavily on word-of-mouth and organic following. In our fast-growing world of technology, Goodwill needs to step up their game in the digital world through innovation.

Goodwill has many opportunities. They need to revamp strategies that could change their brand image in the eyes of millennials, America's largest target market. Goodwill is located in eight different countries and has the opportunity to advance in international markets to continue growing their brand recognition. With technology and innovation, Goodwill also has the opportunity to obtain better quality donations for their different store locations. With the help of public and private grants, it can help the company's limited budget and help with funding innovation within the organization. Goodwill needs to be aware of competitors reflecting negative light on their store image.

The state of the economy is something that could greatly reflect the brand and its consumers. Goodwill needs to make sure they are aware of the economy and are prepared for any crises with a set plan. We will focus our efforts on identifying how Goodwill can better target millennials, strategizing ways to enhance Goodwill's brand image in the eyes of current and target publics and revamping their marketing strategies to continue increasing brand recognition.

## **Internal Factors:**

### **Organizational history, services, products, structures, etc.**

Rev. Edgar J. Helms founded goodwill in 1902. He got the idea of a re-sale shop after collecting household goods and clothing from wealthier areas of the city. He would then hire poor people to fix those items so he could re-sale them. Today, Goodwill is a \$4 billion dollar nonprofit organization. Goodwill aims to focus their efforts to helping people in the community. Goodwill runs their company by the quote, "We have courage and are unafraid. With the prayerful cooperation of millions of our bag contributors and of our workers, we will press on till the curse of poverty and exploitation is banished from mankind." Goodwill not only focuses their attention on their business, but also the community.

Goodwill offers a variety of products. Some of these products include men's and women's clothing, children's clothing, shoes, books, household appliances, furniture and home décor. Goodwill offers a thrift store option for people looking to save money on items they purchase. Goodwill currently has 2,500 retail stores in the United States and Canada. They also offer online shopping at [shopgoodwill.com](http://shopgoodwill.com). The sales Goodwill obtains from each store helps fund job training, community programs and expansion. Last year, more than 74 million people donated items to Goodwill. There are currently 165 independent, community based Goodwill agencies that provide job training and job placement. Goodwill has helped people get jobs in manufacturing, healthcare, technology, and numerous others. As far as yearly financials go, Goodwill has generated approximately \$5.37 billion and spends 83 percent of revenue directly on their programs.

### **Key Individuals**

Jim Gibbons: International President/CEO

Brian Itzkowitz: International Board Chair

Lorie Marrero: Organizing Expert/ Goodwill spokeswoman

Evette Rios: Goodwill spokeswoman



**Statistics about the company products/services, resources, staffing, etc.**

2014 Goodwill Industries Annual Report

|   | 2014                 |                     |                    |                      | 2013                 |
|---|----------------------|---------------------|--------------------|----------------------|----------------------|
|   | GII / LLC            | GMJCS               | Eliminations       | Total                | Total                |
| <b>Assets</b>                           |                      |                     |                    |                      |                      |
| Cash and cash equivalents               | \$ 2,978,235         | \$ 1,068,794        | \$ -               | \$ 4,047,029         | \$ 3,317,299         |
| Investments                             | 19,148,646           |                     |                    | 19,148,646           | 21,718,840           |
| Accounts receivable                     | 988,140              |                     | (15,534)           | 972,606              | 825,859              |
| Pledges receivable                      | 15,000               |                     |                    | 15,000               | 658,334              |
| Grants receivable                       | 2,440,325            |                     |                    | 2,440,325            | 1,206,180            |
| Prepaid expenses and other assets       | 647,229              | 10,500              |                    | 657,729              | 520,097              |
| Notes receivable                        |                      | 3,374,388           |                    | 3,374,388            | 2,487,500            |
| Property and equipment                  | 7,822,050            |                     |                    | 7,822,050            | 8,210,894            |
| <b>Total assets</b>                     | <b>\$ 34,039,625</b> | <b>\$ 4,453,682</b> | <b>\$ (15,534)</b> | <b>\$ 38,477,773</b> | <b>\$ 38,945,003</b> |
| <b>Liabilities and Net Assets</b>       |                      |                     |                    |                      |                      |
| <b>Liabilities</b>                      |                      |                     |                    |                      |                      |
| Accounts payable                        | \$ 4,617,521         | \$ 15,534           | \$ (15,534)        | \$ 4,617,521         | \$ 3,174,758         |
| Accrued expense                         | 2,614,155            | 17,456              |                    | 2,631,611            | 2,227,751            |
| Deferred revenue                        | 541,477              |                     |                    | 541,477              | 673,567              |
| Rebates payable                         | 820,000              |                     |                    | 820,000              | 820,000              |
| Notes payable                           |                      | 3,439,945           |                    | 3,439,945            | 2,500,000            |
| Bonds payable                           | 1,400,000            |                     |                    | 1,400,000            | 1,500,000            |
| Interest rate swap agreement            | 48,491               |                     |                    | 48,491               | 72,176               |
| <b>Total liabilities</b>                | <b>10,041,644</b>    | <b>3,472,935</b>    | <b>(15,534)</b>    | <b>13,499,045</b>    | <b>10,968,252</b>    |
| <b>Net assets</b>                       |                      |                     |                    |                      |                      |
| Unrestricted                            | 15,473,071           | 980,747             |                    | 16,453,818           | 15,466,294           |
| Temporarily restricted                  | 7,203,930            |                     |                    | 7,203,930            | 11,221,047           |
| Permanently restricted                  | 1,320,980            |                     |                    | 1,320,980            | 1,289,410            |
| <b>Total net assets</b>                 | <b>23,997,981</b>    | <b>980,747</b>      | <b>-</b>           | <b>24,978,728</b>    | <b>27,976,751</b>    |
| <b>Total liabilities and net assets</b> | <b>\$ 34,039,625</b> | <b>\$ 4,453,682</b> | <b>\$ (15,534)</b> | <b>\$ 38,477,773</b> | <b>\$ 38,945,003</b> |

**Staff:**

Goodwill offers full and part-time employment through their company. They also help people find jobs they are interested in through their placement program.

**Controlled Media Content:**

Goodwill focuses their media content on helping others. They also focus on the highlights of their company. Their most recent news releases discuss how Goodwill received the Henry Viscardi Achievement Award and how Goodwill helps people get money back on their taxes that they deserve for donations. Goodwill also has a strong presence on social media. Their Twitter is very up-to-date and avidly promotes their vision, mission, and the products they sell.

**External Factors:****Industry data and trends**

Continued growth in U.S. income will move more millennials to shop at retailers rather than resale shops, according to an IBIS World Report. Goodwill competes in the resale and thrift market, but they struggle to be seen as a professional development outlet for people who don't always have equal opportunities. They recently received backlash about CEO Jim Gibbons who makes a large annual salary compared to other nonprofit institutions. Goodwill has 90 million donors across the country and contributes 83 percent of its annual profit to educational and professional programs. According to Molly Soat's research for *Marketing News*, Goodwill holds 42.6 percent of the thrift market industry (p. 28), and holds 92 percent brand recognition across the country with 165 independent Goodwill retailers ("Goodwill Industries, Inc: About"). In 2014, the revenue for the resale industry reached \$9.2 billion, with annual growth of 2.3% from 2009 to 2014, according to market research firm IBISWorld. Molly Soat (2015) who contributed to scholarly journal *Marketing News* writes, "As a traditionally functioning nonprofit, and now a forward

thinking retail brand trying to reach a stylish, younger demographic, Goodwill relies chiefly on **social buzz, earned media and word-of-mouth marketing**,” (p. 34). These public relations strategies will be crucial to our infiltration of the millennial market.

### **Stakeholders:**

Within the organization, Charlene Sarmiento, the Public Relations Programs and Spokesperson of Goodwill, is most affected by the problem situation. She is the voice and face of the organization, so the credibility of the company falls on her. Jim Gibbons is the CEO of the organization and he is a key stakeholder because Goodwill hasn't always been seen in the most positive light. Gibbons makes lots of money for a nonprofit organization so millennials, which is our target audience, could see Gibbons and Goodwill as untrustworthy or unauthentic. Other key stakeholders include specialized individuals who work at Goodwill. They rely on Goodwill's programs to develop professionally and gain valuable work experience. Lastly, donors are also stakeholders. Ultimately, since donors serve as suppliers to the organization, the action of the company affect the donors and how much they choose to donate.

### **Audience Analysis:**

#### **Situation:**

Millennials are looking for a great place to get quality items at a low price. Why does the younger generation shop at Goodwill? They want bargains. The problem with our audience is that they don't view Goodwill as a place to get nice, valuable products. Our mission is to get our audience to view Goodwill as a strong competitor in the retail industry by changing their perception of Goodwill's brand image.

Goodwill engages their audience through presence on social media, advertisements, and word-of-mouth communication. These tactics set expectations for their target audience. Through interaction on social media and in stores, millennials and other customers expect great service and quality products as advertised.

The values of the Goodwill brand, as stated in their 2014 annual report, are respect, stewardship, ethics, learning, and innovation. These values are what Goodwill is looking for not only in their company, but in their donors and audience as well. Having these values listed gives millennials an idea about Goodwill as a company and helps set their standards higher when shopping in their stores.

### **Organization:**

The public's relationship with Goodwill is very interactive. There are constantly people communicating and interacting with the company, whether it's online communication or word-of-mouth through the store. Donations are being made every day to support the company and benefit the lives of others. Interactions on social media show that customers love to shop at Goodwill. Goodwill shows that they trust their audience by being very transparent, interacting well with them and offering them a wide assortment of information about their company.

### **Communication:**

Millennials are all about the use of social media. The best way for Goodwill to interact with their target market is through the use of social media and online media platforms. Goodwill Industries joined Twitter in December 2008. They have approximately 25,000 followers and while a majority of their interactions on Twitter are about their charitable work, a lot of their responses are to their customers buying clothes at their stores and the products they sell.

Goodwill is also big on commercials. They really push their advertising on television to target donations with the slogan, "you'll never find a better time to donate to Goodwill." Millennials rely heavily on communication through all forms of media, which is why it's important for Goodwill to target their ads and messages towards that specific audience through those channels.

**Demographics:**

Goodwill Industries should target millennials, ages 18-34, because it is currently America's largest generation. They should specifically target Millennials with an income of \$20,000 or more that are living in urban areas. These crafty Millennials enjoy fashion, trends, bargains, thriftiness and are considered frugal. These target consumers love supporting good causes and helping others. They strongly support and align with the mission, goals and values of the Goodwill brand.

**Personality Preferences:**

According to Pew Research Center, millennials today are confident, connected, and open to change. Millennials also love to express themselves. These characteristics make for a great Goodwill shopper. According to an article by the New York Times, clothing prices at Goodwill usually range from \$7-\$20. This is very affordable for college students who are looking for something cute and fun to wear. Overall, the personalities of the audience fit very well with Goodwill as an organization because the variety of high quality items that the stores offer allow millennials to be confident and unique while expressing themselves.

**Research Summary**

In report 2, we planned a focus group and created questions for our target audience. We discussed perceptions of Goodwill, asked questions about their volunteer programs, and where millennials like to shop. Our focus group proved to be very helpful for our secondary research in report one because it backed up our hypothesis, which is that Goodwill could do a better job at targeting millennials.

## **Results**

The first question we asked the focus group was where they normally shopped for clothes. The answers varied from TJMaxx, Marshalls, American Eagle, and Pac Sun. We then asked why they shopped at those places. The majority discussed how they liked to have high quality items for a great price with lots of selection. A couple phrases such as, "I work at Pac Sun so I get a discount" and, "TJMaxx has a good selection at a cheap price," showed us that as college students, people don't have tons of extra money on hand to spend it on clothes.

The next question we asked was focused in on our actual client, Goodwill. We asked how many of them shop at Goodwill. Five out of the seven participants raised their hands and agreed that they do indeed shop at Goodwill or have before. To get more input and feedback from the participants, the next question asked if they go to Goodwill, what are they looking for. The answers varied from participants to this particular question. One participant in particular said, "I mostly go there when I need something goofy like a costume or if I'm wanting something like grungy. If I want like a big oversized sweatshirt or a couple men's flannels. I don't really go there if I'm looking for like a cute top," (personal communication, February 18, 2016). This feedback was very beneficial to our research because it told us that Goodwill isn't considered a place for the latest fashion that people are looking for. Another participant stated, "I don't really go there for clothes. I go there for more knickknack things like a table or a coffee table, or cheap furniture," (personal communication, February 18, 2016). After further discussion, the participants came to a consensus that Goodwill is a place to find something for a special occasion such as a themed party or a place to find cheap household goods.

To get opinions on what a shopping experience in Goodwill looks like, we asked the participants about an experience they've had at Goodwill and what a typical trip to Goodwill looks like. The group had a general agreement that the Muncie Goodwill was "gross". One participant said, "I also hope I never run into anyone I know," (personal communication, February 18, 2016). After this particular participant made the statement, other participants nodded their heads in agreement. The participants talked about how the

experience is embarrassing unless you're with a group of friends looking for something silly or a costume to wear. Another result we found from this question was that the majority of the focus group go in looking for something specific and if they don't see it, they just leave. They don't go in to thoroughly shop through Goodwill's variety of different things on the shelves and racks.

The results from the previous question led right into the next question we asked the participants which was what is their perception of Goodwill. The group as a whole agreed that Goodwill is somewhere where you can find "hidden gem" or "somewhere where you can be so frustrated because you can't find anything." They also discussed how it's either a hit or miss store. One particular participant said, "You try so hard for the hit that you end up wasting your time if you don't get it," (personal communication, February 18, 2016). One major downfall of Goodwill based on the results was that people agreed that they don't know where the clothes or objects come from and you don't know if they are clean. Insight from another participant was, "I think we have a bad perception of the Goodwill in Muncie, because you know, a lot of the stuff is coming from Muncie locals," (personal communication, February 18, 2016). Overall, people agreed that the location and geography of Goodwill locations make a difference.

After the discussion about the perception of Goodwill, we wanted to see how the participants viewed Goodwill as an overall company that does a lot of community outreach. One participant said, "I know that they do things like that, but I never hear about them. I don't know where I can go to volunteer, I don't know what they're sponsoring, so I hear that they do it, I just don't know about it," (personal communication, February 18, 2016). Over half of the focus group nodded their heads in agreement to the statement. We also asked who donates to Goodwill and six out of seven people raised their hands. Another beneficial response a participant stated was, "I think Goodwill's ideas and what they want to do is really good, but their implementation and leadership behind it is not," (personal communication, February 18, 2016). Another participant agreed with this statement. From further discussion, we learned that people can't just walk in and volunteer at Goodwill. You have to be placed there to volunteer which was a downfall to the participants.

Finally, we wanted to see how Goodwill compared to other resale stores and competitors. We asked how does Goodwill compare to other resale shops? One participant stated, "Like we said earlier, I think Goodwill feels more like a giant corporation rather than a local philanthropic place and as far as comparing it to like Plato's Closet and places like that, I think it feels like not as high class, but those places have more of a filtration process," (personal communication, February 18, 2016). There was a general consensus that Goodwill doesn't really do a good job at filtering what comes in compared to other stores. The participants also talked about how the quality of clothes at Goodwill don't compare to other resale shops. Overall, the participants agreed that they would rather spend the extra few dollars at a resale shop like Plato's Closet where they would actually re-wear items they bought there versus buying something at Goodwill that they would never wear again most likely.

## **Discussion**

After conducting this focus group, it's safe to say that millennials are not very loyal to Goodwill. They will donate when needed just to get rid of their clothes, but that's really all they view Goodwill as when it comes to benefits: a place to get rid of your clothes. "Higher-end" thrift shops like Plato's Closet and retail stores like TJ Maxx are definitely the store preference of choice for millennials when it comes to getting a bargain.

In general, a majority of our focus group members do in fact shop at Goodwill. However, they do not shop there for their everyday clothes. The answers coming from the focus group members were very similar - they shop at Goodwill for random, unique clothing or furniture. One thing we noticed while conducting the focus group was that the members seemed stressed while talking - like they were trying to get their point across to us but seemed stressed just explaining their experiences. One girl in our group even said that she always goes by herself and she doesn't want anyone else to see her there because it's "embarrassing." That is one thing we hope to change in the minds of millennials. We want Goodwill to be associated with good experiences, a clean environment, and a place where millennials can go to get nice clothes at an affordable price.



As we discussed in the results section above, our audience said they are aware that Goodwill “does stuff for the community,” but they haven’t actually seen it first hand. One member said she has tried to volunteer there before, but the process was so difficult because you have to be an employee or have it mandated. In one of our last questions, we asked if anyone was aware of/has donated to “Donation Days” on Ball State’s campus and no one had ever donated. It’s our responsibility to change millennials’ perception and stigma that they have of Goodwill so they can enjoy going there and not think of it as a place just for “knick knacks and clothes for themed parties.”

Overall, our focus group gave us some unique views on how millennials perceived Goodwill. As a generation, millennials are naturally inclined to help others and Goodwill is a great place to start that process. Our mission is to start publicizing the values of Goodwill as a company and start changing the view that millennials have of a company that does so much for the communities they’re located in across the United States.

## **Research Summary**

In report three, we created a survey to verify our focus groups perceptions of Goodwill. We used this survey to more directly identify our target audience and see how their age group affects their perception and shopping habits at Goodwill. The survey consisted of ten different questions based on the NOIR system.

## **Research Procedures**

### **Study population**

The study population consists of millennials in the Muncie and Ball State Community. It would be beneficial for our research to conduct a survey and gain insight from the entire millennial population in different geographic areas, but it wouldn’t be an efficient use of our group’s time and we don’t have the resources to be able to do so. Researching this sample size of the Muncie and Ball State Community will give us the results we need for the entire population.

## **Sampling and recruitment strategies**

We will use a form of probability sampling to gather a sample group for our survey. The specific probability sampling method we will use is systematic sampling. We chose to use a probability sampling method because, “Researchers, especially in such applied fields as political communication, marketing, broadcasting, and public relations, want to be able to make generalizations to large audiences or markets and therefore may put considerable effort into probability sampling” (Treadwell, 2014, p. 138). Since we can’t survey the entire millennial population in numerous geographic areas, we will have to construct a sampling frame of millennials around the Muncie and the Ball State community. This method will allow us to apply our survey results to the entire population. This method of sampling will also be time efficient in our research because we won’t need to get a large sample, but we will need to be prepared to calculate the level of uncertainty that come with our survey results.

The systematic method samples every  $n$ th person on a certain list (Treadwell, 2014, p. 139). We chose this method over the others because we could obtain a list of students from the university in different grade levels, which would be used as our “master list” or sampling frame. The millennial generation is considered to be ages 18-34. Most students are 18 upon entering college, but to be sure, we could request a list of sophomores and above just in case they aren’t quite 18 as a freshman. We could also include graduate students to our list so that we can gain insight from older millennials. Once we obtain the list, we will determine the sampling interval we will use to select our sampling units.

## **Survey questionnaire**

1. What is your current age? This question will let us target on the millennial age group.
  - a. 0-17
  - b. 17-25
  - c. 25-35
  - d. 35 >
2. What is your gender? - Nominal
  - a. Male

- b. Female
- 3. Are you employed?
  - a. Yes
  - b. No

The first three questions are a way for us to understand our audience demographic. From here, the survey moves into more specific questions, which means this is an inductive reasoning survey. This is a cross-sectional survey because we are asking an audience at a specific point in time to answer these questions. [Socioeconomic status](#) is linked to shopping habits so this could affect how millennials interact with brands like Goodwill. These questions set the framework for studying our variables. Questions four through ten are related to the two variables: millennials and Goodwill. Four through ten can track customer experience and how to better that experience, which we ultimately believe is the problem.

- 4. Have you shopped at Goodwill?
  - a. Yes
  - b. No
- 5. How many times have you donated to Goodwill?
  - a. 0-3 times
  - b. 4-6 times
  - c. 7-10+ times

This is a ratio question because it has a true zero and we realize some of our audience members might not donate at Goodwill at all. Donating is part of the Goodwill experience and a lot of our users from the focus group have donated, but wish it was a better process.

- 6. Why do you shop at Goodwill?
  - a. Low prices
  - b. Quality products
  - c. Special occasions (themed parties, holidays, etc.)
  - d. Other (please specify)

This nominal question will help us identify why our target market shops at Goodwill and what specifically to pitch based on that.

7. How would you rank your experience at Goodwill on a scale of 1-5? One being extremely dissatisfied and five being extremely satisfied. (ranking)
  - a. 1 - extremely dissatisfied
  - b. 2 - dissatisfied
  - c. 3 - neutral
  - d. 4 - satisfied
  - e. 5 - extremely satisfied

For question seven, we used a likert interval scale to gage how Goodwill shoppers view their experience.

8. When you shop at Goodwill, what are you usually looking to buy?
  - a. Clothes
  - b. Furniture
  - c. Jewelry
  - d. Electronics
  - e. Never really looking for anything specific
  - f. Other (please specify)
9. Have you ever volunteered for Goodwill?
  - a. Yes
  - b. No
  - c. I was not aware you could volunteer for Goodwill.
10. Is your perception of Goodwill positive or negative?
  - a. Positive
  - b. Negative

Nominal questions eight through ten will gage how our audience interacts with the brand other than just shopping at Goodwill. We learned in our focus group that people don't feel comfortable going there and aren't aware of a lot of the services Goodwill has, so if they were more aware of these surveys and the environment was more friendly, they might be more willing to go. These questions will provide that reasoning.

## **Conclusion**

The results from our research reports have indicated that our audience views Goodwill in a negative light. These research findings have helped our group come up with a solution for their future brand image and consumer perception. Based off of primary and

secondary research, we have indicated that Goodwill must brand themselves as a place where people *want* to volunteer and donate as well as a retail store that attracts millennials and everyday consumers.

To achieve these efforts, Goodwill must provide incentives for volunteers to attract a higher number of donations. Based on our focus group results, millennials weren't aware of their "Donation Days" in the community. To change consumers' perceptions of the stores, Goodwill should consider changing the aesthetics of their store environment. This will make customers feel like they are shopping in a more suitable, fun, and attractive environment.

In conclusion, our hypothesis about millennials and Goodwill were right, so it was easy for us to use millennials as our target audience. Our insights from our research show that Goodwill should focus their marketing efforts on getting millennials to want to come into the store and shop.

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## **APPENDIX A**

Goodwill Industries

(KR) 02/18/16

### **BALL STATE STUDENT FOCUS GROUP**

To: Ball State students

From: Katie Ronzio (Assistants: Kendall Davies, Erin Plummer and Logan Jones)

Date: 02/18/16

Below is the protocol for the Ball State student focus group taking place in the Holden Strategic Communications Center on Thursday, February 18, 2016 at 4:00 pm. We will choose 6-12 students to participate. We will recruit these participants by asking peers in our student organizations, classmates, roommates, sorority sisters, etc.

Members of this focus group were undergraduate students at Ball State. They were considered Millennials and don't have any children or spouses. The group consisted of seven male and female participants. The purpose of the discussion was to get insight on how Millennials perceive Goodwill as a retailer and an organization as a whole. Millennials are America's largest

generation and a huge target market for the Goodwill brand. In order for Goodwill to become a competitive player in the retail industry, it is important to have Millennials on their side. The perceptions of Millennials are important to enhancing Goodwill's brand image and growing Goodwill's brand in general.

This focus group was voice recorded and run by a moderator, an assistant moderator, a recorder and a notetaker. It lasted 45 minutes. Instructions for the moderator are given in CAPS.

Goodwill Industries

(KR) 02/18/16

### **BALL STATE STUDENT FOCUS GROUP**

STUDENTS CONSENTED BEFORE FOCUS GROUP BEGAN and GAVE PERMISSION TO RECORD.

Hello everyone. Thank you for participating in this focus group this afternoon. My name is Katie Ronzio, and I will be the moderator during this discussion. Assisting me is Kendall Davies (assistant moderator), Logan Jones (recorder) and Erin Plummer (notetaker). We're doing research and gaining insight on Goodwill Industries from a Millennial's perspective.

To start, we would like to audio record this focus group so that we can go back to it for reference in our research. Is this okay? [Everyone consented.] We will also be taking notes, but please speak loud and clear when answering our questions so that we can obtain accurate information from your answers when we go back to this recording.



This recording will not be shown to anyone else and will remain confidential. We are simply using it for our personal research reference when writing our reports. Your names will be used in this focus group recording, but they won't be used in our reports.

The focus group will last 30 minutes to an hour. We will simply be asking questions, but we won't contribute to your thoughts or discussions. Please take turns talking so that the video can get accurate answers and clear perceptions from each of you. We hope you find this discussion to be interesting and have fun!

START RECORDER AND TIME

Logan will now start the voice recording to begin the focus group discussion.

Let's begin by introducing ourselves and some background on us. (Continue through group conducting focus group and then participants)

February 18, 2016 by Moderator Katie Ronzio and assistants Kendall Davies, Erin Plummer and Logan Jones.

Start Time - 4:00 p.m.

Sample Focus Group Protocol

Source: Goodwill Industries

1. Where do you normally shop for clothes?
2. Do you shop at Goodwill? Why or why not?
3. If so, what are you usually looking for?
4. Tell me about an experience you've had at Goodwill.
5. What is your perception of Goodwill?
6. How does Goodwill compare to other resale shops?
7. Do you donate to Goodwill? Why or why not?
8. What does Goodwill do for your community?

9. Do you shop at Goodwill for everyday items/clothing or do you purchase items for special occasions? (i.e. Spontos, themed parties, Halloween)
10. What do you know about Goodwill's Donation Days at Ball State?

End Time - 4:45 p.m.

Focus Group Protocol

Source: Goodwill Industries

## **APPENDIX B**

### **SURVEY QUESTIONNAIRE**

1. What is your current age? This question will let us target on the millennial age group.
  - a. 0-17
  - b. 17-25
  - c. 25-35
  - d. 35 >
2. What is your gender? - Nominal
  - a. Male
  - b. Female
3. Are you employed?
  - a. Yes
  - b. No
4. Have you shopped at Goodwill?
  - a. Yes
  - b. No
5. How many times have you donated to Goodwill?
  - a. 0-3 times
  - b. 4-6 times
  - c. 7-10+ times
6. Why do you shop at Goodwill?
  - a. Low prices
  - b. Quality products
  - c. Special occasions (themed parties, holidays, etc.)

- d. Other (please specify)
7. How would you rank your experience at Goodwill on a scale of 1-5? One being extremely dissatisfied and five being extremely satisfied. (ranking)
    - a. 1 - extremely dissatisfied
    - b. 2 - dissatisfied
    - c. 3 - neutral
    - d. 4 - satisfied
    - e. 5 - extremely satisfied
  8. When you shop at Goodwill, what are you usually looking to buy?
    - a. Clothes
    - b. Furniture
    - c. Jewelry
    - d. Electronics
    - e. Never really looking for anything specific
    - f. Other (please specify)
  9. Have you ever volunteered for Goodwill?
    - a. Yes
    - b. No
    - c. I was not aware you could volunteer for Goodwill.
  10. Is your perception of Goodwill positive or negative?
    - a. Positive
    - b. Negative

Survey link:

<https://bsu.qualtrics.com/ControlPanel/?ClientAction=ChangePage&s=DistributeSection&ss=SurveyLink&sss=>

