

Business Plan

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Word count: 2088

Drafting a business plan is arguably the most crucial stage in starting a new company. A business plan will assist the business in identifying potential opportunities as well as other issues that they might run into in their future operations. (Ivy panda, 2023)

Such a plan needs to outline the long- and short-term objectives of the company, as well as the expected market prospects and the goods and services the company will provide. a justification of the tools and strategies the company will use to accomplish its objectives in the face of potential competition. This essay is a business plan about a new opening small business, which is a pet- and eco-friendly coffee shop.(Barrow, et al., 2012, p.12)

There are two good reasons why a small business like this coffee shop should write out a proper plan: first, due to the way bank operations are designed and second, it will aid owners in better understanding their company and the issues facing it. (Blackwell, 2011, p.34)

Over a fifth of coffee users in the UK have four or more cups per day, according to the World Coffee Portal's 2021 poll. This presents a significant chance for coffee shops to flourish. More than a quarter of respondents to the same survey said they went to coffee shops up to three times a week. There are more ways than ever to enjoy our coffee thanks to the growing variety and customising possibilities. Not to mention, the majority of this excellent coffee shop offers a wide variety of food and non-coffee drinks, making them the perfect one-stop shop for a chance to rest and relax. (Anderson, 2023).

Our animals are almost always more than just a pet; they are cherished members of the family, and their status as such is unquestionable. It might occasionally be challenging to organise a trip or go out with the family pet. You should feel free to bring any kind of pet to this coffee shop. The business clearly welcomes pets of all kinds, as seen by sightings of birds, cats, pigs, snakes, and other creatures. To ensure that businesses continue to welcome pets, always remember to pick up after your pet and to abide by the guidelines. (NoticiasFinancieras, 2013)

One of the main customer targets of the business is the psychographic segmentation. It was created in reaction to demographic limitations in the field of behaviour prediction. A person's psychographic profile is created for the segment based on their features according to the AIO model. By monitoring Activities, Interests, and Opinions and combining internal and external influences, the AIO model maps lifestyles. (Nica, Gajanova and Kicova, 2020)

By utilising the coffee shop's offerings and spatial features, business research carries out spatially informed geographic customer segmentation and presents a two-stage business analytics strategy to accomplish it. The company used e-commerce home delivery data from a key partner to apply it to online shopping. The key partner company processes and ships orders from online merchants, and the information they supply covers both products that is, the product categories that each consumer has requested. (Griva, et al., 2022)

In order to build mutually beneficial long-term relationships with target consumers, customer relationship management is a business approach that incorporates social media into the value creation process and encourages voluntary customer involvement activities. (Lee, 2018, p. 94)

Social media is becoming into a more useful tool for business-to-business (B2B) companies. The business of research to date has concentrated on the tactical use of social media platforms, that is, on characterising certain tools to implement a strategy. As a result, social media research in the B2B space lacks a thorough overview from a strategic perspective. In this comprehensive literature review, we attempt to fill in this gap. According to our research, social media was mostly studied in previous B2B studies as a temporary strategy with context-specific drawbacks. (Cartwright, et al., 2021)

The company focuses a lot on various techniques for preparing beverages, such as espresso. Italian espresso is a concentrated drink made in certain equipment with high heat and pressure. Additionally, a layer of foam known as "cream" is created. Using the French press method, medium-sized roasted and ground coffee is directly submerged in hot water for four to five minutes inside the cylindrical glass jar of the French press. The extracted liquid moves to the top of the jar and is ready to be served when the barista inserts a plunger with two sieves at the base, leaving the solid portion in the bottom. Coffee that has been ground and roasted is put in one of the AeroPress's two cylindrical chambers that is directly exposed to hot water. The beverage is removed from the apparatus by the operator manually controlling pressure while pushing a plunger in the other end of the paper filter, which is positioned at one end. The final beverage has a taste that is somewhere between filtered coffee and espresso. (de Figueiredo, Mourad, 2020)

The store sells a wide range of pastries and sweets in addition to a comprehensive menu of culinary items and coffee beverages. This will increase the company's profitability after lunch and after dinner, for example. Customers who are looking to stop by the coffee shop for a quick cup of coffee could be more inclined to indulge in a sweet snack if there is a tempting selection of desserts available. Coffee cakes and muffins are popular pastries at cafes because they are the ideal complement to hot coffee. Additionally, a lot of cafés serve a variety of cakes, cookies, cupcakes, cheesecakes, biscuits, sweet rolls, cinnamon rolls, and other baked goods. (TigerChef, 2024)

The business also focuses on making and selling sandwiches. A tasty sandwich menu will entice coffee drinkers to stop by for a bite to satisfy their afternoon caffeine need and encourage commuters to give your café a special visit. The shop decided to make the sandwiches on its own instead of pre-packed ones. The store may sell its sandwiches as "freshly made" and has greater creative control because it is producing its own. (Freshways, 2024)

Coffee cafes in particular have responded to consumer expectations by providing organic or ethically grown coffee and tea along with locally produced meals and ingredients, in response to the growing consumer concern surrounding green products/services. Apart from providing eco-friendly coffee and tea, the company has implemented other green initiatives such as reusing paper cups, minimising waste through the provision of reusable mugs and tumblers, cutting down on electricity and water usage, and constructing LEED-certified environmentally conscious stores. (Jang, et al., 2015)

Subscription boxes for coffee have become a popular trend, especially as more people look for high-quality coffee experiences at home. Customers can easily experiment with various coffee types and brewing techniques with these subscriptions. Anticipate a rise in coffee shops that provide customised subscription services in 2024, enabling patrons to savour speciality coffee in the comfort of their own homes. In the coffee shop industry, supporting local businesses has gained major traction. A dedication to regional economic growth and sustainability is demonstrated by the emphasis on local support, which is demonstrated by the use of locally sourced foods and the creation of venues that cater to community events. (Befurniture sales, 2024)

The valuable network of suppliers and partners that make the business model work is referred to as key partners. Businesses form alliances for a variety of reasons, and these alliances are becoming the foundation of many company strategies, whether to maximise profits, lower risks, or obtain resources. (Peters, et al., 2013, p.8)

The company made the decision to have a soft opening rather than a grand opening. Their abilities can be put to the test at the front and back of the house, and the shop can determine what needs to be improved. A soft opening provides an opportunity to adjust the business's operations. (McCann, 2023)

It is oversimplified to create a budget by just adding a percentage increase overall because the business already knows what areas need attention. Additionally, it is well recognised that certain expenses—like property taxes and interest rates, for example—are predictable and won't really increase by that much. (Martin, 2019, p.59)

The business is a decent-sized coffee shop. It's almost impossible to give a definitive answer on coffee shop startup costs but, as a very rough guide, the business expects to spend at least £100.000-£150. 000.Startup cost will include the machinery, tables, chairs, crockery, etc. Monthly expenses will be the premises, the business renting, staffing, supplies, accounting, etc. Direct costs will be all the food and beverage costs. (Hawley, 2024).

One of the most popular forms of **coffee advertising** is to give to the customer free samples, at promotion event. This type of marketing plan will add a valuable brand image. Offering coupons to promote the coffee shop. Tyler(2021)

A coffee shop has to make more money than it spends in order to survive, just like any other business. When it comes to the product itself, coffee isn't that expensive. To make a significant amount of money, it must sell a lot of it. On the other hand, the normal coffee shop profit margin is extraordinarily high—90% or higher. The business will do 120% profit margin. As the business will start with a soft opening, it is impossible to give a definite number of revenue streams. The plan is that the business will be profitable in 3 months, where deliveries will start (estimated) and other revenue streams like gift cards, outlets like coffee mugs. (Hendron, 2023)

Starting a business is never easy. Firstly, need to make a good business plan, get financial, find key partners to invest a lot of money into the business. Hire and build up a good trustworthy staff. Set up the shop, social media. Create clientele. Achieve goals. Research what is the new trend. customers like it. Monitoring customer feedback. In business to survive, there are a lot of aspects to consider. The shop must keep quality, to strive to always ensure the usual experience. thus, ensuring the survival and expansion of the clientele.

Designed for: Ka Po Chong

Designed by: Maria Mihaly

Date: 03.02.2024

Business Model Canvas

Key Partners

Who are the partners I rely upon?
What key resources do we acquire from partners?
What key activities do partners perform?

- Coffee bean suppliers
- Local bakeries or food suppliers
- Local organizations or businesses that you can collaborate with on events or promotion

Key Activities

What key activities do our Value Propositions require?
Our Customer Channels?
Customer Relationships? Revenue Channels?

- Brewing high - quality coffee and other beverages
- Managing inventory and ordering supplies to ensure that always have high-quality ingredients and equipment

Key Resources

What key resources do our Value Propositions require?
Our Customer Channels? Customer Relationships?
Revenue Channels?

- High- quality coffee beans
- State of the art machines
- Trained and knowledgeable baristas

Value Proposition

What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve? Which customer needs are we satisfying?
What bundles of products and services are we offering to each Customer Segment?

- Milk alternative and dietary inclusivity
- Coffee subscription boxes
- Menu innovation

Customer Relationships

- Social media
- B2B (Business to business)
- Newsletter
- Events

Channels

- Email newsletter
- TikTok, Instagram, Facebook, X

Customer Segments

For whom are we creating value?
Who are our most important customers?

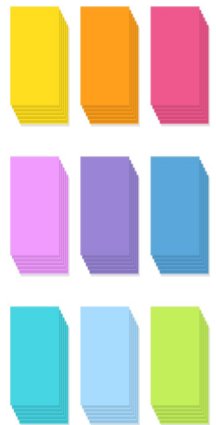
- Focus on psychographic customer segmentation
- Focus on geographic segmentation
- Focus on pet friendly customers

How it works

- 1 Start by entering the information about your business on the header of the canvas.
- 2 Use the sticky stash to fill each section of the canvas. If you're doing this exercise with a group, it can be useful to assign a sticky color to each person.
- 3 Come back to the canvas everytime you need to review or update your business model.

Learn more at <https://conceptboard.com>

Get the full Conceptboard experience by inviting more participants to your board. Just send the URL to your teammates and start collaborating!



Cost Structure

What are the most important cost drivers in our business model?
What key resources are most expensive?
What key activities are most expensive?

- Startup costs: building improvements, machinery and other equipment, kit-out
- Direct costs: Food and beverage
- Monthly expenses: Premises, insurance, salaries, marketing and advertising other

Revenue Streams

For what value are our customers really willing to pay? For what do they currently pay?
How are they currently paying? (for what do they prefer to pay?)
How much does each Revenue Stream contribute to overall revenue?

- Events
- Gift cards
- Alternative streams
- Retail

"Business Model Canvas" is a derivative of "The Business Model Canvas" by <https://www.strategyfirst.co.uk>
"The Business Model Canvas" is designed by Strategyzer AG.

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500-word reflection

My lecturer asked me to take a self-assessment test for the class. I got my How enterprising I am test result, which is occasionally enterprising. I will write about this considering the Gibbs reflective cycle. I got a 57% score, which suggests I have strengths in some enterprising characteristics. It says If I have ambitions to start a small project in my community that represents a minimal risk to my time and money, to build up my experience and expertise. Before I do, I need to learn a lot about business, get more knowledge, experience, raise my skills and board my vision. I am surprised by the result, I thought I would get a higher score than 57 because I've seen myself in my own business as a strong independent leader and a valuable person of an organisational team. I feel surprised and a bit disappointed but also inspired and motivated as I see where I have to raise my skills, improve or make a step back. Since I have been living in England, my self-esteem has gone down over the years as the test shows my self-confidence is not good enough. I still have an optimistic outlook rather than a pessimistic one. I also have a strong task orientation, responsibility and persistence in pursuit of my aims. I like setting challenging but realistic goals. I am opinionated and ready to defend my ideas and views. I have effective time management and an orientation towards the future. (Seven Dimensions, 2015).

As the results tell me I am different and, in some parts, not as good as I thought, I need to analyse myself, my strengths and weaknesses and make the right step to improve. I need to cultivate stronger independent leadership qualities. I have to be more radical, develop my disruptive innovative ideas with key impacts. I'll need to find the best relaxed space to find the best conditions for creativity where I can avoid critical thinking. I need to work on my self-confidence which leads me to doubt that my personal qualities and efforts will help me to achieve my aims in life. I need to believe that I work hard for success, I am valuable and everything that happens in my life or I achieve is not just about luck and fate. (Brieger, et al., p.708)

I must increase my self-confidence, I may need to find another job to achieve more, be able and happy to work as an employee as part of an organisational team or on my own projects. I wish to develop a more innovative approach then I might like to consider developing my own latent creative skills. Following the recommendations of the test, I will do research, analyse and improve my skills, get more knowledge and experience to be more valuable and be a genius as an entrepreneur.

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