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University of Wales
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LCBB5001 Entrepreneurship

Assessment 2 - Business Pitch Coffee Connections

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*Trawsnewid Addysg; Trawsnewid Bywydau
Transforming Education; Transforming Lives*



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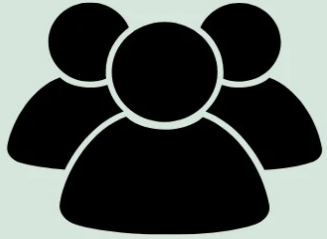
Introduction

- Coffee Connections is a speciality coffee shop seeking to be the neighbourhood gathering place, to bring the community together and provide a wonderful space to work and study.

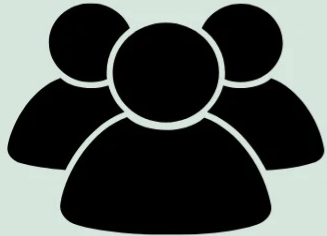


- When you visit a café, a professional barista can produce even the most complex coffee creation with ease - something you won't find at home!
- The quality of coffee on offer at the neighbourhood coffee shop is so appealing that consumers can't get enough. (Esquires, 2024)

Overview of business



THE AVERAGE ANNUAL COFFEE CONSUMPTION PER PERSON IN THE UK IS APPROXIMATELY 528 CUPS FOR 2023, BASED ON 98 MILLION CUPS OF CONSUMPTION EACH DAY.



ABOUT 63% OF PEOPLE IN THE UK DRINK COFFEE REGULARLY, ACCORDING TO A SURVEY BY STATISTA.

- The UK coffee shop culture is growing, with 80% of individuals attending coffee shops at least once a week and 16% visiting on a daily basis. (Balance Coffee, 2024)

(Statista, 2022)

Management team plan

- Daniela Cristina Afiliu - Manager/Owner with hospitality, coffee, and food service background
- Two professionally trained Barista
- Two FOH
- Two Kitchen/Food preparation Staff

Target market and marketing strategy

- Millennials are especially drawn to coffee shops, and they are the most likely of all generations to visit on a regular basis.
(Balance Coffee, 2024)

UK Coffee Consumption Age Groups	Cups Per Age Group Per Day
Traditionalists (72 and older)	2.2 cups per day
Baby Boomers (53-71)	2.2 cups per day
Generation X (38-52)	2.1 cups per day
Millennials (20-37)	1.3 cups per day
Generation Z (Under 20)	0.5 cups per day

Aspect	Home Coffee Consumption	Coffee Shop Consumption
Households buying instant coffee	80% of households	Irrelevant here
Popularity among age groups (home consumption)	Older consumers (65+)	Millennials (16-34) account for 16% of buyers
Daily coffee shop visitors	Irrelevant here	16% of people visit daily
Coffee Machine Sales	Steady sales; 57% drink coffee more than once a day at home	Irrelevant
Most Popular Home Coffee Type	Instant coffee (64% households)	
Millennials' Preference	Less likely to drink at home	Prefer speciality coffee in shops

Competition

- Local independent coffee shops frequently compete with larger national and international coffee chains.

While chains have the advantage of brand awareness and resources, independent coffee shops can carve out a niche by offering a more personalised, community-oriented experience that will attract and retain costumers.

This type of competition isn't about competing against other coffee shops but rather about creating a distinct space for yourself in the market. (eposnow, 2023)

Differentiation strategies



- Product diversification
- Local, certified and ethical products (honey, jams, bakery products)
- Organizing events – the venue can become a welcoming hub for the local community.
- Local artists will be invited to showcase their talents in live acts
- Art exhibitions of local artists will be encouraged
- Coffee tastings and coffee making masterclasses will be organized (Majesty Coffee, 2023)



Funding requirements and allocations

- Asking funds investment of £100,000
- Return of investment of 49% until the invested amount is recovered
- 30% for the following period
- The funds will be allocated to cover the costs for the first six months in order to ensure the licencing documents, taxes, salaries, various equipments, and promotional activities.
- The initial funding will also be used to build well-run operations, to ensure the cafeteria's smooth operation and long-term viability in a competitive market.

Conclusion

With what I am confident to be a good business plan in hand, I would like to move forward and with your trust and funds to transform my passion for coffee, art and social activities into a flourishing neighbourhood coffee shop.

Thank you for your attention!

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