



SPECIALTY COFFEE BUSINESS AND MARKETING PLAN

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- I. Executive Summary~1-2 pages**
(Highlights the entire plan with a general profit/growth and need forecast)
- II. Company Mission~1 paragraph**
(There is power in brevity. Consider one sentence or bullets.)
- III. Goals~1 page**
(Short, specific, general - no measurement.)
- IV. Industry Profile~1-2 pages**
(Only outlined/bulleted key facts about the health and future growth dynamics of the North American Specialty Coffee Industry.)
- V. Company Profile~3-4 Pages**
(To advance your marketing plan to a formal business plan include financials in this section.)
- VI. Competitive Analysis~TBD**
(One completed checklist per competitor in a 3 mile radius.)
- VII. Objectives~1 Page**
(Measurable by dollar/percent/and or time frame.)
- VIII. Strategies~1 Page**
(Directly related to meeting objectives.)
- IX. Tactics~2-3 Pages**
(Promotions aligning to specific strategies including a who/what where/when action list.)
- X. Measurement Methods (ROI)~1 Page**

Business/Marketing Plan Format Guidelines

- Only the executive summary is to be written in prose.
- Pull only key facts and directives from research.
- Format all sections in outline/bullet format for ease of future reference. All directional notations should be deleted from the final document.
- All sections should be tabbed in the final document.
- While chapter sections are structured to never change, ROI and overall direction should be reviewed and changed based on the quickness of opportunity afforded to small businesses.

Marketing Plan

I. Executive Summary

NOTE: The beginning of your plan should summarize your business concept. The executive summary is the first impression your reader receives about your idea. Therefore, it is imperative that it is concise - no more than a page or two. The watchwords for a superb executive summary are to keep sentences short and conclusions powerful and optimistic. It should include answers to the questions below, framed in the form of a 4-5-paragraph synopsis:

1. Provide a key fact overview of the positive growth forecast of the specialty coffee industry and how you fit in.
2. Explain your menu, products and services. Compare to your competition how your business is unique in specific areas.
3. Write a summary of your current and future growth potential plans.
4. Write a brief description of your needs (capital and other resources).
5. Explain the procedures and timetable for repaying investors.

Write the executive summary after you have completed all other sections.



II. Mission Statement

NOTE:

Take the time to make it short and powerful, i.e.:

1. Help People
2. Make Friends
3. Have Fun



III. Goals

NOTE: Write down **ASPIRATIONAL** goals you will aspire to accomplish with your business.

Sample Goals

1. Build a large, solid customer base.
2. Significantly increase customer base.
3. Maintain an industry-high customer retention rate.
4. Always gently up-sell to increase customer tickets.
5. Customer recognizes my business as being their first choice as **THE LOCAL** quality coffee/food and service location.

1.

2.

3.

4.

5.

6.

7.

8.



IV. Industry Profile

NOTE: The object of this section is to give the reader an overall picture of the booming specialty coffee Industry. This perspective will help your audience understand how your business fits as part of the industry. Answering the following questions by framing your responses in the form of an essay.

It may prove helpful to research Specialty Coffee Association of America (SCAA) website, www.scaa.org and industry magazines for better insight into the state of specialty coffee.

1. Given the current trends, show how the coffee industry is still in its growing stages and has yet to peak.
2. What new coffee products or service techniques have recently surfaced that will make your business more attractive?
3. What economic or spending trends can you cite that prove favorable to the specialty coffee industry today?
4. What is the estimated future growth potential of the industry according to economists, SCAA spokespeople, professionals in the industry, etc?



V. Company Profile

NOTE: In one to three pages, outline your business with respect to your ownership, staff, theme, layout site description, menu / prices, goals, and market positioning. This is your *Unique Sales Advantage* over the local competition.

Type of business (café, kiosk, drive-thru, etc.):

Location of business:

Competitive location advantage / disadvantage:



Menu / Prices:

1. Insert full beverage and food menu.
2. After a competitive menu price analysis in a three-mile radius, ADD a menu / price comparison list after your menu listing in this section.

Theme (brand identity):

NOTE: Every specialty coffee retail business has a unique name and / or building and décor theme, i.e. Italian café; cozy home-style; Bigfoot Java drive thru (Neo-Northwest building style), etc. Include signage, lighting, music, menu board, staff uniforms, distinct customer service differences (relationship marketing).

Key company strengths and weaknesses:

Strengths:

- 1.
- 2.
- 3.
- 4.
- 5.

Weaknesses:

- 1.
- 2.
- 3.
- 4.
- 5.



Target Market:

NOTE: Take a day to study your current or potential customers as you complete your competitor analysis in a three- mile radius. Pay close attention to their habits, needs and expectations when seeking a similar product or service. Understanding your primary customer base is critical to an effective marketing plan.

1. Primary Adult Target Customer

Average Age:

_____ 18-24

_____ 25-35

_____ 35-45

_____ 45-55

Percent Male

Percent Female

Percent white collar

Percent blue collar

2. Secondary Adult Target Customer

Age range:

Sex:

Occupation:

3. Tertiary Children's Target Customer

Age range:

Sex:

4. Percent of customer base bringing children to your business %



Staff/Management Team:

NOTE: Describe all the key players in your company. Write a miniature resume for each member of management to explain his or her purpose in the company.

1. How many staff members do you plan on employing?
2. What specific functions will each employee serve (barista, cashier job description, etc.)?

Management:

Name

Title

Role in the company:

Background in the industry:

Name

Title

Role in the company:

Background in the industry:



Formal / Informal Staff Training:

NOTE: Describe the specific training program for:

1. Beverage preparation:

2. Customer service (relationship marketing):

3. Industry, coffee, specific blend knowledge:

4. Up selling technique (sound bites/sales role playing):



Market Positioning

Unique Selling Advantage (U.S.A.)

NOTE: Describe the unique qualities of your menu/product and service in one paragraph. Write it tight and short (sound bite). Your business's U.S.A. succinctly defines how your services and products are unique in your market area.

Environmental/Humanity Contributions:

What social or environmental (Fair Trade, organic, shade grown coffee) factors will contribute to your brand identity?



Optional Business Plan

Company Financial Inclusions

Cover Sheet

If you are appealing to prospective investors, money brokers, bankers, venture capitalists, etc., include a cover sheet, preferably on company stationary and specific to the individual or institution you are soliciting. This will help place your application in a framework of legitimacy. The inclusion of your Company Financials changes the **Marketing Plan** to a **Business Plan**. We encourage you to ask your accountant for assistance if you are unfamiliar with this section.

Keep the cover sheet as simple as possible. Include the following:

Business Information

1. Name of business.
2. Location.
3. Telephone numbers.
4. Contact person (s), including titles.
5. Business paragraph; description of business goals, potential, outlook and your U.S.A. (unique selling advantage) over the competition.
6. Amount of capital required: current and anticipated future needs.
7. Whenever possible state the name or names of persons recommending you to the investor.



Financial Data

NOTE: This is needed to convert a marketing plan to a formal business plan.

Objective: When attempting to gain funding, the right financial data is critical to convince the reader that this plan is financially sound. You must clearly demonstrate how profits and a return on investment will be generated.

Content: Answer the following questions:

1. How much do we need?
2. When and how will the investor be re-paid (investor exit strategy)?
3. Three year “performa” (monthly, quarterly, annual).
4. Projected income statement.
5. Projected balance sheet.
6. Current financial data.
7. Three- to five-year of historical information (personal tax returns).

Financial information

1. Define your financial statement.
2. What are your start-up costs.
3. Funding.
4. Equity-owner investments.
5. Financing.
6. Use of funds.



7. 12-month cash flow analysis: How will you pay creditors/personnel and bills?
8. Sales forecast.
9. Income projection.
10. Operation expenses.
11. Methods of financial reporting you will use.
12. Break-even analysis.
13. Balance sheet - assets and liabilities.

Business Plan Appendix

Objective: Provide any information that supports your plan.

Content: Any information that supports your plan.

1. Letters of recommendation, awards from previous employment.
2. Industry market studies.
3. Brochure or any other promotional pieces.
4. Signed purchase agreements (if appropriate).
5. Examples of operations manual or employee handbook.
6. Brochure or menu of competition.
7. Map of area.
8. Any architectural drawing or blueprints.
9. Marketing materials; logo, press release, grand opening ad, etc.



VI. Competitive Analysis

NOTE: Dedicate one uninterrupted 8-hour day to research your competitors in a three-mile radius. Completely fill out the form below for each competitor. After you have key beverage / food menu items and prices, create a comparative chart to your business.

COMPANY PROFILE FOR:

Type of business (café, drive-thru, kiosk):

Location (advantages/disadvantages relative to your location):

Theme (brand identity):



Menu item/price list

12 oz. beverages:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

16 oz. beverages:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

20 oz. beverages:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.



24 oz. beverages:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Food (comparative and unique):

Strengths:

Weaknesses:



Primary Target Customers

Age range:

Male: % Female: % Family: %

White collar:

Blue collar:

Barista Profile

Beverage preparation: Excellent_____ Good_____ Poor_____

Customer service (relationship marketing): Excellent_____ Good____ Poor____

Up-selling: Yes_____ No_____

Unique Sales Advantage (U.S.A.):

What strategies will you deploy to compete with their U.S.A.?



VII. Objectives

Every objective must be specific to making your goals a reality. Find a central strategy that will serve as your Unique Sales Advantage.

Example:

Goal: Retain an industry high percentage of my customer base;

Objective: Baristas must know 70% of all regular customer names and favorite beverage.

1.

2.

3.

4.

5.



VIII.Strategies

Note: Create one central strategy directly related to each specific objective.

Example:

Objective: Know the first name and favorite drink of no less than 70 percent of your regular customers.

Strategy: Make it a requirement in barista training that they know the first name and favorite beverage of at least 70 percent of their customers.

Objective:

Strategy to accomplish objective:

Objective:

Strategy to accomplish objective:

Objective:

Strategy to accomplish objective:

Objective:

Strategy to accomplish objective:



IX. Promotional Tactics

NOTE: Promotional ideas will help you implement your strategies. Circle any of the following ideas you will use to reach your audience. Local self-marketing ideas are limitless.

- Media Story Placements (newspaper, radio, television)
- Discount coupons
- Brochure (paper, postcard or rack card format for customer menu take away)
- Service organization speaker
- Special events - local artist, performer, author, etc.
- Local business meeting place telephone / mailing invitations
- Active local civic involvement
- Three-mile radius business / customer direct mail / door hangers
- Advertising (newspaper, radio, billboard, television)
- Yellow pages
- Other:



Action Plan

NOTE: Make this plan an instant reality. Define and assign a promotional tactic to THE person responsible, as well as a due date for completion. Try to list 20 or more. It isn't about big money - it's about big ideas!

<u>Promotion:</u>	<u>Person Responsible:</u>	<u>Date Due:</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		



X. Measurement Methods

NOTE: A marketing return on investment (ROI) analysis plan is critical to keeping your goals and objectives on course. ROI tools:

1. Print advertising coded coupon tracking.
2. Cost analysis of public relations ROI by comparing free television / radio / newspaper story placement with the same time and space if it were bought as advertising (industry average \$3 value to every \$1 spent).
3. Customer opinion polls.
4. Sales analysis tied closely to promotional activity.