



Team Caribou Coffee

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1. Executive Summary

Team Caribou, the agency formed by the University of North Florida's fall media planning class, has created a communications plan to promote as well as increase sales for Caribou Coffee. This agency will focus primarily on reinforcing the brand's presence in the Midwest via advertising in Midwest magazines and on television programming that focuses on this market. The agency's secondary focus will be to expand the presence of the brand on a national level via advertising on national television programming as well as a minor campaign in a national magazine.

Team Caribou has developed a communication campaign that targets adults ages 18-35 of the student and working classes with an annual household income of at least \$30,000 because this demographic group is most likely to drink coffee and relies more heavily on caffeine than other age groups.

Based on our research of sales in 2011 for Caribou Coffee our marketing objective is to increase consolidated sales by 15% and to increase coffee house sales by 5%. In order to achieve these results, the agency will use a budget of \$50,280,000 to reach 60% of the target audience and achieve a frequency of 2.

A pulsing schedule will be used to meet the above stated goals. The agency chose this type of scheduling in order to balance need for additional advertising during the winter months, when coffee sales are at a premium, with the need to advertise throughout the year to expand brand recognition.

The campaign will use advertising techniques to create a stronger brand image, increase sales, along with gaining new customer awareness. Caribou Coffee campaign will span the time frame of one year, with specific emphasis on winter and holiday themes, to increase demand for hot beverages and warm breakfasts during the winter months.

The agency suggests a media mix that includes: Midwest magazines (Midwest Living and Midwest Outdoors), Midwest Television (NASCAR Sprint Cup Texas and College Football AFT L Michigan/Iowa), a national magazine (National Geographic Traveler) and Network Television (NCIS and The OT).

The local segments of this media mix are suggested to ensure a reach of both male and female consumers as well as sports fans. This is achieved by carefully selecting one magazine that primarily targets women (Midwest Living) and one that targets men (Midwest Outdoor) as well as focusing on sports television programming, which is consistently at the top of the rating charts. For specific circulation details of the above mentioned magazines see Appendix A.

On the other hand, the national segments of this media mix will ensure an expansion of brand recognition for Caribou Coffee by introducing new consumers to the product. This will be achieved by relying heavily on television advertisements during programs that have consistent high ratings. For this reason, the agency chose to advertise during NCIS and The OT. In addition, a small campaign in a national magazine (National Geographic Traveler) will be used to ensure enough market saturation.

2. Situational Analysis

Industry/Company Overview

Specialty coffee has been a strong market for over 20 years. “From 1985 to 2005, the specialty coffee business rose from a multimillion dollar industry to a multibillion dollar industry” (Roasted Coffee, 2009). The number of Mom-and-Pop coffeehouses increased 40 percent, from 9,800 to 14,000, in the United States during a five year period (2000-2005). Specifically, Starbucks—the number-one specialty coffee retailer in the nation—tripled in size (Specialty Coffee, 2009). The current trends in the industry deal mainly with the atmosphere within the stores that customers visit. Places such as Starbucks and Caribou Coffee offer free Wi-Fi in order to provide an environment that is conducive to relaxation while simultaneously providing a connection to the work place. Caribou prides itself on the aspects it believes Starbucks lacks, such as a focus on customer service, a higher quality product, and a commitment to sustainable agriculture. Currently, Caribou is going through a re-branding process aimed at appealing to “a more contemporary, less regional” customer base (O’Leary, 2010). The company is seeking to “elevate its positioning in the marketplace with a new look and greater focus on the customer experience” (Brandau, 2010).

Caribou Coffee was founded in 1992 by newlywed-couple, John and Kimberly Puckett. Inspired to start the business while on a trip to Alaska, the Puckett’s opened their first coffeehouse in Edina—a suburb of Minneapolis, Minnesota. They successfully opened multiple Caribou locations in the Twin Cities area and soon expanded to other markets in the Midwest. In 1996, the fast-growing franchise got a makeover. Originally employing a more urban look, Caribou changed its brand image and the interior of its coffee shops to reflect a more rustic, “ski-lodge” theme. “The change differentiated Caribou from Starbucks and brought the concept more in line with the experience that originally inspired Kim and John Puckett’s enterprise” (Caribou Coffee, 2009). In 2008, Caribou was “the nation’s second largest U.S. specialty coffee company with 490 coffee houses and more than 6,600 employees” (Specialty Coffee, 2009).

Product Review

The campaign emphasizes the service that consumers can expect to receive when they visit a Caribou Coffee location because this aspect of the coffeehouse experience has been part of Caribou from the beginning. By continuing to develop its rustic, “ski-lodge” theme and focusing on exemplary service and a high-end consumer experience, the product will be highlighted in the minds of consumers.

Secondarily, the campaign will focus on products that are available for purchase from Caribou’s online store. Although, this is not the most important aspect of the campaign, the agency is aware that enticing a consumer to visit a brand’s website can be a vital first step in capturing a consumer.

One example, of how Caribou Coffee currently gains exposure in the Midwest is via its partnerships with sports teams such as the NFL’s Minnesota Vikings and the Twins MLB baseball team. These partnerships have provided incredible exposure for Caribou Coffee in the recent years and represents to the agency that a continued presence in sports media is of utmost importance regarding the advertising of this brand. In addition to traditional advertising techniques, Caribou Coffee has employed the use of several alternative advertising strategies such as a presence on the sides of city buses and light rail trains to help reach the goal of widening their current market.

Competitive Review and your Competitive Advantage

- *Important direct and indirect competitors*
 - Caribou Coffee's competitors include Starbucks, McDonald's, and Dunkin Donuts. Starbucks and McDonald's represent Caribou's direct competitors, and Dunkin Donuts, the indirect competitor.
- *For each competitor, focus should be on factors such as sales, market share, growth, key benefits, positioning, advertising and promotion budget, promotion program mix, message and media strategies, and overall assessment of strengths and weaknesses. Who are the primary and secondary competitors? What images do they convey in their advertising and promotional materials and on their website (if applicable) versus the image your product/service conveys? What do they promote as their distinctive competencies? Is there a difference between consumers' perception of the competition and the way the competition is promoted (their positioning strategy)? From your perspective and the objective information you have evaluated, what are the actual competitive advantages of your product/service and that of the competition?*



1971
We start by selling coffee beans in Seattle's Pike Place Market.



1987
We add handcrafted espresso beverages to the menu.



1992
We become a publicly traded company.



2011
We mark 40 years and begin the next chapter in our history.

- The primary competitor of Caribou Coffee is

Starbucks. With a logo as iconic as its name—so iconic that the newest logo features very little actual text—Starbucks claims to offer a selection of the highest quality Arabica coffee beans and continues to raise the bar of coffee standards throughout the industry. Starbucks offers a variety of specialty drinks as well as snacks and coffee related accessories and equipment. Many of the items offered in the retail store are:

- Freshly brewed coffees
- A variety of Italian-style espresso drinks
- Cold blended beverages (Frappuccino)
- A selection of premium teas
- Packaged roasted whole bean coffee
- Fresh pastries and other food items
- Coffee grinders and coffee-making equipment
- Special jazz and blues CDs
- Via Ready Brew
- Viviano Smoothies

Despite Starbucks popularity, Wall Street believes that the company is in quite the predicament. This is due to the fact that McDonald's is more readily available (has more locations nationally and around the globe) and offers premium coffee at a lower price than Starbucks—even specialty drinks.

However, the value of Starbucks' stocks is based almost entirely on same-store growth. This is Starbucks' saving grace when it comes to earning money for its investors because it allows Starbucks to turn a profit without having to directly compete with the vast number of locations McDonald's has. Regardless, Starbucks' goal is to reach 40,000 locations worldwide.



- Caribou Coffee's second leading competitor is McDonald's. The emerging McDonald's coffee beverage line includes lattes, cappuccinos and iced brews in 9,000 US restaurants. A sample of beverage options at various McDonald's locations includes:
 - Freshly brewed coffees
 - Iced Coffees
 - Specialty Drinks-Cappuccinos, lattes ect
 - A selection of flavors to be blended with any coffee beverage

The emerging line is surprisingly considered to have a high quality taste by consumers. Bloomberg reports that in March, a Consumer Reports taste test of basic black coffee found McDonald's stronger blend beat Starbucks, [Burger King Holdings Inc.](#) (NYSE: [BKC](#)) and Dunkin' Donuts Inc.

In regards to the McDonalds logo, it has become a symbol of international business expansion and has been termed 'part of Americanization and American cultural imperialism' because it is closely identified with the US. The famous Golden Arches in McDonald's logo represent style, significance and a strong brand identity. It was created by Jim Schindler in 1962 and the idea was first introduced by Dick and Mac McDonald as arch-shaped signs on the sides of their then 'walk-up hamburger stand'.

From an angle, those arch-shaped signs looked like the letter "M" and thus, were incorporated in the McDonalds logo by merging the two signs into one double arch. The "McDonald's" name was later added to the McDonalds logo in 1968. While the physical arches are not as common today in the various locations building designs, the Golden Arches have remained in the McDonalds logo, and have made the company one of the most recognized international brands.

- Caribou's indirect competitor is represented by Dunkin Donuts because although Dunkin Donuts does serve coffee, the main focus of the company is the food, especially breakfast items. However, Dunkin Donuts still controls a small portion of the coffee market and warrants attention. Dunkin Donuts tends to focus on traditional coffee over specialty drinks. This distinction between Dunkin Donuts and Caribou Coffee or Starbucks is what makes Dunkin Donuts an indirect competitor. Its logo is not as well known as those of Starbucks and Caribou Coffee but still holds strong within the market.

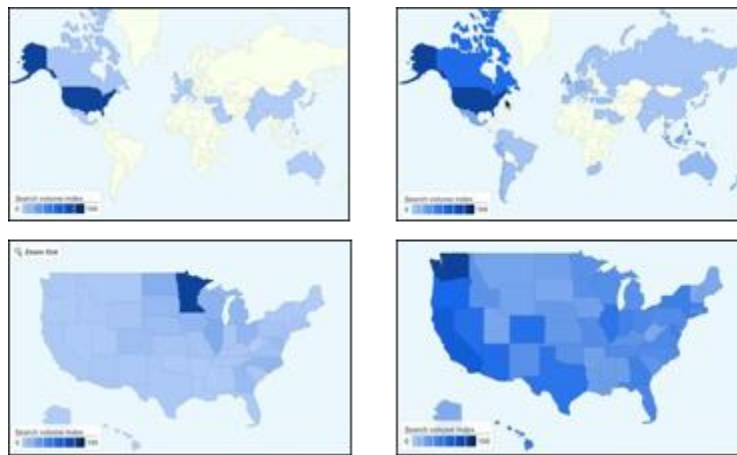
3. SWOT analysis

A. Historical Strengths

Caribou Coffee has become the second largest gourmet coffee provider in the United States by targeting a niche customer base and providing them with “a more refined customer ‘experience’ from the more standard versions offered by Starbucks.” (Reid)

B. Historical Weaknesses

Caribou Coffee has focused on a regional customer base, which limits its growth as a company because Caribou Coffee is only exposing itself to a very narrow target audience. Until recently, the company has focused their branding efforts in the Midwest and Southeast. To illustrate the narrow geographical reach of Caribou Coffee we can compare their reach to that of their primary competitor, Starbucks. Below, we can see that Caribou Coffee does not even reach half the geographical area of Starbucks as depicted in Case Study: Caribou Coffee v. Starbucks. (<http://sites.google.com/site/seoanalysisnow/case-study-caribou-coffee-vs-starbucks>)



(The above image illustrates the difference in geographical density of online visitors between Caribou Coffee [on left] to Starbucks [on right] both globally and in the US)

C. Identified Strengths

Caribou Coffee's focus on customer service, a higher quality product and sustainable agriculture set it apart from other specialty coffee shops. To repeat, it has cornered a niche of the market that desires a more robust experience than offered by the standard Starbucks.

D. Identified Weaknesses

Although Caribou Coffee's ability to capture a niche market is in some ways a strength, Starbucks' projected growth as a global brand may threaten brands that rely on capturing a niche market. In this way, relying on a niche can be viewed as a weakness (Reid).

E. Environmental opportunities and threats

1. Risk of new entry by potential competitors

The specialty coffee industry has become a billion dollar industry. As mentioned in the situational analysis, Starbucks has tripled in size from 2000 to 2005. In addition, mom-and-pop coffee shops have expanded by 40% in the same time period. As such, the risk of entry by potential competitors is great; however, due to the greatness of the lead industry competitors it would take a good deal of time for any new entry into the market to catch-up. Therefore, the risk they represent for Caribou Coffee is low.

2. Degree of rivalry among established companies

Starbucks and McDonalds are Caribou Coffee's lead competitors and the degree of rivalry between these 'big three' is heating up. Caribou Coffee is currently aiming to broaden its customer base which involves taking some of the market share from their top two competitors. As such, the degree of rivalry is hot, and getting hotter.

3. Bargaining power of buyers

The bargaining power of buyers refers to the choices the consumer conforms to when making a purchase. Their decisions impact the market if enough of the target audience decides to purchase or not purchase the same product. Each brand only has as much power as the consumer decides to allow it to have. For Caribou Coffee this means that as the company attempts to expand its geographical reach, it will only succeed as far as the consumer base is willing to substitute Caribou Coffee for Starbucks and McDonalds.

4. Bargaining power of suppliers

The bargaining power of the suppliers has a direct effect on what consumers purchase. If Caribou Coffee can offer a product equal or better in quality as Starbucks and McDonalds at a lower cost than suppliers will choose to sell Caribou Coffee over that of their competitors. This would cause Caribou Coffee to be more available to the consumer. The bargaining power of the supplier is one way in which Caribou Coffee can indirectly affect the bargaining power of the consumer.

5. Threat of substitute products

Substitute products for coffee include tea and energy drinks. While the threat of tea is minimal, the threat of the rising energy drink trend is a concern for specialty coffee shops. The energy drink sector has experienced phenomenal growth since the mid- 1990's and shows no sign of slowing down. In 2008 alone, the industry grew 10.7% at home in the US and 27.8% internationally. (Hanson Natural)

F. Competitive position

Overall, Caribou Coffee is in a moderately strong competitive position. There is definitely the potential for Caribou Coffee to grow geographically by expanding their target audience and brand recognition; however, Caribou Coffee has their work cut out for them if they plan on catching the specialty coffee giant, Starbucks. If Caribou Coffee plans to compete more directly with Starbucks, its business plan will need to be modified to include a broader target audience. The weaknesses of targeting a niche will need to be addressed while keeping the brand in line with its already established image.

4. Marketing Objectives

Based on our research of sales in 2011 for Caribou Coffee our marketing objective is to increase consolidated sales by 15% and to increase coffee house sales by 5%. In order to achieve these results, the agency will use a budget of \$50,280,000 to reach 60% of the target audience and achieve a frequency of 2.

A pulsing schedule will be used to meet the above stated goals. The agency chose this type of scheduling in order to balance need for additional advertising during the winter months, when coffee sales are at a premium, with the need to advertising throughout the year to expand brand recognition.

The campaign will use advertising techniques to create a stronger brand image, increase sales, along with gaining new customer awareness. Caribou Coffee campaign will span the time frame of one year, with specific emphasis on winter and holiday themes, to increase demand for hot beverages and warm breakfasts during the winter months.

5. Advertising Objectives

Our primary objective is to increase consumption of Caribou Coffee throughout the Midwest region of the United States because the brand is already well known in this area. The goal is to increase reach, in this area, to 50 and to obtain a frequency of 2. The idea is to reinforce the brand in an area where Caribou Coffee is already popular. This goal will be reached by advertising in select Midwest magazines and television programming that is aimed at this region. The secondary advertising objective is to expand Caribou Coffee's brand recognition across the nation. The specific goal is to obtain a reach of 65 and a frequency of 2 for a national audience. In this case, the idea is to introduce Caribou Coffee to a new audience and to encourage the audience to consider Caribou Coffee in the future. This goal will be met by focusing on national television series and sporting events, along with a small national magazine campaign.

6. Creative Strategy

The theme for Caribou Coffee as we approach the winter months is going to be a winter/holiday theme. This theme will help along with the increase demand for a warm beverage and hot breakfast while it is cold outside. This theme is proposed in addition to general advertising done throughout the yearlong campaign. Our creative strategy includes: a) A sweepstakes where people create their own holiday jingle for the brand and the winner gets their jingle and themselves feature in the next campaign, b) holiday specific products to compete with Starbucks seasonal pumpkin latte, c) A buy one get one free deal such as purchasing a sandwich and getting a free coffee, and d) to start a customer's reward card with point values for every purchase and rewards for reaching a certain amount of points.

7. Media Objectives

A. Target

- Team Caribou has developed a communication campaign that targets adults ages 18-35— with a total target population of 308,746,000—within the student and working classes that earn an annual household income of at least \$30,000 because this demographic group is most likely to drink coffee and relies more heavily on caffeine than other age groups.

B. Overall Media Budget

- Our budget is \$12,570,000 per quarter or in other words, \$50,280,000. This number was based on the fact that Caribou Coffee's net sales for the third quarter of 2010 were 70.2 million dollars. Based on this number, we subtracted operating expenses of \$25.1 million and general and administrative expenses of \$7.4 million. This gave us a spendable income of \$37.7 million dollars. We decided that we would use 1/3 of the spendable income budget on our advertising campaign. Since \$37.7 million is per quarter, this gives us \$12,570,000 for 1/4th of our campaign.

C. Target audience coverage

- During the non-winter months, March through October, we would like to reach 65% of our target audience and obtain an average frequency of 2 in order to reinforce the brand's image and relationship with consumers that already purchase Caribou Coffee products. During the winter seasons, November through February, we would like to increase our reach to 80% of our target audience an average of 3 times because of the high demand for coffee during the colder winter months. Also, the winter is viewed by the agency as the best season to expose new consumers to the product.

D. Rationality

- We will be primarily focusing the advertising campaign on the Midwest region of the United States. Advertisements will appear mainly in magazines such as "Midwest Outdoors" and "Midwest Living." Also, the advertisements will appear on Spot/Cable television programs such as the "Nascar Sprint Cup (Texas)" and "College Football ATFL (Michigan/Iowa)". The local segments of this media mix (above) are suggested to ensure a reach of both male and female consumers as well as sports fans. This is achieved by carefully selecting one magazine that primarily targets women (Midwest Living) and one that targets men (Midwest Outdoor) as well as focusing on sports television programming, which is consistently at the top of the rating charts.

E. Seasonality

- In order to increase consolidated sales by 15% and to increase coffee house sales by 5%, the agency chose this type of scheduling in order to balance need for additional advertising during the holiday season, when coffee sales are at a premium, with the need to advertising throughout the year to expand brand recognition.

8. Media Strategy

A. Media Mix

- *Target audience's use of media class (Quintile Ranking)*

Prior to discussing the Quintile Ranking, it must be noted that the target population is 308,746,000 (US Census Bureau, 2010) and that the total population for all product users within quintiles 1 through 5 is 15,437,000. In addition it must be noted that the populations for each ranking, beginning with Quintile 1 and progressing chronologically through Quintile 5, are as follows: 64,837,000—61,749,000—58,661,000—52,486,000 and 37,050,000.

In addition it is vital to know the number of product users within each quintile population. For the first quintile 5,619,000 use the product, in this case Caribou Coffee. The second Quintile has 4,122,000 product users. The third quintile has 2,516,000. The fourth—2,300,000 users and finally the fifth quintile has only 880,000.

In order to more easily understand the figures mentioned in the above paragraph, they can be converted into a percentage by dividing them by the total population of users within quintiles 1 through 5, mentioned above. For example, to find the percentage of users within the first quintile divide 5,619,000 by 15,437,000 and multiply the result by 100. The percentage of users in the first quintile comes out to be 36.4 percent. If the users of the remaining quintiles were figured into percentages they would read, respectively, 26.7 percent, 16.3 percent, 14.9 percent and 5.7 percent.

Next, the percentage of a specific demographic that use the product can be determined by dividing the population of each quintile by its respective total population. For example, to find the percentage of a specific demographic that use the product within the first quintile divide 5,619,000 by 64,837,000 and multiply the result by 100. The percentage of a specific demographic within the first quintile is 8.7 percent. If each quintile is calculated the same way, the results would be, respectively, 6.7 percent, 4.4 percent, 4.4 percent, and 2.4 percent.

Finally, the rate of usage in each demographic segment compared to the average usage rate in the population is called the index. The index can be calculated by dividing the percentages of the specific demographic found in the last paragraph by the maximum percentage of the specific demographic that will use the product. For example, to find the index of the first quintile divide 8.7 by five. The percentage of a specific demographic within the first quintile is 174. If each quintile's index is calculated the same way, the results would be, respectively, 135, 88, 88, and 48. In order to interpret the indexes, note that 100 is considered to be the average rate of use within the total population. This means that if the index is larger than 100, the average rate of usage in that particular demographic segments is higher than the average usage of the total population. The opposite is true if the index is less than 100.

For a simplified chart of these calculations see Appendix B.

- *Advertising Objective*

We are focusing on increasing awareness of the brand nationally as well as increasing Caribou Coffee's share of the market in the Midwest. In order to accomplish this, the media mix we have chosen focuses equally as heavy on network television and magazines (30% of the budget on each). In addition, the media mix encompasses cable and syndicated television, albeit a smaller concentration (20% of the budget on each).

- *Creative Constraints*

Caribou Coffee's image of a ski-lodge themed specialty coffee shop is better portrayed in vivid magazine prints, especially full-page 4-color ads. On the other hand, Caribou Coffee's focus on customer service and sustainable agriculture is better communicated via television. As a result, the media mix focuses heavily on both of these mediums. The vivid magazine prints will appear mainly in Midwest magazines such as "Midwest Outdoors" and "Midwest Living". However, the print ads will also appear as part of the national campaign in "National Geographic Traveler". (MRI+) Television Ads will appear primarily on the Network Television shows "NCIS" and "The OT". In addition, the ads will appear on Spot/Cable Television programs: "Nascar Sprint Cup (Texas)" and "College Football AFT L (Michigan/Iowa)". (Nielsen)

- *Budget Constraints*

As discussed earlier, our advertising budget is \$12,570,000 per a quarter or \$50,280,000 per a year. (Restaurant Financials) Due to the fact that our campaign has both a national focus and a regional focus, network TV advertising and magazine advertising are both very important. Network TV is expensive to purchase but due to the high rate of exposure an ad receives while running on the networks the cost per a thousand (CPM) is very low, which means that we can reach the maximum amount of people for a low cost per an exposure. Meanwhile, magazine purchases are expensive and have a high CPM but in our case these purchases are necessary to reach our regional audiences in the Midwest. This high cost is why we will be focusing on only three magazines, previously name in the section above.

B. Scheduling

The campaign we are designing for Caribou Coffee will be weighted heavily during the winter months. The goal is to effectively compete with Starbucks' Pumpkin Spiced Latte. In line with this, we will be using a pulsing schedule. This means that our campaigns will be a mix of continuous and flighted inserts resulting in "heavy-ups".

C. Weighting, Reach and Frequency

The Midwest market should receive more weight than others because that is where Caribou Coffee is already established and actively competing with Starbucks. In addition, the winter season, with a focus on the holidays, should receive more weight than other seasons because it is the season that best embodies Caribou Coffee's image as well as compliments the products Caribou Coffee sells. Our national reach and frequency goals are 65% and 2, respectively. In regards to spot advertising, we want to reach 80% of the target audience but maintain a frequency of 3.

9. Implementation and evaluation

A. Suggestions for Vehicle Selection for each selected medium

Team Caribou has developed the following recommendations to help expand the success of Caribou Coffee. These are suggestions that would benefit the company down the road. The agency suggests a media mix that includes: Midwest magazines (Midwest Living and Midwest Outdoors), Midwest Television (NASCAR Sprint Cup Texas and College Football AFT L Michigan/Iowa), a national magazine (National Geographic Traveler) and Network Television (NCIS and The OT).

The local segments of this media mix are suggested to ensure a reach of both male and female consumers as well as sports fans. This is achieved by carefully selecting one magazine that primarily targets women (Midwest Living) and one that targets men (Midwest Outdoor) as well as focusing on sports television programming, which is consistently at the top of the rating charts. For specific circulation details of the above mentioned magazines see Appendix A.

On the other hand, the national segments of this media mix will ensure an expansion of brand recognition for Caribou Coffee by introducing new consumers to the product. This will be achieved by relying heavily on television advertisements during programs that have consistent high ratings. For this reason, the agency chose to advertise during NCIS and The OT. In addition, a small campaign in a national magazine (National Geographic Traveler) will be used to ensure enough market saturation.

In addition to the traditional forms of advertising, the agency suggests implementing the use of two alternative advertising methods. The first of these methods is a voluntary mailing list for customers that are interested in receiving information on upcoming promotions along with new products that will be offered throughout the year. This would require Caribou Coffee shops to have a sign-up form for consumers to fill-out, the main information being their email address. For convenience, this form would be available online as well. Consumers whom sign-up would be privy to member-only discounts in addition to being the first to know about upcoming public promotions and events.

The second form of alternative advertising, suggested by the agency, is a Business Card Drawing. The goal would be to attract more working class individuals to the coffee shop, specifically in the morning on their way to work or in the evening on their way home. These individuals would be able to drop their business card into a drawing bowl every time they came to Caribou Coffee. Every three weeks the store would draw a business card and the owner of that card would receive a free breakfast meal and regular premium coffee.

The agency recommends the use of these two alternative advertisements because they cost very little and engage the consumer in the brand. By executing these recommendations Team Caribou hopes to increase sales and raise new customer awareness.

Media Mix Table

| | Local Magazines(000) | Nat'l Magazines(000) | Network TV(000) | Spot/Cable TV(000) | Alternate Advertising(000) | Total (000) |
|-----------------------|-----------------------------|-----------------------------|------------------------|---------------------------|-----------------------------------|--------------------|
| Caribou Coffee | 12345.8 | 3538.8 | 22330.8 | 8568.5 | 517.5 | 47301.4 |

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11. Appendices

Appendix A

| Publication | Region | Circulation Total | Circulation Percent |
|------------------|------------------------------|-------------------|---------------------|
| Midwest Living | East S. Central | 13,228 | 1.38% |
| Midwest Living | East N. Central | 557,388 | 57.99% |
| Midwest Living | Pacific | 11,064 | 1.15% |
| Midwest Living | New England | 2,109 | 0.21% |
| Midwest Living | Mountain | 14,743 | 1.54% |
| Midwest Living | Middle Atlantic | 6,616 | 0.68% |
| Midwest Living | West N. Central | 319,534 | 33.25% |
| Midwest Living | South Atlantic | 17,996 | 1.87% |
| Midwest Living | West S. Central | 18,099 | 1.88% |
| Midwest Living | Poss. Other Areas Total | 960,796 | 99.97% |
| Midwest Living | 48 Conterminous States Total | 960,237 | 99.91% |
| Midwest Living | United States Total | 960,777 | 99.97% |
| Midwest Living | Grand Total | 961,060 | 100.00% |
| Midwest Outdoors | East S. Central | 2,870 | 11.12% |
| Midwest Outdoors | East N. Central | 15,221 | 58.98% |
| Midwest Outdoors | Middle Atlantic | 128 | 0.49% |
| Midwest Outdoors | Mountain | 111 | 0.44% |
| Midwest Outdoors | New England | 18 | 0.07% |
| Midwest Outdoors | Pacific | 70 | 0.27% |
| Midwest Outdoors | West N. Central | 6,431 | 24.93% |
| Midwest Outdoors | South Atlantic | 865 | 3.35% |
| Midwest Outdoors | West S. Central | 85 | 0.32% |
| Midwest Outdoors | Poss. Other Areas Total | 25,799 | 99.95% |
| Midwest Outdoors | 48 Conterminous States Total | 25,792 | 99.93% |
| Midwest Outdoors | United States Total | 25,799 | 99.95% |
| Midwest Outdoors | Grand Total | 25,811 | 100.00% |

| | | | |
|------------------------------|------------------------------|---------|---------|
| National Geographic Traveler | East S. Central | 22,054 | 3.08% |
| National Geographic Traveler | East N. Central | 94,864 | 13.26% |
| National Geographic Traveler | Pacific | 141,922 | 19.85% |
| National Geographic Traveler | New England | 40,105 | 5.61% |
| National Geographic Traveler | Mountain | 53,640 | 7.51% |
| National Geographic Traveler | Middle Atlantic | 105,816 | 14.80% |
| National Geographic Traveler | West N. Central | 41,781 | 5.84% |
| National Geographic Traveler | South Atlantic | 125,371 | 17.54% |
| National Geographic Traveler | West S. Central | 55,181 | 7.72% |
| National Geographic Traveler | Poss. Other Areas Total | 682,418 | 95.44% |
| National Geographic Traveler | 48 Conterminous States Total | 673,846 | 94.24% |
| National Geographic Traveler | United States Total | 680,734 | 95.20% |
| National Geographic Traveler | Grand Total | 715,037 | 100.00% |

Appendix B

| | Total US Population (000) | A (000) | B--Vertical | C— Horizontal | D--Index |
|------------------------------------|--|--------------------|--------------------|--------------------------|-----------------|
| Total Target Population | 308,746 | 15437 | 100 | 5 | 100 |
| Quintile 1 | 64837 | 5619 | 36.4 | 8.7 | 174 |
| Quintile 2 | 61749 | 4122 | 26.7 | 6.7 | 135 |
| Quintile 3 | 58661 | 2516 | 16.3 | 4.4 | 88 |
| Quintile 4 | 52486 | 2300 | 14.9 | 4.4 | 88 |
| Quintile 5 | 37050 | 880 | 5.7 | 2.4 | 48 |