

Industrial business essay



**ASSIGN
BUSTER**

We walked along the street with a map of the area and we used a key to show what the land use was mainly prioritised for. This was all noted down by using a tally chart.

This method was chosen I can see what most of the land in the area is used for. Whether it is used for shops, recreational facilities etc. It can help This would be significant as Coffee Republic would want to locate where there isn't a lot of other coffee shops and a place where there is a lot industrial business in the area and where the economy is high. EQI (Environmental Quality Index) Primary Quantitative - All answers are in numerical format, also qualitative as it shows my personal opinion of what the environment is like. As a class we came up with a range of aspects which we would look at to come to a decision about the quality of the environment. I rated them from a scale from positive to negative - 5 to +5, with 0 being neutral.

For example, we rated litter and congestion. This scale allows for plenty of differentiation. I can determine whether the overall environment is positive or negative from adding up the scores for the EQI. It can demonstrate whether a particular aspect of the environment may need enhancing.

From my data, I can compare my results with other peoples to ensure more reliable results. This is important as Coffee Republic would want to locate in an area that has a good, positive environment. Interview Primary Qualitative - As the questions answered are from the individual being interviewed and the answers given are normally more than one word answers. I went into a local Coffee shop in Finchley Central and approached the manager asking

permission to conduct an interview. Once I acquired permission I conducted the interview asking open-ended questions to gather more information.

This was useful as it helped me gain the opinion and information from someone who is well established in the espresso industry and is my main source of qualitative data. This allowed me to analyse whether Finchley Central would be suitable for a new Coffee Republic franchise. Photographs Primary Qualitative – Because it was my personal photo that was taken. By taking a photo using a digital camera. I chose this method because it can give us information in a more attractive way and can have more visual impact if it is in the form of a photograph. By taking pictures, it can help me to find out about any potential competitors to Coffee Republic and can show me how much of a threat it is by seeing the size of the shop and its facilities.

Census data Quantitative – All the results gathered are in numerical format and can be put into graphs easily. By gathering a PDF document from the Barnet website. I chose this method as it give me vital information about the area's demography, e. g. income, population.

This data can be used to find out about the market that Coffee Republic may want to tap into. This can also be put forward as a factor of location as they would want to locate near an area where there are a lot of offices or shops, so they have access to a lot of disposable income to spend on indulgences. Overleaf, I have annotated our data collection sheets for the Environmental Quality Index and the traffic and pedestrian survey in depth, to explain each part of the sheet and what it means. The majority of people asked said that

they do drink coffee, it can show us that there are definitely potential customers out in this area; 70% according to this data.

With the vast number of coffee shops already in the area, and the majority of residents that said yes to drink coffee, it would indicate that locating a new Coffee Republic in the area is a sound business decision. This pie chart shows us negative feedback which will not be beneficial to Coffee Republic as they seek their potential customers. This would be negative feedback as the highest proportion of the pie chart is taken up by the option of 'never'. This means that the majority of people asked do not have an interest in coffee, which means that passing trade may be low. However, there is still a high amount of people who said that that they go out for coffee occasionally and weekly, which taken together can show us that there is still a high possibility of potential customers, which mean there can still be positives taken from this data.

Nevertheless, the amount of people that said they never go out for coffee is alarming, and can show that out of the P's, place would not be suitable. The most common answer among people here, 40%, is that they were willing to spend from £1.50-£1.99 for a cup of coffee. Therefore, if a new Coffee Republic franchise was to open in Finchley Central, they would have to think carefully about their pricing strategies. For example, price skimming would not be suitable as people are not willing to spend large amounts of money on coffee.

Furthermore, a pricing strategy like competitive pricing cannot be used as the competition in the area is very limited, as there are only mostly local

cafés and small coffee shops. This tells us that Finchley Central does not have an upper-class market and is occupied by working-class people, so a more respectable pricing strategy will have to be considered to meet the wants of the people. By looking at these, we can see that the two most popular coffee shops with the people of Finchley Central are Costa and local cafés, as we can see they take up the highest proportion in the pie chart. This indicates that a lot of people asked are not interested in the branded coffee shops apart from Costa; which then shows that maybe locals would rather go to a cheaper local café than a branded coffee shop. This would then demonstrate that it would be a sound business decision to locate a new Coffee Republic franchise as there would not be a lot of interest in branded competition. This would mean that Coffee Republic would need to sell their beverages at low prices to keep local interest high; to stop them going to a cheaper local café.

Overall, this would suggest that Coffee Republic would be very popular in the area as it is a major coffee/espresso brand as there are no existing brand names like this in Finchley Central. The most common beverages other than coffee drunk at local coffee shops are tea and juice. This indicates that the majority of people prefer to have hot drinks when they visit coffee shops. Of the other beverages that are available, frapuccino is the least preferred. In terms of most favoured food, the most popular among the people asked was a sandwich.

The results for the food were very close as it seemed that every type of food listed on the questionnaire was preferred by a lot of people. Nevertheless, the least popular food was a pastry. From looking at this graph, it suggests

that as well as targeting people that drink coffee, Coffee Republic will need to consider targeting a large variety of people such as young children and the elderly, who will not be allowed or not be able to drink coffee, who would rather have a more suitable food or drink such as juice or a sandwich. Coffee Republic would additionally need to consider when they sell their extra beverages or food; as juice and water would usually be popular in summer due the hot weather, whereas tea would usually be associated with winter, so Coffee Republic are likely to sell more tea in the winter than the summer.