

The coffee company: a successful e- business to an existing storefront

[Business](#), [Company](#)



Abstract

Through the dawn of the Internet, numerous possibilities were presented in the world of the web in endless permutations. One of these includes the very successful industry of E-commerce. The Coffee Company, a Melbourne-based Gourmet Coffee and Tea Company, is distinguishing the various market opportunities in the e-commerce retail and service environment with the use of the Market Opportunity Analysis. It is an outline evaluation process which covers numerous concerns and issues of company business potency and ultimately determines whether a certain company holds the necessary tools to respond to market needs and customer wants.

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The Coffee Company, belonging to the retail and service industry of the gourmet coffee and tea sector, holds key opportunities to consider. Sustainable growth and success for the business may be obtained by these opportunities being identified to be available and viable. In definition, “ a marketing opportunity is an area of buyer need and interest in which there is a high probability that a company can profitably satisfy that need” (Kotler, 2006, p. 55). Through the use of the Market Opportunity Analysis (MOA), there are five main points to identify, all of which present an evaluation process in determining promise and possibility (Kotler, 2006). First, “ Can the benefits involved in the opportunity be articulated convincingly to a defined target market(s)?” (Kotler, 2006, p. 55). Second, “ Can the target market(s) be located and reached with cost-effective media and trade channels? ” (Kotler, 2006, p. 55). Third, “ Does the company possess or have access to

the critical capabilities and resources needed to deliver customer benefits?” (Kotler, 2006, p. 55). Fourth, “ Can the company deliver the benefits better than the actual/potential competitors?” (Kotler, 2006, p. 55). Lastly, “ Will the financial rate of return meet or exceed the company’s required threshold for investment?” (Kotler, 2006, p. 55). The questions stand; Can The Coffee Company address all these concerns?

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Through capitalizing on the strong reliability of e-commerce, The Coffee Company holds the capability to service customers who are not only coffee and tea enthusiasts and prefer in-store purchases, but also those who rather choose to enlist their orders online. Having established a website, The Coffee Company offers its customers a wide array of information. With just a few clicks, customers can access the company background, the coffee bean and tea selection in terms of stock with description and tips, coffee and tea hardware and accessories, and news and current updates, which are all important in their decision making (The Coffee Company, 2004b). Having also incorporated a secure system gateway payment arrangement, The Coffee Company does not only offer assured convenience to its customers, but it also guarantees that the credit card information they disclose are only used per transaction basis. This addresses a particular market which consists of customers who favor browsing the website first for research then purchasing after, and/or those who are unable of in store-visit and purchase, which accounts for a significant part of the company’s revenue. Since the company’s main venue in servicing the customers is through the use of its

website, maintenance and optimum performance of the website are indeed crucial to communicate and secure the customer needs. Securing anti-virus software also keeps the website free from any web distraction that could hinder business relations with the customers. Hence, considering the services the company offers and resources that it has, The Coffee Company answers Questions 1 and 3 of the Market Opportunities Analysis. The firm has the ability and capability to deliver benefits to its specific target market all through their website.

The company's profit and loss statement reflects relatively low cost outlay, thus answering Question 2 since the website proved to be a truly cost effective medium for garnering sales profit. Addressing the concern in Question 5, the over-all return in investment came to \$74, 400, which show that the firm incurred minimal costs which include establishment, on-going costs, upfront expenses, and operational expenses amounting to \$2000, \$400, \$3600, and \$2000 respectively, translating to a very promising financial rate of return (The Coffee Company, 2004, n. p.). Improving the website in terms of detail content and in listing Internet Search Engine for increased web traffic answers the concern in Question 4, for the firm realizes possible challenges in improving its website and its visibility among present and potential customers while still keeping that competitive edge among its competitors.

The Coffee Company uses the wonders of e-commerce to its full potential. The ability to read opportunities and needs of the market has been their secret for success.

References

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