

Marketing coffee shop analysis flashcard



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Group 1 Coffee Shop Analysis: Dunkin' Donuts Intelligentsia Starbucks Group

Members ##### # # \$ Marketing 452: Principles of Retailing

Instructor: **** Tuesday, April 28th, 2009 Table of Contents Executive

Summary In the coffee industry, the three retailers, Dunkin' Donuts, Intelligentsia, and Starbucks, all have their own unique style to attract consumers. To better understand and observe the elements of coffee retailers, we selected two locations from each retailer to perform our research. First, we collected menus to determine the products, depth of assortment, and product preparation.

Secondly, we conducted customer interviews to determine the customer base, frequency of visits, average spending habits, customer insight and preferences. Additionally, we gathered promotional pamphlets, photographs, store layouts, placement, product displays, and store information. Topics discussed include the analysis of each chain's history and official goal, marketing mix, consumers, human resources, financials, and recommendations for each retailer. Each coffee retailer focuses on a different aspect of the business to satisfy the consumer's needs.

First, Dunkin' Donuts is known as the world's largest coffee and baked goods chain with the on-the-go coffee stop that provides customers with a wide variety of beverages at the most competitive price. Dunkin' Donuts lacks where their competitors capitalize. Some examples include, Dunkin' Donuts needs to create a "coffee shop" feel or a more personal setting to attract a more relaxed atmosphere and a diverse audience. Dunkin' Donuts also should consider expanding into the natural or organic market and becoming a part of the "Go Green" movement.

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Dunkin' Donuts could increase their customers with just a few changes to their strategy. Second, Intelligentsia is reminiscent of small town, low-key European cafe with its smaller menus in place of the overwhelming menu hanging behind the counter. Intelligentsia provides customers with fair trade and organic coffee to customers that want more of the “ local” coffee shop feel instead of corporate giants such as Dunkin' Donuts and Starbucks. For Intelligentsia, gaining and maintaining a loyal customer base requires consistency. The stores should uphold consistent hours for all locations.

Intelligentsia should increase their advertising, especially for their gift cards. To avoid costs and subtly promote the company, Intelligentsia could utilize word of mouth advertising. Lastly, Starbucks provides customers with top-of-the-line specialty beverages and encourages customers to relax and enjoy their beverage within their coffee shop. Starbucks is known as the coffee giant, but only offers one brewed selection, the Pike's Place blend. Starbucks needs to increase the variety of coffees they brew everyday to please a wider coffee drinker base.

The best way to alternate the coffee selection would be to propose a “ coffee of the week” rotation. Next, as part of the “ Go Green” movement, Starbucks should start a marketing campaign targeting the environmental benefit of using its travel tumblers as well as using ceramic mugs while drinking their beverage inside the store. Lastly, another way to attract new customers could also be to have special promotional events. They could sale apparel and accessories. This could serve as a form of free advertising for the company as well.

By observing all three retailers and their practices, each retailer can draw in on one another to draw in new consumers and increase profitability for their company using the same techniques their rivals have been capitalizing on. We have established and collected primary and secondary data, translated our observations into conclusions, and presented an analysis and recommendations on how competing coffee retailers can improve upon their image, marketing mix, and human resources to ultimately become a more profitable retailer in the coffee industry. Introduction to Industries pic]

History In 1950, Dunkin' Donuts was founded by William Rosenberg in Quincy, Massachusetts. Today, Dunkin' Donuts is a subsidiary of Dunkin' Brands, Inc. , a consortium of private equity companies including Bain Capital, The Carlyle Group, and Thomas H. Lee Partners. Dunkin' Donuts is known as the world's largest coffee and baked goods chain who serves over three million customers daily. Dunkin' Donuts has 52 different types of donuts accompanied with over a dozen coffee beverages, a selection of bagels, breakfast sandwiches and flatbreads, and other baked goods.

The company's year-end numbers for 2008 state, the integrated stores, Dunkin' Donuts and Baskin Robins, are 100 percent franchised. Together, the stores are present in a total of 14, 848 locations in 44 countries worldwide, including 9, 087 stores in the U. S. The total global system-wide sales were \$6. 9 billion for the company's year-end of 2008. There are over 8, 300 locations in 30 countries with more than 6, 000 stores in the U. S. Dunkin' Brands strives to lead and build brands that exceed its customer's expectations of a traditional quick service experience to deliver best-in-class menu items to eat, drink, and enjoy.

Mission Statement Dunkin' Brands goes beyond fast food to deliver innovative product choices at the right price served fresh, meeting the needs of people who are busy living. Website <https://www.dunkindonuts.com>

Locations 1. 1575 South Michigan Avenue, Chicago, IL 60605 2. 39 West Jackson Boulevard, Chicago, IL 60604 Hours of Operation 1. Open 24 hours a day 2. Open 24 hours a day Phone Number 1. 312. 447. 0951 2. 312. 939.

3133 Google Earth Location and Store Layout Location 1: [pic] [pic] Location 2: [pic] [pic] [pic] History

Intelligentsia Coffee was founded in October 1995 by Doug Zell, Emily Mange, and Geoff Watts. The basic principle this company is to buy, roast, and serve the finest coffees available. The company purchases its coffee from the world's most reputable importers and growers. Intelligentsia purchases the coffee based on the quality because they want to provide customers with the best, freshest, and most flavorful cup of coffee. In order to do this the company strives to purchase coffee from the growers and exporters who are known to be environmentally and socially responsible.

Intelligentsia roasts their coffee daily in their vintage German roasters.

Mission Statement We adhere to the philosophy that the compassionate treatment of people and the environment inevitably yields higher quality.

Website <http://www.intelligentsiacoffee.com> Locations 1. 53 East Randolph Street, Chicago, IL 60601 2. 53 West Jackson Boulevard, Chicago IL 60604

Hours of Operation 1. Monday – Thursday 6 a. m. – 8 p. m. Friday 7 a. m. – 9 p. m. Saturday 7 a. m. – 9 p. m. Sunday 7 a. m. – 7 p. m. 2. Monday – Friday 6 a. m. – 5: 30 p. m. Phone Number 1. 312. 920. 9332 2. 312. 253. 0594

Google Earth Location and Store Layout Location 1: [pic] [pic] Location 2:

[pic] [pic] [pic]

History Starbucks Coffee Company

originated as Starbucks Coffee, Tea and Spices founded in Seattle's Pike Place Market by Howard Schultz during 1971. Schultz later traveled to Italy and discovered Milan's popular espresso bars, which he later introduces in Seattle. In 1987, Starbucks expands to other large cities, including Chicago and Vancouver. Throughout Starbucks' existence it has entered into many agreements, relationships, and partnerships with other companies.

Currently, Howard Schultz is Starbucks' chairman and Chief Executive Officer (CEO). Starbucks offers many types of products, including over 30 blends and single-origin coffees, fresh-brewed, handcrafted beverages, espresso machines, coffee brewers and grinders, premium chocolate line coffee mugs and accessories, fresh food, entertainment and many other products. The company has stores in 50 states in addition to stores in the District of Columbia. There are 7,087 company-operated stores and 4,081 licensed stores. Starbucks is present internationally in 43 countries outside the U.

S. Mission Statement To establish Starbucks as the premier purveyor of the finest coffee in the world while maintaining our uncompromising principles as we grow. Website <http://www.starbucks.com> Locations 1. 31 East Roosevelt Road, Chicago, IL 60605 2. 1430 West Taylor Street, Chicago, IL 60607 Hours of Operation 1. Daily 6 a. m. – 10 p. m. 2. Daily 5 a. m. – 9 p. m. Phone Number 1. 312. 431. 1988 2. 312. 492. 7370 Google Earth Location and Store Layout Location 1: [pic] [pic] Location 2: [pic] [pic] Mission Statement Analysis

Dunkin' Donuts dedicates themselves to making the customer's life easier, especially for people always on the go, such as parents, professionals, or students. Dunkin' Donuts tries to distinguish themselves through their unique tasting coffee. Second, Intelligentsia believes the best way to run their business is following "the golden rule," treating people as you would like to be treated. Intelligentsia believes when people are happy at their place of work, they will go the extra mile for the company. Intelligentsia also stresses the importance of the quality and environmentally friendly means of obtaining the best product for their consumer.

As a result, customers will be satisfied with the service and products they purchase and receive. Lastly, Starbucks strives to provide its consumers with the best possible coffee from different places around the world and companies who uphold their principles. Overall, all three companies are very different. Dunkin Donuts focuses on the customer, where Intelligentsia focuses on the product and employee, while Starbucks focuses on the product. At the end of the day, all three companies want to satisfy the consumer with their service and product. Marketing Mix: Product Dunkin' Donuts pic]Dunkin' Donuts serves a far greater range of food and drinks besides breakfast and coffee (or donuts like its title suggests) than the average coffee shop. With a menu that reads like any fast food giants drive-thru menu, Dunkin' Donuts prides themselves on serving an array of food and beverages at any time of the day. Whether you are thirsty for a hot drink like one of their many flavors of coffee, their famous Dunkachino, lattes, espresso, hot chocolate, and hot tea, or prefer something cold like fruit


Coolattas, smoothies, iced coffee, iced lattes, iced tea, and iced turbo coffees; all of which are prepared while you wait.

Dunkin' Donuts serves over thirty different kinds of beverages that are available to their customers primarily to-go. Just like Dunkin' Donuts beverages, their food selection is just as diverse, and it sets them apart from most other coffee shops, especially shops like Intelligentsia. Whether it is one their 20 different breakfast sandwiches with various ingredients, a new egg white flatbread sandwich (for more health conscious consumers), omelet breakfast, or even a personal size pizza.

Of course the breakfast sandwiches can also be served with hash browns and coffee like any fast food value meal. Dunkin' Donuts menu continues on with their new egg white flatbread sandwiches for the more health conscious, omelet breakfast, and even personal sized pizzas as Dunkin' Donuts main entrees. In addition to their more filling breakfasts, Dunkin' Donuts serves donuts, muffins (reduced fat as well as regular), bagels, coffee rolls, croissants, cookies, and munchkin donuts which are more typical of an ordinary coffee shop. Depth of Assortments: 11 different Coffee Options Available: Coffee, blueberry flavored coffee, caramel flavored coffee, chocolate flavored coffee, cinnamon flavored coffee, coconut flavored coffee, French vanilla flavored coffee, hazelnut flavored coffee, raspberry flavored coffee, toasted almond flavored coffee, and turbo hot coffee • Fruit Coolatta Options Available: Lemonade Coolatta, strawberry fruit Coolatta, Tropicana Orange Coolatta • Breakfast Sandwich Options Available: Sausage, egg, and cheese; ham, egg, and cheese; egg and cheese; or classic scrambled egg and cheese on either bagel, croissant, English muffin, or a biscuit • Egg

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White Flatbread Sandwiches Options Available: Served with veggies or turkey • Personal Pizza Options Available: Cheese, sausage, pepperoni, veggie, and supreme (sausage, pepperoni, and veggies) • Countless flavors of Donuts (varies by location) • Besides the countless items available ready to be made at the counter, Dunkin' Donuts also offers a refrigerated ready-to-drink case that carries Pepsi products, Tropicana orange juices, and milk. (Although, the Michigan Avenue location was out of bottled milk on the particular day chosen to “ research” and a very dissatisfied customer left because of this.) Product Displays:

The two Dunkin' Donuts locations we visited only displayed their bagged coffee selection and were either on a stand or shelving unit depending on location. However, the Michigan Avenue location had the shelves yet no bags of coffee to fill them. Intelligentsia is a typical, classic coffee shop that believes in using organic and natural ingredients. Unlike Dunkin' Donuts and Starbucks, Intelligentsia displays their coffee menus in smaller picture frames and keeps their menu limited to thirteen classic drinks. Intelligentsia's menu even reads “ don't be nervous, this is just a small coffee menu so that you know what to order when you get to the front. Intelligentsia serves espresso, macchiato, con panna, cappuccino, latte, mocha, Americano, brewed coffee, chemex for two, hot chocolate, seedling cider, and their house chai. There is more selection for the size you order (small, medium, large) and whether you want your coffee in an urn or by the cup. Intelligentsia focuses on serving a quality and enjoyable beverage that does not confuse their customer with the beverage's ingredients. Besides coffee and teas, Intelligentsia also serves, panini's and light pastries varied

by location. The pastries, cupcakes, and banana bread are displayed in a glass pastry case next to the cashier. However, these treats are not listed on the menu because Intelligentsia wants to remain known as a coffee and tea specialty shop.

Depth of Assortment: • Intelligentsia only serves its drinks straightforward, without all the extra flavors or “shots” • Intelligentsia prides itself on selling bagged coffee by the season from around the World • Intelligentsia has a ready-to-drink display with Odwalla juices in ice Winter Selection: Cruz Del Sur, Organic Peru Finca Santuario, Colombia: El Mirador Finca Santuario, Colombia: Heliconias Kurimi, Ethiopia Yirgacheffe Zirikana, Rwanda Sumatra, Lake Tawar Ndaroini Auction Lot, Kenya Zirikana, Rwanda Micro-Lot: Rusenyi Eros Blend Black Cat Classic Espresso El Gallo Organic Breakfast Blend Intelligentsia House Blend Miller’s Blend

Quetzal Breakfast Blend El Diablo Dark Roast Organic French Roast Decaf Black Cat Water-Processed Espresso Decaf Librarian’s Blend Decaf Organic Water-Processed El Mago Blend Product Displays: The Intelligentsia on Jackson featured much smaller displays than the Randolph location, the displays still included mugs, organic clover tea, and even chocolate available for sale. Whereas, the Randolph location sold a variety of coffee presses, coffee makers, tea sets, organic clover tea, mugs, and tumblers. Starbucks [pic]Starbucks is the coffee shop everyone knows for being located on every street corner and serving every flavor and coffee type imaginable.

With an extensive menu serving what seems like everything but plain coffee includes specialty drinks like Vivannos, Caffes, Frappuccinos, Cappuccinos,

Tazo Teas, Macchiatos, Espresso, White Chocolate Mochas, hot chocolate, Shaken Iced Tea Lemonade, and even specialty seasonal drinks. Additionally, Starbucks offers some light food behind their glass display case, including a standard sausage, egg, and cheddar breakfast sandwich, praline muffin, cinnamon coffee cake, bagels, chewy fruit and nut bar, apple bran muffins, and Starbucks classic coffee cake. However, rarely are all these options available at every Starbucks. The food options varies by store. Overall, individual Starbucks has the least assortment of food options compared to Intelligentsia and Dunkin' Donuts. When people think Starbucks, coffee first comes to mind. Depth of Assortment: Frappuccinos have the most Options Available: Caramel, coffee, double chocolaty chip, java chip, mocha, strawberry and creme blended creme, Tazo green tea blended creme, vanilla bean blended creme • Tazo, Starbucks specialty Tea Options Available: Tazo hot tea, Tazo iced tea, Tazo joy tea, Tazo green tea latte, Tazo green tea blended creme frappuccino • Caffè (more European style coffee with stronger and bolder flavoring) Options Available: Americano, Latte, and Misto • Starbucks also offers a refrigerated case with ready-to-go items such as Ethos water bottles, Naked juices, San Pellegrino, already bottled Frappuccinos, Starbucks canned Double Shots, Horizon Organic milk, Tazo bottled Teas, juice boxes, a fruit and cheese platter, protein platter, and bananas (By far the most extensive display case than any other coffee shop and always the most well stocked) Product Displays: Starbucks has the widest variety of products and merchandise displayed. The average Starbucks has between three to four different displays and one that is always included is Starbucks bagged coffee selection. The newest and most popular display for Starbucks is VIA Instant Coffee packets. Starbucks on Taylor

Street alone had 3 different displays and two window decals promoting their new product.

Both Starbucks locations displayed their “ Green” tumblers, which is a step Starbucks is taking to “ Go-Green” and reduce paper waste. Customers who purchase and use the tumbler will save a paper cup and be rewarded with a 10 cent savings off every coffee purchased. There are glass mugs, coffee presses, and cups all displaying the Starbucks logo located on the display shelves. Additionally, there are featured CD’s conveniently located right next

to the register for customers to buy too. Marketing Mix: Price The coffee industry has seen tremendous competition for market share with both the price and quality of their products. The following is a chart of the various prices at the locations under observation. Coffee Shop Prices (\$) | Starbucks |

Dunkin’ Donuts	Intelligentsia	Coffee (Urn)- Med.	1. 85	1. 65	1. 65
Latte- Med.	3. 35	2. 95	2. 90	Mocha- Med.	4. 05
Hot Chocolate- Med.	2. 75	1. 85	2. 40	Espresso	1. 60
					n/a
					2. 25

Dunkin’ Donuts pic]Dunkin’ Donuts has come to be known as the on-the-go coffee stop of choice. The prices are reflective of the quick serve industry. Each store produces large amounts of coffee at once to keep prices low. A medium size cup of coffee is \$1. 65 which is a competitive rate in terms of the price other coffee shops. Because of the machinery used, the price of other specialty drinks is also low compared to high end, trendy coffee spots. Many consider Dunkin’ Donuts coffee to be the best tasting brewed coffee, it artificially creates its specialty drinks with its machines. For instance, Dunkin’ Donuts does not have an espresso machine, only instant drink machines.

Therefore, they can keep their prices competitive. The food aspect of their restaurant also reflects the fast food quality and prices. They offer breakfast combos throughout the day unlike any other coffee shop. Their combos allow them to sell more items by bundling them together they make it cheaper for their customers. A customer only pays \$2.99 for a #1 (two donuts with coffee) as opposed to paying \$3.43 for each item separately. The cost saving aspect makes Dunkin' Donuts appealing for customers. Intelligentsia Intelligentsia is recognized as the premier Chicago coffee and tea shop. It sells its own unique brand of coffee and tea blends.

Since it is seen as a high quality, trendy shop, the drinks are custommade and hand-crafted. Although they have urn coffee for only \$1.65, they specialize in making a by-the-cup coffee. The customer can choose with beans and which size they want. They use expensive, top of the line machines that produce the one cup only brew. Since it is customized with a higher quality, they charge a premium price starting and \$3 and up. For their espresso drinks and hot chocolate they use quality, natural ingredients making the cost slightly higher than an on-the-go shop like Dunkin' Donuts. All of the pastry items at Intelligentsia are natural or organic. By using more expensive ingredients they have to charge a premium for their pastries.

For example, a coffee cake at Intelligentsia is more expensive than those at Starbucks, but some guests claim that the cost is well spent due to the high quality. Starbucks [pic] Starbucks is the most well known of all coffee chains. They dominate the market, yet do not have competitive prices. They are the most expensive of all the coffee shops we studied. Many customers have commented that the high price does not line up with the quality. Since they

dominate the market, they are able to charge \$1.85 for a cup of brewed coffee. They use popularity to sell their high marked up coffee and food products. The logo alone represents prestige and makes the people who drink Starbucks feel a part of the brand image. Marketing Mix: Placement

[pic]Dunkin' Donuts locations are most commonly located on the corners of a block on intersecting streets and roads. There are, of course, exceptions where stores are located within the block both individually and paired with a Baskin Robbins. Between the Dunkin' Donuts locations we studied, we found that the South Michigan store was not very busy at the times when we studied the location and the Jackson store was moderately busy. In addition to stores in the city, Dunkin' Donuts has many stores in smaller cities with fewer people. Overall, the locations are located in every market to reach all customers from the high-traffic locations to the least busy.

There are stores who are more receptive to mass traffic from shopping stores and centers. Dunkin' Donuts places stores conveniently accessible for business people or work travel. There are even stores located in areas that are still developing. Dunkin' Donuts has an online store where customers can purchase the blends of coffee, tea, merchandise, equipment, and gift cards. Orders can also be placed by phone or in the stores. Intelligentsia

[pic]Intelligentsia locations are frequently located within the middle of a block. Both locations we researched were located within the block and not very visible from far away. There are only four total retail locations.

Of these four locations, they are all positioned in larger cities, with three stores in Chicago and one in Los Angeles. Intelligentsia's coffees, teas,

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brewers, grinders, merchandise and other items are available to be purchased online or at the stores. Different locations of the Intelligentsia stores determine the type of customer who visits. The store on Randolph between Wabash and Michigan is placed near a few restaurants in addition to shopping locations on State Street. This particular store attracts the customer who is interested in enjoying a relaxing experience. The other location on Jackson is surrounded by business and attracts individuals coming from those businesses, which is why the location is only open during business hours.

During the day this location is extremely busy with business people. Starbucks [pic] Starbucks locations are generally on corner locations in intersections. There are also Starbucks locations co-existing within stores, grocery stores, and malls. For example, there are three Starbucks in Macy's on State Street and one in Dominick's. The locations are located worldwide; the stores are present in 43 countries outside the U. S. Customers may purchase the coffee, tea, brewing equipment and more items online. Coffee packages may also be purchased in the Starbucks stores and in other select locations. Starbucks targets both a relaxing customer and a business person who has a to-go order for all its locations.

Starbucks stores are not only located in larger cities, but they have began to move to smaller cities as well. Marketing Mix: Promotion Dunkin' Donuts [pic] Dunkin' Donuts has a huge, national promotional campaign including celebrity endorsements, a catchy tagline, coupons, and a new healthy food line. Rachel Ray, a popular chef with her own show, has signed on to be the spokeswoman for Dunkin' Donuts. The commercial shows her fitting an ice <https://assignbuster.com/marketing-coffee-shop-analysis-flashcard/>

coffee into her tremendously busy day. She hardly has anytime to stop, but just enough time for a Dunkin' Donuts beverage. The commercials have been a huge success for the company who encompasses the tagline “ America Runs on Dunkin. They have huge coupon campaigns in local regions, including coupons in the local paper and local advertising mailings. The company also has print ads in many popular papers and even advertises on billboards and sidewalk decals. Intelligentsia Intelligentsia has a modest promotional campaign. They rely mostly on mainstream press and a customer blog forum on their website for buzz. The word-of-mouth advertising is working for them, however. They have been mentioned in major newspapers and magazines like Forbes, Chicago Sun Times, Crain's Chicago Business and New York Times. Doug Zell, owner and founder, also did a commercial for American Express where it flashed his name and the company. It was great exposure for the brand.

One of their baristas also won the United States Barista Competition giving them more exposure and resulting in more stories in the newspaper. Because they are an exclusive coffee shop and not in the mainstream spotlight the promotional campaign is limited. Starbucks [pic]Starbucks is the most well-known brand of coffee and coffee shops. It is the most popular destination for coffee-goers, having more locations than any other coffee retailers. The extensive and quick growth of their brand has made them the talk to many news articles and the center of many controversies. The rapid expansion dominated other coffee chains creating a negative stigma for Starbucks.

That does not stop them from creating commercials for their in-store products including bottled Frappuccinos and Doubleshots. The commercials feature catchy jingles to popular songs like “ Eye of the Tiger” and “ Hey. ” They have extensive seasonal promotions as well. Every holiday season they give coupons out for the holiday beverages as well as for their summer phase and fall phase. They have also had such programs as giving a treat receipt in the morning where you could bring your receipt back after 2 p. m. that day and get a drink for only \$2. 00. They also put coupons in the local papers and have print, billboard, and special event promotions.

Recently, Starbucks has added its name to the (Product)red campaign, a non-profit organization that is trying to eliminate AIDs in Africa. They also launched a new website called <http://news.starbucks.com> to provide press and social responsibility information about the company to the public.

Customer Interview Questions 1. About how many times a week or month do you frequent (Dunkin’ Donuts, Intelligentsia, or Starbucks depending on location)? 2. Do you prefer (Dunkin’ Donuts, Intelligentsia, or Starbucks depending on location) to any other brand of coffee? If so, why? (Because of price, taste, quality?) 3. Do you purchase food items with your beverage? Why or Why not? 4. What did you purchase today?

Do you always purchase this item? Customers Dunkin’ Donuts [pic]Dunkin’ Donuts has the largest amount of consumers who purchase their coffee and leave the premises. Both Dunkin’ Donuts locations had few, if any, customers sitting and enjoying their beverage and/or food item in the store. The Dunkin’ Donuts located on Michigan Avenue actually has no seating available for customers, while the location on Jackson had a bar with five stools.

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Neither location encourages an atmosphere for working or talking with friends for long periods of time, which is likely a cause for their quick, time-conscious consumer base. Many customers walked in, knew what they wanted, and walked out.

The demographics of the consumers observed varied from mid-twenties to mid-sixties, lower to middle income, including blue and white collar workers, and an even mix of males and females. The wide range in age is contributes to the idea that Dunkin' Donuts is the least trendy out of the three coffee companies. The ease of ordering a medium, plain black coffee is alluring to their loyal consumer base. Additionally, Dunkin' Donuts has the lowest prices of the three coffee companies. The concept of receiving more coffee for fewer dollars is also appealing to their customers. Dunkin' Donuts customers have a strong preference for the taste and quality of the coffee. All the customers surveyed felt that the bitterness of coffee from other chains was not tasteful or enjoyable.

Dunkin' Donuts is the quiet essential American coffee company with no frills, and therefore will have strong, loyal, customers for years to come. One customer also mentioned that she buys Dunkin' Donuts coffee and brews it at home every morning. This same customer will frequent Dunkin' Donuts several times a month and always purchase food items with her beverage. This is the ideal situation for Dunkin' Donuts, because they increased their customer base and revenue with selling their coffee beans while keeping their customer base in the actual stores as well. However, one customer interviewed who frequents Dunkin' Donuts once or twice a week ordered food items with his coffee, but stopped due to being health conscious.

Dunkin' Donuts has made improvements in their food items to make them healthier; however it will continue to be an ongoing issue. People want to have something filling, as well as healthy for a reasonable price. With the state of the current economy, Dunkin' Donuts needs to promote their food items with the purchase of a beverage even more. From our research, it was about an even amount of those who purchased food items and those who did not. That is fifty percent of their customer base that they could be making an additional profit off of if they introduce the right product with the right price, lower prices in general, or make their combo meals more flexible.

As far as the frequency of visits for customers it varied from 5 times a week to only a few times a month. The customers that only came in every so often strongly preferred Dunkin' Donuts to competitors. They are an excellent market for Dunkin' Donuts to target, because they are followers of the brand, but just need an extra incentive such as a drop in price or even a loyalty card where they will receive a drink for free after a so many have been purchased. Intelligentsia The customer base for the coffee company, Intelligentsia, varied in both locations that we visited. Intelligentsia on Randolph is a much more low-key and a majority of the customers are by themselves working quietly on computers.

Whereas, Intelligentsia on Jackson is full of corporate type executives in pairs or in groups of three to four grabbing a quick cup of coffee and chatting over some business. Both crowds were similar in age ranging from the mid-twenties to the mid-forties. This is a shorter range from the customer base of Dunkin' Donuts which is understandable considering that Intelligentsia is the trendiest out of the three companies researched. The environment is very

modern and takes after the coffee bars in Europe, particularly Italy. The customers reflect the atmosphere of the coffee shop by being put together individuals, successful professionals, and are part of the ‘in the know’ crowd. Both locations were busy and every table was occupied every time we visited.

Customers sit down, do work or leisure activities on their laptop, read a book, or talk with a friend or co-workers. There are customers who also come in and take their beverage and (or) food item to-go, either individually or with someone else. Several times, particularly at the Intelligentsia on Randolph a few customers walked past, looked back, turned around, and came in. The fact that this location is located nearly a block away from one end of Millennium Park and nearby more retail shopping areas opposed to the business area that the Jackson location plays a part in the atmosphere. The Intelligentsia on Jackson seemed to be more of a destination type of store where people went to conduct informal business meetings.

From the customers that were interviewed, they too, just like Dunkin’ Donuts customers, view Intelligentsia coffee above the rest. It was mentioned by several customers they prefer the rich, dark roasted, almost European type of coffee without the bitter taste. These customers also seemed to frequent Intelligentsia more than the customers at Dunkin’ Donuts. Several go once or twice a week, many said a couple times a month. Intelligentsia customers were white-collar and from middle to upper income classes, and thus supporting their multiple visits to the coffee shop. Also, many more customers seemed to buy food items or pastries with their beverage. This

may be in part because Intelligentsia's food items are all organic, appealing to a more health conscious crowd.

Also, there is a comfortable space to sit encourages customers to purchase coffee and a treat to enjoy. Starbucks The customer base for Starbucks is very similar to that of Intelligentsia, white-collar, middle to upper level income, but with a larger age range from that of twenties to upper sixties or seventies. Also, just like Intelligentsia all their tables were occupied each time each location was visited. They have customers who come in to do work, read their papers, or talk with friends. Starbucks, however, did seem to have more pairs or groups of people than individuals like the Intelligentsia on Randolph. This is understandable considering how Starbucks is more of a brand name and has a larger following than Intelligentsia.

It is trendy, however not as trendy and up and coming as Intelligentsia, giving way to a larger customer base. Starbucks customers seem to make the most frequent visits out of all the customers interviewed at their preferred coffee shop. Many visit two to three times a week, especially the location on Taylor Street. These customers were college students who used the coffee shop as a study area, and enjoyed the change of scenery from their apartment. They either order the same thing or switch it up, however the cost of their beverages was brought up by several customers. They do prefer the taste of Starbucks coffee over their competitors; however they would drink it more often if it was a little less pricy.

Very few Starbucks customers that were interviewed had purchased food items, and this too can be due to the expensiveness of their drinks. A typical

Starbucks customer will spend between \$3 to \$5 on a cup of coffee depending on the size and type of drink. Human Resources Dunkin' Donuts Recruitment/Hiring [pic]They are committed in making every employee feel like they are important and part of the team. They are able to give flexible work schedules. Every team member is able to grow within the company. Possibilities for continued learning and career advancement are endless. Anyone can search available jobs online and apply. After registering, an e-mail is sent as confirmation. The recruiter then identifies the Best Matching Resumes. This process may take a few weeks.

The resume will stay in the database for future searches. Interviews are then scheduled for potential candidates. The interviews may be face to face or by phone. This process typically consists of two to three rounds of interviews. Once a final candidate is identified, a background check will be conducted. In the final step, the recruiter contacts the candidate and offers them the job. The telephone offer is followed by a written one which states their start date, office location, and salary. Training/Education Dunkin Donuts provides franchisees support and training programs that are among the best in the Quick Service Restaurant (QSR) industry.

They have business and operations professionals, development and construction managers, and training consultants. The training program includes classroom training, online courses and mentoring sessions, coupled with ongoing coaching from franchising operations experts. They crafted techniques, procedures, recommendations, and guidelines that help deliver the best customer experience. As stated earlier, Dunkin Donuts believes in employee advancement, not only as an employee but as people as well.

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They offer tuition reimbursement after six months of service, for up to \$5,000 to employees that complete approved undergraduate courses or job-related graduate level courses. Benefits [pic]The plans and options given to employees include base salaries, incentive pay opportunities, retirement programs, and additional value-added benefits. Medical coverage is given, dental coverage, basic life insurance, 401K plans, basic accident death, dismemberment insurance, short-term disability, long-term disability, flexible spending accounts, long-term care insurance, employee assistance programs, group auto and homeowners insurance with a 5% discount, and employee credit union. It also gives employees paid time off up to three weeks, nine paid holidays are given to employees that work more than 21 hours per week, up to eight days of sick pay per calendar year, and they are given two days for personal time. Intelligentsia Recruitment/Hiring [pic]Intelligentsia Coffee & Tea Inc. states that they adhere to the philosophy that the compassionate treatment of people and the environment inevitably yields higher quality. Employees love what they do and therefore they often volunteer their nights and weekends to brew and serve coffee at many organization events, they are committed to the city and the neighborhood. Training/Education Intelligentsia has a wholesale training specialist that focuses on education and in-depth training of coffee preparation. This allows the employees to have knowledge and be able to prepare any type of coffee. Employees are given equal opportunity as well as treatment. Many of the current top employees and executives have been promoted within the company. [pic]Intelligentsia's basic barista training program is open to both to the public and any level of barista. It consists of a three hour session. The trainers will introduce the fine craft of espresso preparation, milk steaming,

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and latte art. It's a hands-on course and at the end of the class each trainee will receive a pound of Black Cat Espresso to enjoy at home. Intelligentsia is still a new company and therefore they haven't been able to put in place an education program for their employees. Starbucks Recruitment/Hiring [pic] In Starbucks they call each other "partners." They are dedicated in creating an uplifting experience for customers and make perfect drinks. Within Starbucks there are different career opportunities available.

There are retail careers, professional service careers, roasting plant careers, and international careers. Starbucks is huge on diversity in the workplace. In 2008 and 2009, Starbucks scored 100 percent on the Human Rights Campaign Foundation's Corporate Equality Index. They supported the 40th Anniversary of La Raza, sampling drinks over 25,000 conference attendees. Starbucks was also honored by the Disability Rights Legal Center for nurturing an environment of respect and sensitivity to people with disabilities. Starbucks holds each other to very high standards of diversity. For example, Starbucks seek out and engage with partners who are as diverse as they are.

Starbucks also supports and invests in local and global communities in culturally relevant ways. Training/Education [pic] Starbucks puts all employees through an extensive orientation and training program that provides a foundation for employee advancement. Starbucks has three education programs for employees. The three training programs are coffee education, learning to lead, and business and communication. In coffee education is a course focusing on the passion for coffee and understanding the product. The learning to lead program has three levels for baristas to

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develop leadership skills. It includes store operation and effective management practice training.

The business and communication program or the SSC (the Starbucks Support Center), offers a variety classes that consist of basic computer skills, conflict resolution, and management training. Benefits [pic]In Starbucks when they refer to benefits given to employees they are talking about something called total pay or “ Your special blend. ” Total pay consists of compensation, stock, benefits, and savings. It’s called your special blend because it is unique to each employee. Each employee that works full time or part time (20 hours or more per week) may participate in a variety of programs, and make choices based on individual needs and interests.

The packages may contain a progressive compensation package, healthcare benefits, retirement savings plans, stock options and discount stock purchase plan, income protection plan, management bonus plan, adoption assistance plan, domestic partner benefits, referral programs and support resources for child and eldercare, discount Starbucks merchandise, and each employee gets a pound of coffee each week. Financial [pic] *The Cost of Goods Sold (COGS) varies among stores based on the net sales. Each store’s COGS will increase based on net sales or how much each store sells. For example, since Intelligentsia has sold the most with the highest net sales, they incurred larger costs from selling more product compared to the other two retailers.

Also, Intelligentsia’s COGS are higher than the other two retail locations because they place a strong emphasis on the quality of its coffee. Both

Dunkin' Donuts and Starbucks have similar COGS and spend approximately the same on their coffee. Dunkin' Donuts According to the fiscal year reports for 2008, the global system-wide sales were approximately \$5.5 billion for the 8,835 stores worldwide. Included in those stores were 6,395 franchises in 34 states in the U.S. and 2,440 internationally amongst 31 countries. On average, each Dunkin' Donuts store's sales averaged \$623,000 per year. It is important to note that each store's sales vary depending upon the store's location and maturity or stage in the lifecycle.

The expenses incurred will be based on less the average expenses for similar retail locations, valued at \$350,000. Due to Dunkin' Donuts' focus on providing consumers with competitive prices, they are more concerned with purchasing coffee at the most reasonable price for to pass on to the consumer. Therefore, Dunkin' Donuts incurs a cost of goods around \$175,000. Aspects that should be taken into consideration include taxation or legal restrictions, including, property taxes, sales taxes, etc., population size and traits, competition, transportation access, parking availability, nature of nearby stores, property costs and the length of the agreement.

For example, stores located in downtown Chicago will generally have greater operating expenses due to higher taxation, larger population, increased competition, more access to public transportation, and limited parking availability. Intelligentsia According to the manager at the Randolph location, the store accumulates about \$22,000 in sales per week. He stated that Sundays are the slowest day with sales of \$1,500, during the week sales range from \$2,000 to \$3,000 except for Tuesdays, they offer half price beverage promotions, which accumulates \$4,000 in sales. On average a

store earns \$1, 144, 000 per year with approximately \$300, 000 in fixed and variable expenses.

The cost of goods would be the most expensive of all three retail chains due to their high emphasis of the best products for the consumer, estimated at \$300, 000. The expenses for certain Intelligentsia locations, such as the store on Jackson, may be less due to the hours of operation. For this store, they are closed on weekends and evenings after 5: 30 p. m. Most Intelligentsia locations are located within a block instead of the corner of an intersection. Assuming the same pricing schedule as Dunkin' Donuts, we can assume that the price of franchises will be in the middle to low end due to the location choice. The locations on the corner of intersections tend to be higher in price due to greater visibility from multiple streets. Starbucks

Based on the year in review for 2007, there were a total of 8, 505 company-operated stores already open with 1, 342 more that were supposed to open by the end of 2007. Focusing on the U. S. , there were 6, 793 open with an additional 1, 065 coming by the end of the year. According to this document, each store earns on average \$800, 000 per year. These sales vary depending on store location and business. Starbucks would have moderate expenses, stated as \$500, 000, in comparison to both Dunkin Donuts and Intelligentsia. The stores are not open as long as Dunkin' Donuts, but longer than Intelligentsia in some instances, therefore there expenses are estimated to be the same as Intelligentsia.

Additionally, the cost of goods sold will be moderately priced at \$200, 000. Analysis The location is a very important aspect to placement of the stores.

Stores like Dunkin' Donuts and Starbucks, who are generally on the corner of intersections, get more customer traffic and more business due to increased visibility. Whereas, a coffee shop like Intelligentsia must rely on word-of-mouth marketing and repeat business to build customer relationships. Dunkin' Donuts is also placed to reach all of its consumers of all income levels. Based on the location, Intelligentsia targets many different customers. Starbucks targets mainly the middle to upper class consumer due to the locations and high prices.

Dunkin Donut's out of all three coffee shops offers little to no space for sitting and enjoying their product, yet their customer base prefers to grab their drink and carry on with their day. It can be argued that if they wanted to increase revenues and customer base, should they invest in making their atmosphere more enjoyable and cozy. However, the increased cost of the chairs and tables may force Dunkin' Donuts to raise prices, which in turn could lose customers and in the end defeat the purpose of updating their interiors. Each chain has their loyal customers, yet Dunkin' Donuts continues to win in consumer taste tests. They need to focus on being able to 'steal' Starbucks' customers away with perhaps a more bold tasting coffee line at lower prices than Starbucks.

Additionally, with the current economy all three chains will need to find creative, low price ways to attract customers. An employee at Intelligentsia noted that sales have been down since this past fall. People do not have the money to be spending \$5 on a cup of coffee as well as \$2 on a pastry. Combo deals would definitely come in handy, especially if you want to introduce an item or get an item moving. There should be a day once a week

where coffee is free or at a discounted price, and the fact that one day a customer spends less money may influence them to spend the full amount another day. As we can see each company has their own unique styles.

They each give opportunities for employees to grow within the company, they give training programs for both their personal and professional improvement, and they keep their employees happy by giving them benefits. They may be different, but their primary goal at the end of the day is to keep all employees happy, that way employees excel in giving excellent customer service. As a result of the current and past economic situation, all three businesses have been affected. Additionally, each store's sales are affected by the lifecycle and maturity of the store's existence. The costs or expenses for each store incurs will also vary depending on the rate of business, energy costs, labor, and hours of operation.

For example, Dunkin' Donuts is open 24 hours and will incur greater energy can labor costs due to the longer hours of operation. Whereas, the Intelligentsia store on Jackson avoids the extra expenses with the rigid hours of operation. Recommendations Dunkin' Donuts Although Dunkin' Donuts is known as the world's largest coffee and baked goods chain serving over 3 million customers daily, Dunkin' Donuts lacks where their competitors capitalize on. Dunkin' Donuts lacks an inviting and friendly atmosphere. Whether it is their cashiers, baristas, seating available, comfort of the seating, or even Dunkin' Donuts signature colors of orange and pink, most Dunkin' Donuts are an in-and-out type of coffee shop for these reasons.

While this is not a bad trait, Dunkin' Donuts competitors like Starbucks and Intelligentsia retain customers who enjoy their coffee and baked goods within their coffee shop. By offering a more inviting and friendly atmosphere, customers can enjoy their purchases within the store, draw more foot traffic in, and even lead to more purchases. Dunkin' Donuts can undoubtedly attain this too if they: provide seating, more seating, offer more comfortable seating, and tone down their bright orange and pink trademark colors. The Dunkin' Donuts on Michigan Avenue had no seating whatsoever and the Dunkin' Donuts on Jackson Avenue only had stools for an along-the-wall counter. That is why the two coffee shops were completely empty with no customers to be seen when we had gone to visit.

If more personal seating were available, students could do their homework, business professionals could hold meetings, or friends could even get together for a cup of coffee. Not only more seating, but also more comfortable seating that is inviting to customers to stay for a longer period of time. Customers that frequent Intelligentsia and Starbucks enjoy going to those establishments because they are more than just coffee shops, they are a place to “hang out.” If Dunkin' Donuts were to follow along and make their shops more inviting with a friendly atmosphere, customers would stay around, bring in more of their friends and associates (which means more business), or maybe even order another drink or baked good.

Not only is providing adequate seating a step towards making Dunkin' Donuts more inviting to customers, but also toning down the bright orange and pink trademark colors. Dunkin' Donuts needs to tone down not only their colors, but their lights as well. This would make them a more inviting coffee

shop that is more relaxed for their customers. Individual seating, more comfortable seating, and more relaxed lights and colors are key for Dunkin' Donuts to have more of that “ coffee shop” feel and is something new Dunkin' Donuts could try to in order to bring in even more customers. If Dunkin' Donuts did try to have more of that “ coffee shop” feel, more foot traffic and afternoon and evening customers would be drawn in towards Dunkin' Donuts.

Everyone can associate Dunkin' Donuts with breakfast, but not many customers think of Dunkin' Donuts as a lunch or dinner option. Dunkin' Donuts already has quite a wide and diverse menu, so if they put a few more sandwiches or dinner options on the menu think of the possibility. Dunkin' Donuts already offers personal sized pizzas, yet not many customers know that which leads to the next recommendation. Dunkin' Donuts should advertise their menu items more frequently. After analyzing Dunkin' Donuts complete menu, there are options one would never know to order. When looking at the menu above the cash register, ordering is never difficult because only a few options are listed.

Fast food giant's drive-thru menus are much more detailed and offer more variety, so if Dunkin' Donuts offered a few extra items on the menu, customers would not be confused. If Dunkin' Donuts were worried about the confusion of the new items, putting advertisements next to the register would easily clear up this up, as well as promote the new products. Lastly, Dunkin' Donuts should consider expanding into the natural or organic market. As a growing trend among younger customers, serving organic coffee and beverages is an easy start. By no means does Dunkin' Donuts

need to fully re-do their menu and its options, but a few items here and there would not hurt and draw a whole new market towards Dunkin' Donuts.

By following these recommendations, Dunkin' Donuts has many new possibilities to draw in new and more of their existing customers. All of these recommendations seem to fit hand-in-hand and would not disrupt the order Dunkin' Donuts already has going for them. By drawing in on these ideas used by competitors like Intelligentsia and Starbucks, Dunkin' Donuts can feed on the success of these other coffee shops and grow themselves into an even more popular and successful coffee shop. Intelligentsia Unlike the two other coffee chains, Intelligentsia does not have big menus under florescent lights; rather they have a little five inch by six inch placard at the register listing food items.

This is both a positive and negative aspect of the coffee company. The fact that there is no overwhelming menu hanging behind the counter is reminiscent of small town, low key European Cafes, an image the company takes after. However, the little placard may increase the pressure on customers to order quickly without having a more than a vague idea of what items are available. What we suggest in order to maintain the overall image of the company, is a stand near the door or register of little to-go menu's to decrease a customers hesitation in ordering. This will allow customers to take a menu, step off to the side, and take their time to consider their options without worrying about holding others up.

The two locations that were visited each had differing hours, yet were located within a mile of one another. Understandably so, the location on

Jackson is in a business orientated location where it may not be as busy in the mid to late evening. However, when trying to gain and maintain a loyal customer base consistency is essential. It is suggested to Intelligentsia that store hours should be the same at all their locations. At the very least, the hours at the Intelligentsia on Jackson should be extended to 7: 00 or 8: 00 P. M. to accommodate for those who want to meet up after work for leisure or to continue on their work conversations. Once more, each location had a differing decor and each seemed to suit the neighborhood the store was located in.

Although, it was just previously discussed that consistency is key, it is viewed that Intelligentsia needs to continue on with making sure the store atmosphere blends with its exterior environment. The location on Randolph near Michigan Avenue has a much trendier vibe with its metal chairs, lime green paint, and concrete floor. Yet, the location on Jackson is a little more upscale with wooden chairs and round tables with fresh flowers in vases. It is not necessarily being stated that the decor of one at another location would necessarily make them less profitable. What is though is by decorating them and being flexible they allow themselves to attract the market geography.

This can be coincided with the negative view many small towns have on Starbucks coming in and taking over their culture and ways. The fact that Intelligentsia adapts itself demonstrates its ability to adjust to the market it desires to target, which is a valuable asset and ability of the company that should be continued on and expanded upon. One market they are not reaching is the family market. The store does not carry any kid orientated or friendly beverage other than hot chocolate. For a busy family, the minimum

amount of stops the better, and if not everyone in the family can find something they like or is appropriate for their age – the chances of stopping there are small.

Seeing as how they carry organic desserts, they should broaden the line to include organic beverages or juices. This of course would also increase purchases from non-family orientated business. The company as a whole needs to increase their advertising. A lot of what their business now seems to be by word of mouth and from those who pass by and live close.

Considering many customers interviewed said they prefer the taste of Intelligentsia to Starbucks, they need to pull from that from Starbucks dissatisfied or indifferent customers. They need to be very subtle in their campaigns so that they do not alter the image of the company. Increase the number of advertisements on bus stops, taxi signs, bill boards on the el tracks, and in local newspapers.

It is important to incorporate the neighborhood in which the stores are located in. No big, obnoxious, ad's with neon colors, just neutral ads with clever slogans placed in key yet subtle places in the community. Continuing on with the advertising concept, Intelligentsia needs to advertise their gift cards. This would also be a way of subtly promoting the company by word of mouth. Gift cards are a great tool for companies and they should be taken full advantage of. Starbucks For their brewed coffee selection Starbucks now only brews Pike's Place blend. The blend is in honor of its original location at Pike's Place Market in Seattle. The ethically traded brew is a medium blend however.

The customers that come in wanting a bold or extra bold option are usually disappointed to find that the brewed coffee is Pike's Place. The coffee giant should increase the variety of coffees they brew everyday to please a wider coffee drinker base. The best way to alternate the coffee selection would be to propose a "coffee of the week" rotation. Each week, a different blend would be the featured coffee. This would reflect in the promotions as well as the coffee brewed that week. It would be an additional choice alongside the Pike's Place. It would help customers find a blend they truly enjoyed and would potentially purchase pounds of beans to have in their home.

As part of the "Go Green" movement, Starbucks should start a marketing campaign targeting the environmental benefit of using its travel tumblers as well as using ceramic mugs while drinking their beverage inside the store. This push to keeping the guest inside the store will save Starbucks on paper cups and will also encourage the purchasing of the tumblers and pastries to go with their coffee. This will also aid in Starbucks' poor image with environmentally conscious consumers. Most of the social responsibility the company takes part in is relevant to the countries from which they buy coffee beans. As important as this issue is, they do not do a good job of advertising the initiatives they take.

Based on interviews, most non-Starbucks drinkers consider the company unethical in the way they trade and even how they push smaller coffee shops out of the market. Altering this assumption would do wonders for the Starbucks image. They should do commercial advertising for the new ethically traded coffee Pike's Place and broadcast their work with coffee farmers around the world. To take it to a more community level, Starbucks

could clear its name by contributing to local charities or having its baristas contribute to community improvement projects. Increasing its philanthropic effort would make Starbucks look less like a corporate monster and more like the coffee-going experience it wants to be.

Many of the Starbucks customers are loyal patrons who make their local Starbucks their morning stop everyday. Many spend a significant amount of time socializing or working in the cafe as well. Those individuals who dedicate their time should be rewarded with additional benefits. Starbucks introduced its Starbucks Gold Card for regular visitors but they have to pay \$25 dollars for the card and only save 10% per visit. Someone who frequents the store regularly but does not want to have such a registered Starbucks Gold Card should be rewarded in some way. Our team proposes a frequent visitor card. Within a certain promotional period guests will receive a punch card. With every purchase they receive a punch. After ten punches, their next drink is free.

Many people who don't want a lengthy commitment could benefit from the card. Also, if the customer does not use the card in the designated promotional period, it becomes invalid and Starbucks limits its losses. A way to attract new customers could also be with special promotional events. For example, Intelligentsia has half priced coffee on morning a week. It attracts customers looking for a deal and potential gets them to return for a full priced cup. If Starbucks did this the turn out would be substantial and would boost the sale of their food, pastries, and merchandise. Plus it would help them compete with other coffee chains that offer special promotional days on a regular basis.

One aspect of sales that Starbucks lacks behind Intelligentsia and Dunkin' Donuts is the sale of apparel and other accessories with their logo. The Starbucks logo with the siren is extremely popular and could be a top seller in their store. Items could include t-shirts, the famous green apron, magnets, hats, and keychains. This would also serve as free advertising for the company when people walk around with the recognizable logo. The most recent Starbucks item to hit stores and grocers is the instant brewed coffee "Via." The micoground coffee sells in packs of three and six both in coffee shops and at local grocery stores. To spread the word about the new product Starbucks gave out free samples of the powder through the mail, in newspapers and at its stores. It was also distributed by "buy one, get one" coupons in the Chicago Tribune. In order to increase the amount of awareness about the new product the company should launch a more proactive advertising campaign. This would include commercials on television as well as promoting its accessories in grocery stores. For example, the company sells a tumbler with six compartments for keeping the packs in. It is a complementary product and should be pushed just as much as the Via packets. Also, this instant coffee is a competitive advantage over other coffee shops so it could increase its market share by advertising more.