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## Executive Summary

Starbucks is a company that specializes in selling coffee besides other products. The firm aims at introducing a new brand of coffee known as Acai Frappuccino that is made with Acai fruits. The company has an objective of promoting this product so that new and existing customers may be aware of the product. Acai is a purple fruit that grows from the Acai tree. The fruit has a unique feature of containing numerous nutrients; this characteristic is not common to other fruits. The nutrients that the fruit contain help in building body muscles, strengthening resistance of the body to diseases, and providing oxygen to tissues. The product contains vitamins that make the skin smooth, hence adding beauty to the body (Zoumbaris 89). Researchers in South America have found out that Acai strengthens the retina of the eye. This leads to improved eyesight to a person who consumes Acai or its products. The firm aims at making coffee from the fruit to help customers enjoy the benefits of Acai by drinking coffee; besides coffee, the firm will introduce Acai cream and Swirl cakes that customers can purchase beside the coffee. The company will charge a fair price to the products to satisfy demand and increase customer satisfaction. Starbucks hopes to increase its market share by the end of the campaign to earn high revenues and profits.

## Background

Starbucks is an American company that produces coffee and other teas. The firm is comprised of numerous chains that are located in all regions of the country. McDonalds, Nestle, and Dunkin Donuts are the principal competitors of the firm because they produce similar products (Starbucks 3). The organization has been successful in United States although it faces a few challenges in local and international markets. Starbucks has tried to scoop the largest market share in the industry in vain. The company has also faced opposition in the European market because the European people prefer other brands of coffee other than Starbucks. The firm has succeeded in creating employment to over one thousand people in US besides collaborating with other companies such as Green coffee.

## Need for addressing challenges

The organization needs to take action to prevent the challenges from causing disaster such as low sales and closure of some of its channels (Annacchino 54). This is because the company has experienced closure of six-hundred branches in US. The company also aims at opening 100 stores in Malaysia, and if it does not address the current challenges, the coffee firm will not achieve these goals.
Acai products will help the company to increase sales volume and profits because the product is new in the industry. The people in Europe will purchase the new brand because it has irresistible health benefits. The product will help the firm to expand international its international market to regions such as Australia, China, and Africa. Since the product is new in the market, it will increase the competitive advantage of the firm (Annacchino 54). This means that the firm may become the leading coffee producer in the world.

## Sources of information

The proposal will utilize the company’s website to access the background information of Starbucks and its challenges. Journals that contain information of Acai fruit such as its uses will be useful in the proposal. The researcher will also make use of books and dissertations that relate to the development of new products. The research will use any other material that will be useful for writing the proposal, as it is not limited to any source of information.
Scope of the proposal
The proposal will cover the following areas: description of the product, timetable, budget, and expected results. The product description part explains the new products and how they will be developed. The timetable explains the period that the company will take to market the new product while the budget discusses costs. The proposal will explain the expected outcomes of marketing; the benefits accrue to the firm and customers.
Sales Plan
Product Description
Acai Frappuccino is a coffee made from the fruit known as Acai. The fruit was developed in South America although all other parts of the world have started using products from the fruit because of its benefits. The Acai tree bears berries that have amino acids, which are not common in other fruits; the fruits also contain vitamin A and B. Acai is used to make several products such as coffee, cakes, juice, and cream. Coffee, cakes, and juice are the common products because making these products is an easy task. A person who consumes Acai products faces several benefits, for example, loss of weight. Amino acids help to burn excess fats in the body while vitamins increase body resistance towards diseases. Vitamins help to strengthen eyesight, and it is a powerful antioxidant. Anything made from the Acai fruit, therefore, provides the body with benefits that are vital for the survival of human beings.
The Acai Bowl is made with Acai fruits, Granola, and honey. The bowl is made by preparing the three ingredients separately and mixing them in a bowl. There are several ways of making the swirl cake. One of the methods is making an ordinary cake; after this, a cream containing honey and Acai is smeared on the cake and served. Another method of making the cake is by adding refined Acai to the ingredients of a normal cake. This cake looks like a chocolate cake because the berries have a purple cake. The process of making Acai Frappuccino is similar to that of making ordinary coffee, but the coffee contains Acai as an ingredient. This indicates that the processes of making Acai products are familiar only that Acai is an essential ingredient.
Time Table
Marketing the product will take three months; this period will allow the company to sensitize new and existing customers about the new products.

The marketing campaign shall use the slogan, “ Acai cappuccino for healthy people.” This phrase helps to enlighten people that the product has health benefits, which the sales team shall explain to interested people. On the day of launching the campaign, the sales team will move around major towns and cities informing people about the campaign and its objectives. The sales team will also inform people about the website that the company has created; the site will contain critical information of Acai and the three products. The sales persons will give customers free samples of coffee and cake so that they can taste and give feedback. The company promoters will conduct seminars in all regions of the country to educate people about the health benefits of Acai and its products (Luther 33).
Associated Costs

The company will incur a total budget of $80, 000 in marketing the product. The company will hire a temporary sales team to conduct the campaign in order to avoid the high costs associated with hiring a permanent sales team. The firm will hire thirty sales persons at the beginning of the campaign, but if the need arises, the firm will reduce or increase the number of employees accordingly. Starbucks will spend the lowest amount of money on radio and television because these media are not practical like seminars and promotions (Bussing-Burks 109). The organization will spend the highest amount of money on product development because it intends to develop three types of products, which are expensive to create. The funds for developing the company website include the payment that the firm will compensate the web developer.
Expected Results
The company expects to increase its market share when the campaign ends because new customers will be attracted to consume the new healthy products. The firm is also prospecting an increase in the volume of sales that will further increase profits. The products that the company promotes will increase competition to similar and existing products (Luther 46); for example, Acai Frappuccino will increase competition to Green coffee and other coffee brands that are in the market. Starbucks also expects to reduce costs of developing the products three months after the campaign. The firm will then reduce the price that it charges for each good, and this will increase consumer surplus. This is because the firm will identify new and cheaper suppliers of Acai. The organization plans to expand the business using returns; the expansion will entail opening of distribution channels, and increasing space of already existing restaurants. Starbucks expects to increase customer satisfaction by introducing the new products to the market. This will lead to customer loyalty, higher sales, and higher profits for the firm. The company will collect feedback from customers during the campaign. The feedback will help the organization in improving the product further.
Summary
Starbucks is a firm that produces coffee in the US; the company faces competition from McDonalds, Nestle, and Donald Donuts. The firm has succeeded in gathering a large market share, creating employment opportunities, and gathering international markets in Europe. The firm has faced challenges such as low sales in the local and international markets. The company needs to address these challenges by introducing new products. The proposal aims at introducing a new brand of coffee known as Acai Frappuccino; the product offers numerous health benefits such as strengthening of eyesight, oxidizing the body, and increasing body strength. The marketing campaign will take three months, and it will utilize costs totaling to eighty thousand dollars. The firm expects to increase market share, sales, and profits when customers purchase the product (Bioessential nutrition 77). Starbucks will also increase customer loyalty and satisfaction by the end of the marketing campaign.
Recommendations
The company should adopt the new products because the proposal indicates that the benefits of developing the coffee are higher than the costs. The benefits of the products are not only local, but also international.
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