

# Objective of one shot coffee shop marketing essay



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One Shot coffee shop is a new company that will be set at hotel royal queens at 12 queen street Singapore. The One Shot coffee shop provide the coffee and the comfortable environment for the customer, One Shot coffee shop will be a partnership company and will beginning operation on December 30, 2012.

President of One Shot coffee shop is Mr. Wang and the vice president of One Shot coffee shop is Mr. Kun, vice president has a 45% share of the company, and president has a 55% share of the company. President of the company also is a CEO of the coffee shop, the CEO Manager the employees, and the vice president in charge with the goods supply.

The location of the One Shot coffee shop is established at hotel royal queens at 12 queen street Singapore, it is a century of Singapore, and the hotel also had a good sales, so it will take many customer to the One Shot coffee shop.

## **1. 2The objective of One Shot coffee shop**

One Shot coffee shop's objectives for the first year of operations are:

1. Become selected as the “ Best New Coffee Bar in the area” by the local restaurant guide.
2. Turn in profits from the first month of operations.
3. Maintain a 65% gross margin.

## **2. Vision and Mission**

### **2. 1 Vision**

A vision can be defined as an eye chart, sometimes also referred to as the Company in the picture, but it is so much more than this. Your vision statement is your inspiration, your strategic planning framework.

An eye chart, can be applied to a single sector of the entire company or the company. Whether all or part of an organization, the eye chart to answer the question, “ Where we want to go?”

Become the leading branded coffee shops in the region to business casual, taking into account the mood of consumer. About three years to recover the total investment cost, and gradually began to profit.

### **2. 2 Mission**

Mission statement is a statement of the purpose of company or organization its reason for existing.

The mission statement should guide the actions of the organization. spell out its overall goal, provide a path, and guide decision-making. It provides” the framework or context within which the company’s strategies are formulated.

Hill, Ch, Jones, G. (2008)

To become a leader in this industry and provide a stable and reasonable income for the owners of the place for investment.

(2) The successful completion of the construction and development of the stores, and gradually withdraw the investment capital.

### **3. Product and service**

Product and service are when a firm offer a mix of both products and services, in compare to the traditional focus on products. As define by a marketable set of products and services capable of jointly fulfilling a user's need.

largely motivated by the need on the part of traditionally oriented manufacturing firms to cope with changing market forces and the recognition that services in combination with products could provide higher profits than product alone. Face with shrink markets and increased commercialization of their products, those firms saw service provision as a new path toward profits and growth.

#### **3. 1The main product and service**

##### Cappuccino

With less milk than a latte, cappuccino offers a stronger espresso flavor and a luxurious texture. To make it properly require more skill and attentiveness. Arguably the most important things is frothing the foam to velvety perfection as the milk steams something One Shot coffee shop barrister take great care to achieve . The milk mous tache that clings to your upper lip is proof we've made yours right. And we may say, you wear it well.

##### Espresso

Smooth and versatile Espresso Roast is the very heart and soul of One Shot. Its rich flavor, lingering aroma and caramel sweetness make it the perfect found for lattes, cappuccinos and all One Shot coffee shop espresso based

beverages. But you can also enjoy it all by itself indeed, that might be the best way to discover its nuances.

### White Chocolate Mocha

White chocolate fans will tell you they like it elegant, creamy taste. Its smooth subtle, is a perfect complement to a bolder taste. There is no bolder than we are rich, full-bodied espresso tastes. And it turns out, there is no better way to experience the decadent white chocolate, rather than in this delicious beverage.

### Caramel Macchia-to

Scores of people are passionate devotees of the signature beverage. So bewitch are they, you'd think it was any kinds of magical elixir. Well there's no hocus pock here. We'll tell you exactly what goes into it: creamy vanilla flavored syrup, freshly steamed milk with a topping of velvety rich foam, one intense hit of One Shot Espresso roast, a finish of buttery caramel drizzle. okay, we take it back. It sounds like is magic to us. but it taste even better.

### Vanilla Latte

There are many delicious ways to join espresso, but one of that couldn't be more classic is that Vanilla latte. Just need a few ingredient make up that favorite: One Shot Signature espresso. Creamy steamed milk and our classic vanillas syrup. Simple, . Satisfying always.

## **4. Industry summary and analysis**

### **4.1 PESTEL**

This sector examines in detail the external environment as well as the macroeconomic forces include the current issues such as the global financial crisis, inflation, etc. facing the coffee industry operates. In this case, an analysis and estimation of the main external environment factors to the One Shot coffee shop by using the PESTEL Analysis.

Any analysis of the successes and failures facing a SME must understand the macro environment within which a SME operates (Barney and Hesterly, 2008).

The PESTEL framework is designed to provide managers with an analytical tool to identify different macro-environment factors that may business strategies, and to assess what difference environmental factor may influence the business performance now or in future. The PESTEL framework include six types of important environment influences: political, economic social, technological, environmental and legal factors. These factors would not be seen as independent factor. Factor such as a technological advances may probably affect the social and economic conditions in different markets.

#### **4.1.1 Political factors**

The political factor is to what extent the government intervention in the economy. Specifically, political factors, such as tax policy, labor law, environmental law, trade restrictions, tariffs, and political stability. Political factors may also include goods and services, the government should provide or provided (merit goods), the government does not want (demerit goods or <https://assignbuster.com/objective-of-one-shot-coffee-shop-marketing-essay/>

advantages of bads). In addition, governments have great influence in health, education, and a national infrastructure

It is known that Singapore is a very stable country with low social risk, at the same time; the government of Singapore is encourage more and more tourists to Singapore, ; like the government building the casino in Singapore, the government also want more tourists come to Singapore. The government agencies in Singapore play a very active role in promoting Singapore as a global destination. Under the guidance of STB (Singapore tourism board) it takes majors to promote itself as a MICE destination. For such a good political factors let the business in Singapore get more benefit.

Hence, the One Shot coffee shop may run its business stability and benefit its investment profitability under Singapore's strong government policies.

#### 4. 1. 2Legal factors

Legal factors include discrimination law, consumer protection law, antitrust law, labor law, health and safety laws. These factors may affect the Company's operations, its cost, and the demand for its products.

As Singapore's law is very strict and the government will protect Intellectual property rights and doesn't allow other companies to infringe the copyright and intellectual property so it is very good for company to compete with each other fairly.

For the One Shot coffee shop in Singapore its intellectual property rights had been protect under the Singapore's legal.

#### 4. 1. 3Economic factors

Economic factors such as economic growth, interest rates, exchange rates and inflation rate. These factors have significant impact on the enterprise how it works, and make a decision. For example, interest rates affect the company's cost of capital, and therefore, the extent to which the business growth and expansion. Exchange rates affect the cost of export goods and the supply and price of imported goods in the economic

Based on trade, economics (2011), " Singapore's per capita GDP (gross domestic product) is higher than most developed countries." In fact, with the economic development of Singapore's economy diversified, open trade policies, international communication links, and attract multinational investment.

Singapore is a vibrant economy, and its economy is heavily dependent on exports. From 2007 to 2010, 7. 62% of the to enjoy average GDP growth. It enjoys a higher per capita income than most developed countries.

February 14, 2007, the Singapore government announced that the annual economic growth of 7. 9% in 2006, 7. 7% higher than originally anticipated. Singapore's unemployment rate was 2. 2%, around February 20, 2009. As of August 7, 2010, Singapore is one of the world's fastest growing economies, the growth rate was 17. 9% in the first half of 2010.

Singapore is a highly abundant natural resources. Have advanced the state of the infrastructure, including country hotels, roads, transport facilities, telecommunicate facilities, aviation services.



One Shot coffee shop might be an opportunity in such a good condition.

#### 4. 1. 4 Social factors

Social factors include the cultural aspects of health consciousness, population growth rate, age distribution, career attitudes and emphasis on the safety. Trend of social factors on the impact of the company's products and needs, the company's operations. For example, the aging of the population may mean a smaller, more willing workforce (thus increasing the cost of labor). In addition, the company may change to a different management strategy, in order to adapt to these social trends (such as to hire older workers).

Social environment in SMEs is concerned about innovation, risk taking, and large-scale transformation to social problem solving (Kuratko, 2008).

Singapore has a very vibrant cosmopolitan culture. It has a very strong education system. Everyone is comfortable with English. Along with business tourism opportunities it has great facilities for leisure activities such as state of the art shopping malls, casinos, resorts, restaurants etc. Thus it can be concluded that the social factors are very supportive for the coffee industry in Singapore. Singapore is considered as a very safe city.

#### 4. 1. 5 Technological factors

Technical factors, including the technical aspects, such as R & D activity, automation, technology incentives, technological change speed. They were able to determine the access threshold, the minimum efficient production

level and influence outsourcing decisions. In addition, changes in technology will affect the cost, quality and lead to innovation.

There is no doubt that the modern technology not only improves all the coffee equipment's quality and productivity. but also accelerate the commercialization process of the coffee business.

SMEs primarily face challenge of technologies in transportation, utility, health care, electrical, and computer industries. Technological forces can create new markets, reduce and eliminate cost barriers between businesses (David, 2009).

Using a professional Espresso coffee machine made by Italian, never on the details of some coffee neglect.

#### 4. 1. 6Environmental factors

The environment factors such as the weather and climate change.

The One Shot coffee shop will set hotel royal queens at 12 queen street Singapore. the weather and climate change doesn't affect One Shot coffee shop.

### **4. 2SWOT**

Humphrey, Albert (December 2005). SWOT analysis is a strategic planning method used to evaluate the Strengths, Weaknesses, Limitations, Opportunities, and Threats are involved in one project or in a commercial venture. It involved specifying the objectives of the business venture or

project and identifying the internal and external factors that are favorable and unfavorable to achieve that objective.

By using SWOT analysis can assist One Shot coffee shop to identify the internal weakness and external threats factors, then improve the performance and search the benefits from opportunities and counter the threats as well.

#### 4. 2. 1STRENGTHS

The freshest coffee. Now cook baked transported on a weekly basis, to ensure that the beans are in the peak of tasting

The most rigorous training. Three months to six months rigorous training of professional coffee Daren implement the recipe from the coffee to the professional knowledge of coffee plus Leadership and Service concept, inject One Shot passion for each cup of coffee.

The most professional and coffee. A professional Espresso coffee machine of Italian, never on the details of any coffee neglect.

The most comfortable environment. Most spacious seating space, with the tone of European art-style decor, and free wireless Internet service offers consumers the most comfortable and convenient dining environment

The special location. In this hotel just have one coffee shop inside.

#### 4. 2. 2WEAKNESSES

Affected by the location, almost customers are the person who is live in this hotel.

One Shot coffee shop is a new company, almost customer are like the Starbucks.

#### 4. 2. 3 OPPORTUNITIES

An unfulfilled customer need. There is an opportunity to increase the customer base by advertising as well as developing the new products and services.

The merger or other types of expansion strategy can be considered as the opportunities factors when this coffee shop business plan get to the stage of maturity.

The coffee shop set in hotel industry is a new developing market.

#### 4. 2. 4 THREATS

Price wars with competitors. Some of competitors strive to earn a higher market share by selling its products and services at a lower price.

New entrants and cost: the threat of new entrants in the market is a critic elements. This is a growth factor in the development, but also the threat of new entrants, intense competition and rapid deployment in the target market.

### **4.3 Porter's five forces**

The 'porter's five forces model of competitive analysis is a widely used approach for developing strategies in many industries.

Indeed, the five forces model can determine the kinds of competitive forces are the firm staffs facing and measure the force on how strong are there in different parts the company facing. The figure shows the porter's five forces model of competition below.

Porter's five forces model of competition

**Threat of new entrants**

**Bargaining power of buyers**

**Bargaining power of suppliers**

**Rivalry among existing firms in the industry**

**Threat of substitute products or services**

Porter Five force

High

Medium

Low

Competitive Rivalry

**Threats of New Entry**

Threats of New Entry

**âˆš**

Bargaining Power of Customers

**âˆš**

Bargaining Power of Suppliers

**âˆš**

Threats of substitution

**âˆš**

(Source: diagram created for this assignment)

#### 4. 3. 1Threat of new entrants (high)

The threat of new entrants is the threat of new competitors in the industry, existing competitors. A profitable industry realized profits will attract more competitors. If these new entrants is very easy to enter the market – low barriers to entry – the company has been a threat to competition in this market. More competitive – while consumer demand increases or increase capacity – which means less profit to go around. According to the power of one of Porter's five forces model, the threat of new entrants, shape the competitive structure of an industry. Porters definition of the threat of new entrants, and completely changed the way people look at an industry competitive.

Coffee shop is a low expensive shop , and One Shot coffee shop is a new brand in Singapore, the required investment is low. The major cost includes the real estate and coffee related equipments. Franchise is also an option that investment risks are low, Barriers to entry are low, thus the threat of <https://assignbuster.com/objective-of-one-shot-coffee-shop-marketing-essay/>

new entrants are high due to low switch cost, and low capital requirements, and low restrictions. So the threat of new entrants is high.

#### 4. 3. 2Threat of substitute products or services (high)

The threat of substitute products or services: product substitutes and other products to perform the same or similar functions. Professor of microeconomics, more alternatives, the demand for the product becomes more elastic. The elasticity of demand is the consumer price sensitivity, which is equivalent to less certainty of profits. An attractive alternative to price the price of alternatives as the upper limit of the price of the underlying product. An attractive alternative behavior, depressed prices to reach its profit potential of the industry.

Improved quality, alternatives alternatives quality is high, there are more and more pressure, the increase in the quality of the main product. Low switching costs passed on to consumers switching costs for consumers can come in the form of currency conversion costs cost or lifestyle. The monetary cost to the price of alternative products, and the cost of living is subjective, it is difficult to determine. In either case, more easily and lower cost is to switch to the alternative, the Alternate higher threat.

Other substitutes tea, juice, soft drinks, alcohol and other coffee and non-coffee related drinks. given the sensitivity of consumers to price of coffee and a number of substitute available, the significance of the threat from substitutes is high.

#### 4. 3. 3Bargaining power of suppliers (medium)

Powerful bargaining power of suppliers, the seller and the buyer, the seller greater influence. This effect can be used to reduce the profit the buyer more favorable pricing, the limit product or service quality, or part of the cost is passed on to the buyer, the supplier is powerful.

coffee is supplied by a variety of farms from South America or Africa. Third of all the coffee farms are less than one third. Industry main hedge position by diversifying those supplier portfolio.

The power of suppliers is medium since there is a wide array of farmlands that supply specialty coffee beans, however, the farmers do supply a differentiated product.

#### 4. 3. 4Bargaining power of buyers (Low)

Porter's five forces buyer bargaining power is consumer pressure, can play on the enterprise, allowing them to provide higher quality products and better customer service, lower prices. In the analysis of the bargaining power of buyers, industry analysis, from the seller's point of view. According to Porter's five forces industry analysis framework, the buyer power of the forces shaping one of the competitive structure of an industry.

The number of buyers in the industry is large, and their purchases are low volume. Industry's products, service and experience are differentiated. A cup of coffee does not represent a significant fraction a buyer's cost of living.

The buyers' power is low because of that they lacked negotiation power and the ability to force down prices and pit competitors against each other.



#### 4. 3. 5 Rivalry among-st existing firms in the industry (Medium)

Competitiveness increasingly competitive, when one or more competitors see an opportunity to grow, and competitors' customers, or feel the need to attract more customers because of low profitability.

Competition in the industrial competitiveness is an important issue, usually there will be many competitors are trying to carry out a sufficient rate of return on investment, profitability is generally low. Several competitors - those who have already established a competitive advantage - the profits of treason, but the more competitive competition means that the balance of payments, and generate enough cash to survive the struggle.

Retaliation competitive competition intensified, the reaction of competitors, an aggressive strategy, with its own offensive or defensive strategy.

This kind of competition is often the reasons for lower prices, competitors use a marginal contribution to the cost of administrative expenses. However, the competitiveness of the competition by fighting in advertising, product introduction and customer service.

One Shot coffee shop is a coffee shop in the hotel , The intensity of rivalry is medium because of the numerous competitor within the industry, despite it being a growing at 15% annually. On the other hand, there is no evidence of price or advertising wars within the industry.

### **5. Market strategy**

One Shot Culture's marketing strategy will be focused at getting new customer, retaining the exist customers, got customers to spend more or

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come back more often. Building a loyal customer base is a paramount importance since such customer core will not only generate most of the sales but also will provide favorable referrals.

## **5. 1Competitive Edge**

One Shot culture, positioning itself as a unique coffee bar, its customers can not only enjoy the perfect coffee a cup, but also spent time in the surrounding environment. Comfortable sofas and chairs, dim lighting and quiet relaxing music will help customers relax from everyday stress, to distinguish single from incumbent competitors culture.

## **5. 2Sales strategy**

The shooting cultural balistas the processing sales transactions. In order to speed up customer service, and at least two employees to provide services to customers of an employee, customer orders will be ready, the other employees will be taken care of sales transactions. All data will be recorded on the sales of computer point-of-sale terminal in the subsequent analysis for marketing purposes.

In order to build its customer base, we will use the banner of a single culture and flyers, customer referrals with other businesses, communities and cross-promotional. At the same time, the customer retention program will be used to ensure that customers come back and spend more coffee.

## **5. 3Marketing mix**

' The " Marketing mix" is a common words that used to describe a various choices which the company must process the procedure of bringing a specific services or products to the market'. Besides, it is also known as the <https://assignbuster.com/objective-of-one-shot-coffee-shop-marketing-essay/>

four P's which include the Price, Place, Product and Promotion. (Kamil et al 2009)

### 5. 3. 1Product strategy

The product actually means that the service or product introduced by the company which offer to the customer of the target market. In this business plan, the product of One Shot coffee shop company is the services such as the pool lessons, the rental of One Shot coffee shop, and the snacks and beverage counter services.

constantly developing new breakfast cereals the product element is the new product themself, setting the price right involved examining customer perception and rival products as well as costs of manufacture, promotion involved engaging in a range of promotional activities e. g. competitions, product tasting etc,

### 5. 3. 2Place strategy

Marketing experts know that the best product in the world will never make an impact in the business world if no one can locate and obtain it. Keeping this simple, yet vital brick in the house of marketing, One Shot coffee shop gives careful consideration to the placement of its restaurant. Within that marketing research, It takes into consideration the population of a given part, major roadway in the vicinities of the proposed coffee shop site, traffic that passes by the coffee shop site, and the demographics of that area, as they know a great deal about One Shot customers.

The place of One Shot coffee shop is in hotel royal queens at 12 queen street Singapore, in the hotel , there is only had one coffee shop inside. so the place of One Shot coffee shop is a very good place, its in the central of Singapore.

### 5. 3. 3Pricing strategy

Built in the right area, the people will come, but a good price does play a role, so that they come back. The single main content of the marketing strategy is one of the efficient pricing of their products. Understanding of the target market, including a large part of the family, they always need an affordable way to go out to dinner with their children, over the years a menu price, almost anyone can eat a lens, and enjoy quality meals without flowers a lot of money. What is really down the value of people enjoy single food, which is a big part of repeat customers, the best in the world price of products sold, if consumers do not think, what they buy. In fact, a single pointed out in their “ value menu” in recent years, it provides a selection of menu items at a low price, this thoroughly. Other marketing concepts are integrated into the strategic value menu. Menu as the value of this project “, to sell profitable products, this is a small loss leaders”, if any profits are usually single cafe, coffee and soft drinks of your choice to accompany earnings, so that you have a a good price, but single cafe achieve the profitability.

### 5. 3. 4Promotion strategy

One Shot coffee shop are still some basic promo gimmicks that most cafes should have like coffee mugs with your logo print on it. Travel mug is one of <https://assignbuster.com/objective-of-one-shot-coffee-shop-marketing-essay/>

the most besought after item coffee junkies want. One Shot can sell these at shop or give it away on special occasion like your store open or yearly anniversary.

One Shot coffee shop should also or have other standard promotional items such as shirts, key chains, tumblers, and note pads. If you want your promotion items to be seen more, offer things what people will really use outside the home like T-shirts, caps and visors, laptop bags, and backpack. For the high end market, One Shot coffee shop can sell CDs with a collection of music One shot coffee shop usually play at One Shot coffee shop

Another method to market One Shot coffee shop business is by increasing One Shot coffee shop visibility online. Set-up a website where One Shot coffee shop can post materials related to the coffee business. One Shot coffee shop can also post announcements on One Shot coffee shop website for special offers and contests. Post One Shot coffee shop details on One Shot coffee shop site such as name, logo, location and telephone number. Add one page for suggestion, a forum and contact pages.

Promote a special item on your menu on a week basis. One Shot product can be one coffee beverage, pastry or dessert. Announce the promotion on One Shot coffee shop site. Make One Shot coffee shop promo exciting and fun to encourage customers to come. One Shot coffee shop could have a contest like a coffee art contest wherein customers can create their own coffee art win prizes. Post the contest details and prizes on One Shot coffee shop website too. Prizes can be inexpensive like a free mug of coffee, coupon or free T-shirt with One Shot logo.

Offering coffee charge cards is a very good idea. It is convenient for some staff and client. Instead of searching for coin and bill in their wallet or bag, customers can simply use a prepaid charge card to buy One Shot coffee. It is pretty convenient for customers who bought coffee daily. In other advantage is that One Shot get to sold more coffee in advance.

## **6. Management team and company structure**

This section of the business plan is essential information for investors and financial institution-it gives information about how your company is organized and who is in charge. This section is useful for relaying who accomplishes what tasks for the business, the business knowledge of the management team and the qualifications of the board .

In this coffee shop Mr. Wang is the CEO, and Mr. Kun is the Chief Operating Officer, and one Chief Financial one Officer Chief Marketing Officer one Chief Technology Officer

CEO may be able to set strategic, predict the future and control the budget, CEO's think about where the organization are going, the people and process need to get there, and how they will work in the current market.

A COO handles a company's complex operational details. The company's COO insures the business can deliver day by day. COO figure out just what need to be measured so COO can tell if that things are going well. Then COO's team create the systems to track the measurement and take action when the company is not delivering.

CFO will be busy figuring out that customers, business line and product is profitable, so the next year you can afford the really cool equipment.

CMO owns the marketing strategy—and that often includes the sales strategy—and oversees its implement. The CMO will know or learn One Shot industry inside out and helps One Shot position One Shot product, differentiate it from your competitor's products, enlist distributor, and make sure that customers are learn to crave One Shot product.

CTO is a very important person in One Shot coffee shop, CTO need produce the coffee which one can make it more good.

And at last we need 10 waiters, One Shot coffee shop must ensure that when a customer needs help always had one waiter in the side.

## **7. Operating planning**

It is describe one short term way of achieve milestones and explain how, or that portion . A strategic plan will set into operation when a given operational period, in the case in a commercial application, the fiscal year or another given budget term. One operational plan are the basis for, and testificatory for an annual operate budget request. Therefore, five year strategic plan need five operation plan fund by five operate budget.

Operational plans should build the activity and budgets for every part of the organization for the next 1 to 3 years. One Shot link the strategic plan with the activity the organizations will deliver and the resources require to deliver their.

‘

An action plan drawn directly describe institutions and plan tasks and goals, plan objectives and plan activities of agencies and programs of strategic plan.

## **7. 1 Clear objectives**

In fact, the objectives same as the ‘ Goals ‘ addressed at the beginning of this business plan, the details of the clear objectives summarized .

The clear objectives of the One Shot coffee shop company

Objectives

Description

Rent a venue approximate 5, 000 square feet as the location of One Shot coffee shop’s business operation.

Offer a custom-made coffee lessons.

Provide in details the One Shot coffee shop company’s first year projected profit and loss statement.

Establish the working relationships with the hotel during the period of first operating year.

Build a positive image and perception as well as enhance the One Shot coffee shop’s awareness to the public.

(Source: diagram created for this assignment)



## **8. Risk Assessment & Management**

Risk assessment is a step in a risk