



**Universitat de les  
Illes Balears**

Facultat d'Economia i Empresa

**Memòria del Treball de Fi de Grau**

# CBB coffee shop business plan

Xiao Xiao Chen

**Grau de Administració d'Empreses**

Any acadèmic 2018-19

DNI de l'alumne: Y3759427E

Treball tutelat per Antoni Serra Cantallops  
Departament de Economia i Empresa

S'autoritza la Universitat a incloure aquest treball en el Repositori Institucional per a la seva consulta en accés obert i difusió en línia, amb finalitats exclusivament acadèmiques i d'investigació	Autor		Tutor	
	Sí	No	Sí	No
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Paraules clau del treball:  
Pla de negoci, universitat, cafeteria

INDEX

1. Resum.....	5
2. Abstract .....	6
3. Introduction .....	7
2.1 Personal motivation and interest .....	7
2.2 Project objective .....	7
4. Methodology .....	8
5. Company description .....	9
6. Market situation and store location analysis .....	10
6.1 Market situation analysis .....	10
6.2 Store location analysis .....	11
7. Products and services .....	13
7.1 Product category .....	13
7.2 Food design .....	13
7.3 Service project .....	17
7.4 Characteristics of the products and services selling points .....	18
8. Company cases SWOT analysis .....	20
8.1 Case 1: Cafetería DHUB .....	20
8.2 Case 2: Zenzoo .....	21
9. Store design .....	23
9.1 Store location .....	23
9.2 Store design .....	23
10. Competitor analysis and corresponding countermeasures .....	27
10.1 Bars within the campus, vending machines .....	27
10.2 Bars, Coffee shops .....	27
10.3 Dessert shops, bubble tea shops .....	28
11. Management strategies .....	29
11.1 Human resources management .....	29
11.2 Financial management .....	30
11.3 Goods management .....	30
11.4 Marketing management .....	31
12. Financial requirements and application .....	35
13. Risk analysis and prevention .....	36
13.1 Capital risk .....	36
13.2 Personnel risk .....	36

13.3	Production risk .....	36
13.4	Management risk .....	38
13.5	Customer claims risk .....	38
13.6	Marketing risk .....	38
14.	Growth and development .....	39
15.	Bibliographical references .....	40
16.	Annex .....	41

## INDEX OF TABLES AND IMAGES

1. Coffee category production methods and product characteristics and advantages .....	14
2. Meat design .....	16
3. Postcards wall design .....	17
4. CBB business culture .....	19
5. Bar counter design.....	24
6. Seats area design.....	24
7. Equipment purchase budge and monthly fixed expenses .....	36

## 1. RESUM

Els estudiants universitaris, com un grup jove amb certa capacitat de consum i valors únics, les seves fonts de finançament provenen principalment dels seus pares. Els agrada fer de caràcter públic individual, perseguir un estil fresc, fer un consum atrevit, i gaudir d'una vida de luxe. La cultura del cafè s'està àmpliament acceptada en els campus universitaris. El cafè melós i el cafè acabat de molt delicat i agradables postres d'estil occidental poden satisfer les seves papil·les gustatives; i l'ambient elegant pot satisfer el seu gaudi espiritual i la relaxació.

En primer lloc, aquest pla descriu la descripció general de l'empresa. Després d'analitzar la situació actual del mercat de la restauració, realitza una planificació i un disseny detallats en matèria de productes, serveis i decoració. Després vaig analitzar els competidors i vaig fer estratègies rellevants de gestió de personal, gestió de mercaderies, direcció de màrqueting i gestió financera, etc., i vam utilitzar una combinació de diferents mètodes per atreure clients i millorar la gestió Qualitat. Al final del pla, el risc o l'obertura d'una botiga s'avalua de manera exhaustiva i el desenvolupament futur de la botiga es va prospectar raonablement. L'objectiu d'anàlisi principal d'aquest pla és la posada en marxa i el procés d'operació d'una botiga de Coffee Bang Bang. A la vista de la bona perspectiva del mercat de l'operació del parc de la Universitat de Barcelona, l'alta mobilitat del grup de consumidors d'estudiants i el gran marge de benefici en la indústria de begudes. Per tant, tinc una gran confiança en l'èxit de la inversió i l'emprenedoria.

Paraules clau: Pla de negoci; Universitat Cafeteria

## 2. ABSTRACT

The university students, as a young group with certain consumption ability and unique values, their sources of finance mainly come from their parents. They like to make public individual character, pursuing a fresh style, making bold consumption, and enjoying a fancy life. Coffee culture is being widely accepted in university campuses. The mellow coffee and delicate freshly ground coffee and pleasing western-style dessert can satisfy their taste buds; and elegant environment can satisfy their spiritual enjoyment and relaxation.

Firstly, this plan describes the general description of the company. After analysing the current situation of the coffee catering market, it makes detailed planning and design in terms of products, service, and decoration. After that, I analysed the competitors and made relevant strategies from personnel management, goods management, marketing management and financial management, etc., and used a combination of various methods to attract customers and improve the management quality. At the end of the plan, the risk of opening a store is evaluated comprehensively and the future development of the store is prospected reasonably. The main analysis objective of this plan is the start-up and operation process of a Coffee Bang Bang shop. In view of the good prospect of Barcelona university park's operation market, the high mobility of student consumer group and the huge profit margin in the beverage industry. So, I have great confidence in the success of investment and entrepreneurship.

Keywords: business plan; University; Coffee shop

### **3. INTRODUCTION**

#### **3.1 Personal motivation and interest**

A few comfortable and cosy sofa seats, a few transparent floor-to-ceiling windows, a few newspaper and magazines flowing with listening time, and a few college students could put together a coffee store, creating 'a place can stay comfortably for long', ... I always dream of opening a coffee shop like this. As a student about to graduate in Business Administration, I want to put in practice all my knowledge acquired in this 4 year, so I want to see this project as a small cost of my entrepreneurship attempt.

#### **3.2 Project objective**

The main objective that I pursue in this project is viability. And the propose of it is to materialize my idea in Barcelona, which for me it is a realistic goal.

For this object to be realized, I must archive the following points to carry out the project:

- Know more deeply the market in which I really interested in it
- Test my skills and knowledge acquired during the Degree's study and subject them to critical assessment, to detect strengths or pending improvement.
- Develop a complete and quality plan to carry out the project in real life.

#### **4. METHODOLOGY**

To carry out this project I have based on the following principles, in my opinion, the most relevant:

- The accuracy of the data: all data used is real, estimated approximately by visiting coffee shops in Barcelona (observation and experimentation), by interview with the coffee shops' staffs, and also based on college knowledge in these 4 years.
- Simplicity: the interpretation of the project is simple and direct, it details a global vision of all necessary processes.

## 5. COMPANY PROFILE

The Coffee Bang Bang (CBB) store is scheduled to launch in July 2019, and it will be opened nearby the University of Barcelona, Campus de la Diagonal UB. The main customers are fashionable college students and teachers aged 18-35. In addition to serving coffee drinks and daily casual dining, the coffee store will also offer a range of “fun things” such as specialty snacks and creative products, making it a place for customer to snack.

**Business culture:** Here for better! Single-minded to do better!

Single-minded cooking every food with heart, the high-quality taste and the intimate service are consistent from beginning to end. The Coffee Bang Bang will reject quick-dissolving powders, brewed jam. Every single cup of coffee will be handmade by fresh ground coffee bean; the natural green ingredients guarantee high quality to enjoy the ultimate taste.

In a big city like Barcelona, the coffee industry has reached a mature stage and has developed a vast market for demand. There is a certain investment risk, but there is also a lot of space to develop. Around the campus there are barely coffee shops that provide comfort and entertained space for teachers and students, most of the coffee stores are characterized as ‘traditional’ coffee shops, whether in term of in-store design (as decoration), products or services. The choice to establish in Campus de la Diagonal UB as the location for opening is because:

- on the one hand, a series of facilities such as leisure facilities around the campus are in short supply, as so there are barely places around the campus for teachers and students to relax and to enjoy their leisure.

-on the other hand, CBB store is looking at daily dining needs and purchasing power from young consumers. The target I am looking for is the infinite business opportunities of college students in search of new ideas and pursuing novelty.

## 6. MARKET SITUATION AND STORE LOCATION ANALYSIS

### 6.1 Market situation analysis

The market for the coffee store industry is at a mature stage in Barcelona. However, most individual coffee stores, whether in terms of business scale, the style of decoration, or in term of professional cooking skills, cannot compare with coffee chain, like Starbucks, Costa Coffee, Dunkin' Cofee...

In Barcelona city has a certain scale of operation and market reputation of the coffee shop, and it has the following several: Fremesi Café, Cosmo, Sweet & Healthy Brunch Café, etc., stores are located along the medium-high-class catering concentrated area. The main consumer groups are business people with relatively high income and young people keen on breakfast. The per capita consumption ranges from 8-14€, which is relatively high compared with the single customer consumption of ordinary coffee shops. There are 2 main reasons for consumers to choose such high-prices coffee shops:

1. The dining environment is high-end and tasteful which can fully provide and elegant environment for business negotiation of relaxation.
2. The unique taste of food which can satisfy consumers' taste buds.

Compared with the traditional coffee and food industry, milk tea beverage stores are in slow development stage. Although there are a several business, most of them gather in crowded places, around the shopping centers and business districts. The stores are small and mainly sell other kinds of food. It is difficult to meet the high level demand of healthy and delicious due to the low business specialization degree, small brand effect, low quality of products and mostly are powder processing. After visiting and investigating the stores located in the city's important business district or around the campus, we realize that the stores are mature and widely favored by consumers include: Alsur Café, Cosmo, Escriba, Hidden Cafe Barcelona, etc. the main consumer groups are shoppers in the business district, office workers and students in middle and high schools.

## 6.2 Store location analysis

Because of the large market of coffee shops around the campus, we have locked up the CBB targets which are students and teachers. The basic situation of University of Barcelona, Campus de la Diagonal UB, is that located in the south-wester of the urban area, called Zona Univesitària, close to Esplugas de Llobregat and Hospitalet de Llobregat. The Campus de la Diagonal UB includes the following faculties: Biology, Physics, Chemistry, Belles Arts, Geology, Law, Economy and Business, Pharmacy, Informatic (each faculty is distributed in different area, single building).

The reason for opening a coffee shop in Zona Universitària are as follows:

### 1. Campus young students are the main target

Young college students are irrational consumers seeking novelty and difference. Most of the purchasing decisions and processes are impulsive shopping. Most of them are impromptu purchasing decisions which depend on personal preference and are sensitive to the appearance, packaging, quality, promotion, price and convenience of products. With the advent of the information age, these young consumer groups acquire information faster and in a wider range, so advertising, promotion and discount will become effective sales strategies.

According to the survey, the social entertainment expense of college students accounts for one-third of the total monthly consumption, and the per capital consumption of drinks can reach 30-50€ per month. The main factor, that individual consumption considers, is the price, but cost performance becomes also the main factor. When couples or groups consume, the main factor to be considered are consumption environment and functional services.

### 2. Huge competitive advantage within the campus

There are comprehensive catering service centers on each floor of the faculty, which are equipped with catering stalls. On each faculty, there are 2-4 water fountain, 2-4 coffee machines and 2-4 vending machines along the corridor. The coffee machines offer hot coffee, hot tea and hot chocolate. The vending machines are mainly selling carbonated drinks, water, mixing with juice, chips and different kind of snacks such as biscuit, chocolate, etc.. The unit price of

product is low comparing with the coffee shops. By visiting university campus bar and restaurant, the main business type of drinks are coffee, beers, mixing juice, water, tea and carbonated drinks. The average unit price of drinks is 1,20€/cup, and it can be seen that the higher sell is concentrated during the breakfast and lunch time.

There is no special coffee shop or casual dining leisure place for students in and around the campus which provides an attractive opportunity to occupy the sales market.

## **7. PRODUCTS AND SERVICES**

### **7.1 Product category**

The Coffee Bang Bang's product settings are divided into 4 categories that are differentiated by two sizes of cups, the ordinary cup, and the extra cup, and the number of items will be maintained at over 30. The content of the items will be adjusted every month slightly based on the operating time and the sales amount. Every drink and snack should be ranked, and products with poor sales volume should be eliminated and new products introduced to satisfy customer needs. At the same time, the popular products raking board will be set up in the eye-catching position of the store which can guide and recommend consumers with different need or just new arrivals.

The implementation of the raking system helps the elimination decision-making of the items that are positioned at the bottom in the raking, it is conducive to improve product quality and customer satisfaction. It can also be used to guide the customer consumption through the introduction of shop assistants and raking list, so as to reduce the inventory of non-hot selling raw materials, to speed up the capital flow and to improve the utilization rate of funds, and thus to increase profits.

The product classification is as follows:

- Coffee, milk tea, flower fruit tea, and other brewed drinks
- Fresh fruit and vegetable juice, milkshake and other stirred drinks
- Smoothie, ice cream, and other instant cold drinks
- Fast food and dining: sandwiches, hotdogs, and other specialties

### **7.2 Food design**

1. Coffee series: espresso, americano, mocha, latte, macchiato, cappuccino, café con leche, cortado.

	Elaboration	Characteristics	Price
<p><b>Americano (long black)</b></p> 	<p>Fill a cup with 2/3rds full of hot water, extract 1 shot of espresso over the hot water</p>	<p>A long black (aka "americano") is hot water with an espresso shot extracted on top of the hot water.</p>	<p>1.20 €</p>
<p><b>Espresso (short black)</b></p> 	<p>1 Shot of espresso in an espresso cup</p>	<p>The espresso (aka "short black") is the foundation and the most important part to every espresso based drink.</p>	<p>1.20 €</p>
<p><b>Macchiato</b></p> 	<p>1 Shot of espresso in a short glass or espresso cup, a dollop of steamed milk and foam placed on top of the espresso</p>	<p>The macchiato is similar to an espresso but with a dollop of steamed milk and foam to mellow the harsh taste of an espresso</p>	<p>1.30 €</p>
<p><b>Latte</b></p> 	<p>Extract 1 shot of espresso into a tumbler glass, Add steamed milk, 1cm of micro-foam on top of the steamed milk</p>	<p>A café latte, or "latte" for short, is an espresso based drink with steamed milk and micro-foam added to the coffee. This coffee is much sweeter compared to an espresso due to the steamed milk.</p>	<p>1.50 €</p>

<p><b>Cappuccino</b></p> 	<p>Extract 1 shot of espresso into a cup, add steamed milk, add 2-3cm of micro-foam on top of the steamed milk, sprinkle chocolate on top of the coffee</p>	<p>A cappuccino is similar to a latte. However the key difference between a latte and cappuccino is that a cappuccino has more foam and chocolate placed on top of the drink. Further a cappuccino is made in a cup rather than a tumbler glass.</p>	<p>1.60 €</p>
<p><b>Mocha</b></p> 	<p>Extract 1 shot of espresso into a cup, add one spoon of chocolate powder into the espresso shot and mix, add steamed milk, add 2-3cm of micro-foam, sprinkle chocolate powder on top</p>	<p>A mocha is a mix between a cappuccino and a hot chocolate. It is made by putting mixing chocolate powder with an espresso shot and then adding steamed milk and micro-foam into the beverage.</p>	<p>1.80 €</p>
<p><b>Café con leche</b></p> 	<p>Extract 1 shot of espresso into a cup, add a cup 2/3rd of steamed milk</p>	<p>The café con leche is similar to cappuccino but with a dollop more of steamed milk and without foam.</p>	<p>1.50 €</p>
<p><b>Cortado</b></p> 	<p>Extract 1 shot of espresso into a cup, add steamed milk</p>	<p>The cortado is similar to macchiato but with a dollop more of steamed milk and without foam.</p>	<p>1.30 €</p>

***Coffee category production methods and product characteristics and advantages***

2. Flower and fruit tea, milk tea series: these series of products provide higher profit and can be also made in advance to reduce production time. However, selling a large volume milk tea products will not conducive to improve the store image and brand establishment, so the milk tea products will be designed 3 main products; chai tea latte, matcha latte, hojicha tea latte tea flavor. The series of milk tea products will be specially formulated with the high-quality recipe and become a healthy drink without any food additives or preservatives, to satisfy the dual demands of today's young consumers for delicacy and health.

3. Smoothie, ice cream, instant cold drinks: mango smoothie, matcha smoothie, coffee smoothie etc. Smoothies and ice creams will be the main products to sale for the summer time, made with ice cubes and jam. On the scorching heat summer day, the smoothie series will be a hot seller. However, the unit price of sales will be much higher than the instant cold drink in convenience stores. In the face of such competition, we need our store to highlight the healthy, low-sugar, additive free and high-quality products.
  
4. Freshly squeezed fruit and vegetable juice, ginger milk, milkshake, oat milk, homemade yogurt, etc.. Fresh fruit and vegetable juice is divided into: tomato and lemon juice, watermelon juice, kiwi juice, lemon and coconut juice, fresh orange juice, black rice soybean milk, multi-grains congee, oat milk, red dates milk. The fruit and vegetable series focus on green and healthy characteristics. The raw materials are used pollution-free fresh fruit and vegetables, multi-gains, and high-quality pure milk. In order to reduce the cost materials, the main products such as fruit and vegetable will be changed with the season.
  
5. Food products: sandwiches, toast, waffles, popcorn, baked sausages, and other imported specialty food and snacks. Coffee Bang Bang store offers preferential packages for teachers and students, to enrich product categories and attract consumers with more favourable prices.

<p><b>A.</b> Toast, + any sauce (salad dressing, peanut butter, chocolate sauce, jam), + medium cup of tea flavored drink (+1€ can be upgraded to multi-gains porridge)</p>				<p>3.50 €</p>
<p><b>B.</b> Sandwich (ham, salmon, tuna, dried meat floss or sauce)+ original muffin+medium cup of milk or coffee flavored drink (+1€ can be upgraded to oat or red dated milk)</p>				<p>5.50 €</p>

### ***Meat design***

### 7.3 Service Project

#### 1. Store all kind of postcards

Design a storage wall made of wooden frames and original color brick in the coffee shop, and fill it with postcards with different patterns and themes (keywords such as happiness, environmental protection, praise, love, gratitude, etc.) with cute and exquisite original illustration design.

There are two ways of sales approach:

- Write to yourself, find postcards that belong to your own keywords, leave messages, wishes or prospects for yourself in the future, or just record the happiness of the present. You can give yourself a deadline to claim your postcard when you dream comes true, creating a wave of positive energy sharing.
- Write the postcard to that -someone-, and choose the appropriate topic or picture. It can be a thank you to you teacher, a way to tell your loved one the secret you can't tell them, or a special day to write a wish for them.



***Postcards wall design***

## 2. Provide venue services

Provide venue services for presentation or birthday parties, students' parties, and other hardware facilities such as tables, chairs and audio equipment. Such as birthday party, festival celebration, club activities, small exhibition, etc. Give full play to the social function of CBB, in order to reflect the warm and comfortable communication space, then the disposal capacity to provide professional catering food and beverage supply and also can design professional customized packages for determine theme event.

## 3. Board game entertainment

The store will prepare several of the most popular entertainment items for students, including: uno, chess, card, Barajas. Can provide entertainment equipment for multi-person participation. In this way, no merely can satisfy customers entertainment needs but also can accumulate popularity for store.

## 4. Books and magazine review borrowing

the store is equipped with the most popular fashion magazine and popular novels which are regularly updated, to enhance the artistic atmosphere of the store. Books and magazines can be read for free in the store.

## 5. Hold various themed activities

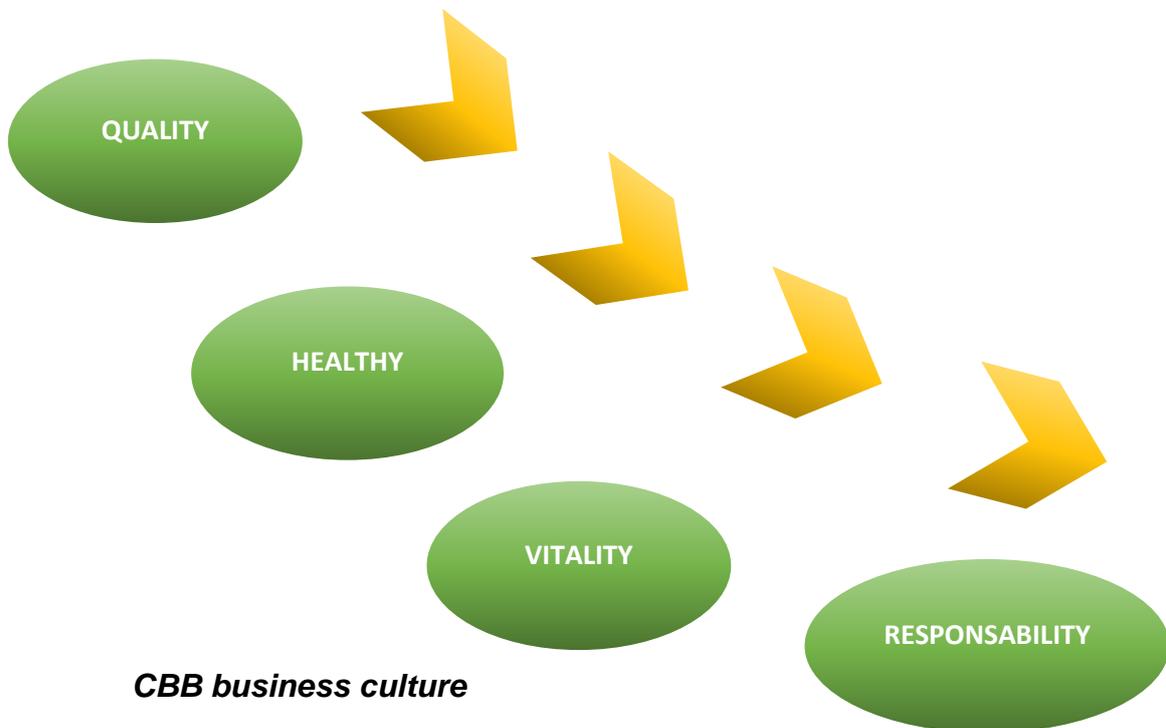
Hold different them marketing activities on special festivals or anniversaries. For example, to aim at 20-40 years old 'single' customers, using the theme of 'suddenly meet you', holding the singles party on Valentine's day, is held to attract more target groups with the unique environment, atmosphere, and creative highlights, and drive the sales of CBB.

### **7.4 Characteristics of the products and services selling points**

#### 1. In term of quality:

- Chose high-quality coffee beans and fresh raw materials to ensure the hygiene and safety of every drink and food.
- Refuse to add any food additives and preservatives and other chemical ingredients.

- Ensure the original taste.
2. In term of healthy:
- While ensuring delicious taste, we will try our best to choose healthy ingredients with specific efficacy, such as: beauty, weight loss, so as to meet the needs today's customers constantly seeking to maintain health.
3. In term of vitality:
- We will choose exquisite and artistic dishware.
  - The placement and packaging of the food will focus on the matching of colours and materials.
  - The drink colours are bright and seductive, the decorative embellishment is delicate and chic, doing hard work in details.
4. In term of responsibility:
- Every CBB staffs will provide you with satisfactory and thoughtful service. Their service label will be positive, enthusiastic, patient and professional. CBB will be built into a young and fashionable leisure space, let each customer to get rid of the tension of the fast-paces boredom and look for a relaxed and comfortable place.



## 8. COMPANY CASES SWOT ANALYSIS

After a market survey and analysis, we have made it clear that the industry has a large profit margin. According to the actual situation, we have chosen 2 suitable reference mature store.

### 8.1 Case 1: Cafetería DHUB

Strengths:

- Superior geographical location, located next to the entrance of faculty of economy and business, directly close to consumers.
- The product has a certain characteristic, the quality is high.
- Fixed consumer groups, relatively familiar with Cafetería DHUB, and high customer loyalty.
- The part-time staffs are surrey students, who are relatively easy to manage and can be promoted with low salary.

Weaknesses:

- It is difficult to upgrade and update the products. The development of new products is slow and the professional level needs to be improved.
- The location of the site has certain limitations which makes it difficult to attract external consumes of the college.
- Lack of publicity, brand efficiency and culture.

Opportunities:

- The consumers are mainly teachers and students of the Faculty of Economy and Business (FEB). A high proportion of total consumption is occupied by overseas students.

Threats:

- There are many competitors of the same kind, strong agent support, and rapid product upgrading and updating.

- As it is located in campus, the business hours are limited by course arrangement and winter and summer vacation.

## **8.2 Case 2: Zenzoo , milk tea**

As a mature beverage store in Barcelona city located in a business district near shopping center. It mainly deals in milk tea.

Strengths:

- It has been in business for nearly 7 years and accumulated a lot of business experience. It is considered as “time-honored brand” of Barcelona city milk tea shop.
- Located in business area, near the target consumers.
- The product is fast and convenient with unique taste.
- Store decoration simple, fashionable, easy to attract young consumers.

Weaknesses:

- The raw material cost and quality of products are mostly powdered processing, so it is difficult to meet the health demands of consumers.
- Publicity and marketing costs less, product upgrading speed low.
- Consumption environment is relatively noisy, is not suitable for high-range consumption. The rent in business district is higher.
- Although the brand is established, there us no unique management culture and other non-food selling points.

Opportunities:

- Because of the business location there is large number of consumer groups.
- Consumer groups are positioned as students and business shoppers with relatively strong purchasing power.
- The brand image has been established and it has been widely recognized by the consumer word “mouth to mouth”.

Threats:

- There are many similar competitors around the district and the market access threshold is low.
- The milk tea industry overall development is slow.

According to the basic situation of the above 2 stores and SWOT analysis can provide mode and reference for future positioning and operation.

## **9. SHOP DESIGN**

### **9.1 Store location**

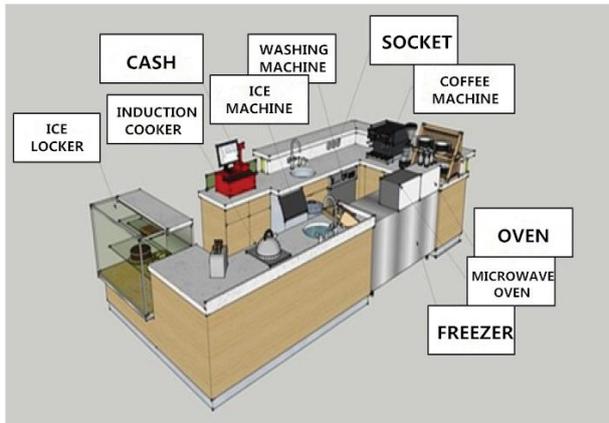
Because the store consumer group is locked in the university teachers and students, therefore the location is chosen in the relatively large flow of people, the closest location to the students' living and learning area. The location of a large flow of people will undoubtedly increase the attention level of the store and the number of visitors.

### **9.2 Store design**

The overall style: the store area is expected to be 90-120 square meters. The CBB will set the glass wall according to the area to isolate the surrounding noise and increase the light transmission to enhance the storefront texture. The store's decoration style is European classic decoration style; the dominant tone is crimson and jasper, supplemented by dark brown, white, burlywood colour through the shade of colour to bring out bright visual effect; then, the use of light, curtain cloth, drying flower, doll and other accessories in order to present CBB an elegant retro atmosphere and at the same time saving the decoration cost. The decoration material must contain three elements: burlywood furniture, glass and red brick walls.

The layout of the store: CBB is expected to accommodate up to 40 people at the same time for leisure and parties. It is divided into the following area:

- Production selling area: this area will be specially designed for sales, equipment placement, and production. The bar counter is built by laying red bricks and it is about 58-60 cm (suitable for most coffee machine sizes). The counter top is between 91-112 cm, it depends on the height of barstool. In addition, we will give enough interspace for the disinfection tableware cabinet, without doubt there are lot of equipment more, that we need to contact with supplier and get the sizes.



### ***Bar counter design***

The hard seat area: one set can accommodate 3-5 customers, in total 3 sets of hard seat equipment. The hard seat area in total can accommodate approximately 40 persons and is equipped with rectangular tables (or round form) and wood made chairs.



### ***Seats area design***

The private soft seat area: one set can accommodate 2-4 customers, in total 2 sets. It is composed by comfort sofas and small size of side table. The privacy is prominent in this area, therefore is far from windows, and the light is a little bit dim and soft, to well off the feeling tone.

### Interior design must pay attention to details:

- The door: the door is the customers' first feeling before entering the store. The coffee woody door firstly is a visual warmness, coffee colour emblems comfort, long lasting, reliable, simple, friendly, whilst letting people approach and store interior colour integrity. The wood itself is natural element, and it gives to people comfort and warm experience on touching and texture. On the door, will inlay pieces of square glass to transmit the light. The door will appoint with the brass bell, therefore when customers enter and go out the bell will make clear and melodious sound. On one hand, the sound gives the static door a dynamic atmosphere, and on the other hand can also remind staffs to attend customers and clean table on time.
- The glasses separation: to build a sunshine warm atmosphere, meanwhile reinforce interiors' sound isolation, furthermore to mark off certainly area. This area must be separated by glasses and will combine with woody texture border.
- Tables and chairs: comfortable is the main requirement for sitting; and the tables must be woody or glass texture. The form of table can be square or round, and chairs mainly are equipped with cushion or can be back-rest chairs. One table can match 1-6 chairs, except single or multi-persons sofas. Interiors' tables and chairs can be moved, in this way while it can enhance the use ratio of furniture also gives more freedom to customers. Moreover, all the tables and chairs are equipped with chair covers that match with style of curtains, in order to make them look more neat and coordinated. And just changing the cover of the chair is like changing all the chairs in new, which adds freshness also reduces cost at the same time.
- The wall: we do not do too much decoration on the walls, most of them are be painted and hand-painted pictures. On the wall can hang sets of picture frame, enhancing the atmosphere of the store. We can open up two blank walls on the wall surface, making them available for students' scrawl to remember the time passed in the store. Also can open up message board and photo board, so that customers can write a mood

and they can leave their postcards, photos, letters on that wall, to increase the warm and sweet atmosphere in the store.

- The bookcase: books and magazines reading, in the store there are the most popular fashion magazines and best-selling novels at the present, regularly updated.

## **10. COMPETITOR ANALYSIS AND CORRESPONDING COUNTERMEASURES**

### **10.1 Bars within the campus, vending machines**

There are bar-restaurants in every faculty, inside the faculties there are approximately 2 drinkable fountains, and 2 vending machines and 1 coffee and chocolate machine. The bar-restaurants offer daily menu, simple snacks, alcohol beverage, carbonated beverage, coffee and tea drinks that have managed for long, so they already have a great group of consumers. The price is considered convenient for students. The vending machines sell mainly carbonated beverages, mixed juices and simple snacks, and the price of the items is low. Although CBB is a beverage seller, but whether is from the item peculiarity, shop design, or business services management, the CBB has the absolute advantage comparing with them. The price compared, CBB has a price higher than the establishments within the campus, but the value determines the price.

### **10.2 Bars, Coffee shops**

Outside the campus, there are coffee shops and bars that offer similar services as CBB. The establishments such as bar has not a certain group of consumers oriented, so there are group of all age, different professions. Due to the operating time limited and safety consideration, students will no be frequent consumers. The group of consumers of other high-end coffee shops is mainly business people, and the atmosphere does not accord with the energetic young style. CBB is mainly aimed at college students and the atmosphere is relatively elegant and leisure, so students can chat and talk in the store, read books and surf the internet, or play board games.

### **10.3 Dessert shops, bubble tea shops**

Most beverages and desserts of dessert shops in the urban are take-away, and students are frequent consumers, but this kind of competitor offers multi-products that rarely has an elegant repast environment, could not sit for a long time. Instead, what CBB offers is a leisure place with multi-function services that can offer entertainment activities and equipment. We will sign a cooperation contract with a famous brand of dessert shop in the city to provide our shop with all kinds of fresh dessert which will improve our competitiveness in certain conditions.

## 11. MANAGEMENT STRATEGIES

### 11.1 Human resources management

The personnel requirements and staffing: 1 store manager, 5-8 part-time waiters on rotation.

The personnel recruitment will be conducted in the early preparation stage of the opening to find suitable candidate and also is going to put poster and announcement inside the university campus and the recruiting information will be published through advertising and network platform as well. The recruitment of staff will focus on the fun of the production process and skill acquisition. They can learn about the production process of coffee diet by participating in coffee shops, enjoy the pleasure of cooking and improve their ability to communicate with others.

- Store manager position requirements:
  - Age between 24-30 years old,
  - Cheerful and enthusiastic, strong sense of responsibility,
  - With similar experience of sector,
  - Have the ability to coordinate and arrange various affairs independently.
- Part-time job waiter position requirements:
  - Age between 18-30 years old, mainly facing to students of the campus,
  - Cheerful, enthusiastic, positive,
  - Love coffee culture, have some experience or knowledge in catering or similar is a plus,

It is necessary to conduct all-round training to minimize material loss and waste, in order to maximize production efficiency and give full play to employees' production capacity. The contents includes CBB culture, brand connotation, service etiquette, marketing method, elaboration of coffee drinks and food, etc.

- Salary:

The salary of manager is around 1300-1800 euros monthly, for part-time waiters we adopt "time wage system", 7 euro per hour, 1200 euros monthly. Adopting this

system will be more flexible which can accurately record the working hours of each part-time worker and accurately calculate the salary. But there are some disadvantages such as personnel mobility, resulting in the loss of personnel and training cost increasing. At beginning of the recruitment, we will first ask about the available time period of each candidate, and then determine the specific schedule of each month according to the time period.

➤ Personnel evaluation:

We focus on different aspects such as business knowledge level, innovation ability, responsibility, cooperation, motivation, sense of discipline, attendance rate, work quality and efficiency of the service. So, these aspects can provide evaluation for further personnel reward equity distribution.

➤ Incentive methods:

- Internal purchase price sales: staffs or relatives in the store to buy products can enjoy 30% of discount.
- Sales commissions: shall be given according to a certain proportion for the group purchase introduced by staffs.
- Regular staff activities: such as holding celebration parties on special anniversaries or birthday, organizing sport matches or games to enhance team cohesion and sense of belonging for the staffs.

## **11.2 Financial management**

Prepare budget statement before purchasing, reserve excess space in advance, so as not to cause shortage fund flow. In daily operation, make detailed records of each transaction expenditure, income and purchase cost by using computer software system, and conduct financial analysis and settlement on a regular basis to calculate and withdraw depreciation of fixed assets.

## **11.3 Goods management**

Make inventory records of all items in the store before the opening, and make classified records according to fixed assets, inventory details, raw material purchase, etc. Keeping a detail record of everything and reducing the quantity of

goods in stock, on the one hand can ensure the freshness of raw materials, and on the other hand can save liquidity.

Take stock regularly to prevent loss and damage. Update stock and material details of products and equipment details in time. The establishment of damage compensation system can reduce material loss to a certain extent.

#### **11.4 Marketing management**

In general, the main factors influencing consumers' consumption include price, atmosphere, quality, convenience and promotion mode. Based on the above on the above characteristics, the fast moving consumer goods manufactures often adopt the following marketing methods to improve sales volume and brand awareness:

- the early publicity and promotion strategies are divided into 2 stages: market exploitation stage and market expansion stage.

The main idea of CBB's operation and marketing is: the first step, let more people come and the second step, get people to buy more and more.

Coffee, milk tea and other drinks, as well as dessert, sandwiches and other cols meals are mainly products to manage.

##### 1. Initial marketing:

The marketing purpose of the initial opening is to "active store, accumulate popularity, increase business opportunities", and use a variety of strategies to expand popularity, directly attract consumers with preferential prices, and establish brand image.

At the beginning of the opening, there are 3 goals: to catch people's attention, quickly improve the popularity of CBB shop, and determine the good image of the business. Create a good opening profit provides an advantage basis for the following operation. Maintain good sales trend, preserve store image, stabilize consumers while constantly convert potential potential consumers to expand profits. Take action to advertising first, for the store opening campaign in order to expand influence.

Publicity strategy will use a variety of media. The use of print advertising: the production of the storefront posters and advertising and leaflets with a calendar. It can increase the practicality and also the effectiveness of issuing advertising leaflets. Print advertising can change with the time, changing content with different theme. Through promotional banners, roll-up posters, and clerks handing out leaflets, coupons, catalogues, etc., customers can enter the store with the “freshness”. They want to experience, so CBB can offer:

- “2 persons together, 1 is half price”. Buying 2 drinks in once and enjoy half price discount for the second drink. It aims at keeping company with many people to the store, in order to attract consumers.
- “Buy it and get it free”. Buying any meal or drink, voucher will be given to the customers. Buying more the 10€ in cash, we will give a vouch; to extend the marketing effect and to stimulate consumption continuity.
- “Grab your 100 points”. Limited time special sale, in the stipulated period of time to buy goods can enjoy preferential prices, in order to create a buying atmosphere, adjust the supply and demand imbalance period.
- “you enjoy it, I will pay for it”. Free trial packages will be provided to enable consumers to experience the advantageous characteristics of CBB, and letting the taste influences the purchase intention, finally to improve the product launch speed, attract consumers, the popularity and the affinity. One thing to be aware of is to ensure the taste texture of the sample, only in this way we can gain everyone’s preferred after tasting.

## 2. Daily marketing activities

### **Price strategy**

Membership card system: membership card consumers can choose to store the value of 10€ or choose to store the value of souvenirs. In addition to the discounts mentioned, the consumption of membership card holders can have 10% discount after 9 PM.

### *Membership card:*

- a. Members can freely choose whether to input password, set, modify and cancel password when applying for membership card
- b. Consumers select the goods they need according to the information proposed and submit the membership card to the staff.
- c. The CBB's staff reads the membership information by swiping the card, selects the corresponding products according to the product types selected by customers, and click to close (if password is needed please let customer enter the password). After the end of the membership card back to the customer and informs to the member last balance in the card.

For customers who do not apply for membership card, we will design accumulative exchange card. "Up to 10 cups we'll give you 1 free", the consumers can accumulate a CBB stamp for every drink purchased.

### **Advertising strategy**

- With the help of Facebook, Instagram, blog and other social network marketing. Especially for young consumers the network has become a necessity in daily life, so network advertising marketing is undoubtedly a high efficient and cheap choice. We will assign part-time staff to carry out daily website maintenance, webpage production and Facebook page and Instagram page update and reply. It aims to increase the attention and visits of store through network.
- Set hand-painted chalkboard, in the store eye-catching position set best-selling list or new product recommendation list to guide customer consumption to improve sales.
- Issue in the classrooms and dormitories of universities paper leaflets which can include the store menu and calendar. We can also put up posters along with promotional activities or new product recommendations.

### **Special holiday-themed marketing**

Organize marketing activities with different themes on special holidays or anniversaries. For example, for single customers aged 20 to 40, the San Valentine singles' party with the theme "meet you suddenly" is held to attract more target groups with the unique environment, atmosphere and creative highlights of activities, and drive the sales of CBB.

## **12. FINANCIAL REQUIREMENTS AND APPLICATION**

### Capital

The total demand for start-up capital is 37500€, among them: rent 7500/year, store decoration 18750, equipment purchase 6250, food raw material purchase 2500, other working capital reserve 2500.

### Financing plan

This coffee shop business is fully sponsored by family members and does not consider small mortgage loans, which can save interest costs to some extent. However, in the actual implementation process, the existing funds will be carefully used to save funds in all aspects.

### Costs and benefits

Fixed asset investment cost: store decoration catering equipment and other equipment a total of 25000€, including equipment investment of 6250€.

Equipment purchase budge		
Code	Equipment	Price
1	Ice crusher	250
2	Coffee machine	2500
3	Bean grinder	125
4	Popcorn machine	100
5	Sausage roaster	40
6	Refrigerator	750
7	Ice maker machine	300
8	Cash machines	375
9	Water heater	375
10	Monitor	190
11	Microwave	250
12	Oven	250
13	Icebox	320
14	Audio device	125
15	WIFI device	25
TOTAL=5975		

Monthly fixed expenses		
	Concept	Amount
1	Rent	625
2	Supply expenditure	65
3	Depreciation of fixed assets	210
4	Personnel salary	4000
5	Publicity and marketing expenses	50
6	Office materials	20
7	Transport	25
8	Incidental expenses	65
9	Amortization of decoration expenses	520
Total=5580		

### ***Equipment purchase budge and monthly fixed expenses***

Opening related expenses: 375€

Daily material cost: the profit margin of drinks is between 60%-80%

Monthly fixed expenses: 5580€, which includes the amortization of decoration (100% in 3 years).

Daily expected turnover: expected income of 500-800€ per day.

## **13. RISK ANALYSIS AND PREVENTION**

### **13.1 Capital risk**

CBB's funding comes entirely from parents, which largely reduces the financing risk. However, for a college student who just graduated and chose to start his own business for the first time, he lacks experience in estimating expenses such as rent, store decoration, equipment purchase and daily working capital. All this needs to leave a large space in the budget and adjust with the actual circumstance. Another source of revenue risk comes from the theft of staffs which relies on the installation of monitoring devices and also needs to prepare sales quota to supervise and control.

### **13.2 Personnel risk**

For food service industry, service personnel production and services levels can directly affect the daily operation of income. All this needs CBB when recruiting staffs from their moral quality, production and service level, personally tasting for each type product made, taste carefully grasp the product quality. Only unified taste and intimate service can attract customers and retain them. Therefore, strict professional training must be carried out for each service staffs, unified assessment standards should be applied, work behaviors should be bound by contract, and employment relationship should be maintained by emotion. At the same time, to avoid the risk of temporary shortage of personnel, we will accumulate during recruitment all candidates with part-time intention on weekdays, filter excellent candidates and fill in specific information.

### **13.3 Production risk**

1. Raw material supply risk control. In order to prevent raw material suppliers from temporarily running out of goods, suddenly raising prices or logistics interruption and other unexpected behaviors, the store will contact and communicate with several similar alternative suppliers in order to realize the diversification of supply source channels in case of emergencies.

2. Equipment damage risk control. In-store coffee machine, ice machine, water filter in the equipment of home appliances for daily use, such as machine fault will have important effects on the operating. For this, frequently used daily important machines require regular maintenance and care and staffs will be trained to carry out the daily maintenance.

### **13.4 Management risk**

As a business administration student, I have accumulated a lot of professional knowledge of management in class, but lack of practical experience. Therefore, in daily operation and management, CBB will develop systematic standardization standards from personnel training, financial records, work process and health environment, etc.; also improve daily operation with high feasibility system and transparent assessment, so as to reduce management risk.

### **13.5 Customer claim risk**

In daily operation, it is possible to encounter friction between personnel and customers. Therefore, it is necessary to strictly stipulate that personnel should not quarrel with customers at the beginning of training, and promptly respond to the store manager if problems occur. At the same time, we will display the customer suggestion book in the eye-catching position of the store and give free consumption coupons to customers who give positive suggestions, so as to promote the continuous improvement of the store operation.

### **13.6 Marketing risk**

Today, with the rapid development of information dissemination, marketing approaches are also enriched. However, if the marketing means are not appropriate or the marketing investment is not enough, it is easy to fall into the situation that no will pay attention to the business just opened, and the expected operating profit cannot be achieved, leading to a vicious circle. Therefore, it is particularly important to reduce the marketing risk.

## **14. GROWTH AND DEVELOPMENT**

Within one year of opening, considering that CBB is in the initial stage of business, we are constantly trying from personnel management, material procurement, and daily operation, so we need to accumulate experience and gradually build up our strength with our feet on the ground.

It is expected to build several branches in Barcelona city. Barcelona Zona Universitària store will be additional investment in decoration for the second time and set up as headquarter. It is expected as well to open takeaway, open-door stores in Barcelona city or the surrounding countryside area of the major business circles or campus nearby, to expand gradually popularity and influence, build CBB brand and carry forward CBB business culture. With the time, we will try our best to build CBB into a coffee dessert shop, popular among the people in Barcelona with first-class quality.

## 15. BIBLIOGRAPHICAL REFERENCES

- *Estrategia de marketing: un enfoque basado en el proceso de dirección.* **Munuera Aleman, J.L. & Rodriguez Escudero, A.I.**
- *El desafío Starbucks.* **Howard Schultz & Joanne Gordon**
- *What I know about running coffee shop.* **Colin Harmon**
- *Setting the Table.* **Danny Meyer**
- *The 7 keys to success.* **Will Edwards**
- Degree notes taken during 2015-2019
- Ajuntament de Barcelona
- Asociación nacional de café
- Official web of Starbucks
- Official web of Ted
- Chinese tea. <https://www.chinahighlights.com/travelguide/chinese-tea/>
- Tea culture. <https://tea-culture.net/>

## 16. ANNEX

### Purchase details of fixed assets

Code	Concept	Quantity	Price	Total
1	Cold water jug	2	6,50 €	13
2	Steel stray	2	6,00 €	12
3	Sugar container	7	1,50 €	10,5
4	Green plate	5	7,95 €	39,75
5	Green cup	8	0,95 €	7,6
6	Shaker	1	15,00 €	15
7	White cup	4	1,95 €	7,8
8	Teapot	2	12,00 €	24
9	Tea cup	5	2,00 €	10
10	Chopping board thin	1	6,95 €	6,95
11	Chopping board thick	1	9,95 €	9,95
12	Cocoa sifter big	2	0,90 €	1,8
13	Cocoa sifter small	1	0,65 €	0,65
14	Knives, fork and spoon	2	5,00 €	10
15	Ice pot	1	5,00 €	5
16	Vegetable cutter	1	7,95 €	7,95
17	Seasoning pot 4 units	1	3,00 €	3
18	Cake clip	1	2,50 €	2,5
19	Brush	1	0,75 €	0,75
20	Big strip	1	12,95 €	12,95
21	Storage box big	4	5,95 €	23,8
22	Storage box small	1	3,50 €	3,5
23	Eggbeater	1	1,95 €	1,95
24	Knife	1	15,00 €	15
25	Filter plate	2	4,95 €	9,9
26	Milk pot	1	12,00 €	12
27	Glass red bean jar	5	4,00 €	20
28	Steel spoon	1	1,00 €	1
29	Steel plate	2	4,00 €	8
30	Measuring glass 3000ML	1	6,95 €	6,95
31	Measuring glass 5000ML	1	8,50 €	8,5
32	Measuring glass 1000ML	2	4,50 €	9
33	Measuring glass 500ML	4	4,00 €	16
34	Measuring glass 200ML	1	3,00 €	3
35	Measuring glass 50ML	2	2,00 €	4
36	Bar spoon hard	2	5,00 €	10
37	Bar spoon soft	2	3,00 €	6

38	Powder spoon	7	2,00 €	14
39	Muddle	2	0,75 €	1,5
40	Trash can big	1	7,95 €	7,95
41	Trash can small	1	4,95 €	4,95
42	Plastic tray	1	5,00 €	5
43	Balance	1	20,00 €	20
44	Powder container	3	4,00 €	12
45	Ice cream spoon	1	10,00 €	10
46	Price tag maker	1	5,95 €	5,95
47	Salad bottle big	1	2,00 €	2
48	Scissor big	1	2,50 €	2,5
49	Sealing clip	10	0,50 €	5
50	Telephone	1	35,00 €	35
51	Dried flower	2	4,50 €	9
52	Electric cooker	1	40,00 €	40
53	Stapler	1	3,00 €	3
54	Flashlight	1	4,00 €	4
55	Woody frame 4 pieces	1	25,00 €	25
56	Wine rack	1	40,00 €	40
57	Oz cup	2	2,00 €	4
58	Card rack	1	10,00 €	10
59	Snack rack	1	50,00 €	50
60	Milk candle	1	2,00 €	2
61	Straw clip	1	0,75 €	0,75
62	Coffee beans painting	1	55,00 €	55
63	Watch	1	10,00 €	10
64	Calendar	1	9,00 €	9
65	Vase	2	3,95 €	7,9
66	Flower	4	3,00 €	12
67	Price list board	6	4,95 €	29,7
68	Lock	1	2,50 €	2,5
69	Tablecloth	4	8,95 €	35,8
70	Mop full set	1	12,50 €	12,5
71	Coat hanger	1	2,95 €	2,95
72	Apron 5 pieces	5	5,00 €	25
73	Blackboard	1	29,95 €	29,95
74	Gift box big	1	8,50 €	8,5
75	Gift box small	1	5,00 €	5
76	Jewelry rack	1	10,00 €	10
77	Frame small	3	4,95 €	14,85
78	Cat doll	2	8,00 €	16
79	Candlestick	1	20,00 €	20
80	Candle 5 pieces	1	4,95 €	4,95
81	Big tree	1	45,00 €	45
82	Small tree	1	35,00 €	35
83	Flower 2	1	7,50 €	7,5

84	Cellophane tape holder	1	3,95 €	3,95
85	Key	1	10,00 €	10
86	Dishes full set	10	5,00 €	50
87	Tissue	2	3,50 €	7
88	Cutlery storage box	2	4,00 €	8
89	Milk jar	3	3,95 €	11,85
90	Seal	1	8,95 €	8,95
Total=1172.2				

### Purchase details of raw materials

Code	Concept	Measure	Quantity	Price	Total
1	Top juice	1,5kg	3	7	21
2	Top orange juice	1,5kg	3	8	24
3	Special mint drink pureed	3kg	3	8,9	26,7
4	Strawberry syrup	700ml	3	12	36
5	Mango jam	3kg	3	18	54
6	Molasses red bean		7	5	35
7	Ginger drinks	1,5kg	7	9,9	69,3
8	Grapefruit tea jam	1,5kg	7	7,5	52,5
9	Coffee latte	1,5kg	6	14	84
10	Motcha powder	1,5kg	6	14,5	87
11	Brown sugar milk tea powder		6	5,5	33
12	Brown sugar milk tea	1kg	6	7	42
13	Cocoa powder	350g	6	6	36
14	Agar	500g	6	6	36
15	Fructose		7	9,9	69,3
16	Aloe pudding	600g	7	3,9	27,3
17	Nata de coco	500g	22	3	66
18	Jasmin tea	600g	5	6,5	32,5
19	Tropical fruit tea (big tea bag)	500g	5	15	75
20	White peach flavour oolong tea	150g	5	9,9	49,5
21	Purple sweet potato powder		5	7	35
22	Cheese slice			7,5	7,5
23	Coffee beans	1kg	5	15	75
24	Turpentine powder	1kg	5	4,9	24,5
25	Sugar packet	5g	100	0,05	5

26	Lemon green tea	50g	5	4,5	22,5
27	Passion fruit peach	50g	5	4,5	22,5
28	Blackcurrant	50g	5	4,5	22,5
29	Raspberry	50g	5	4,5	22,5
30	Chocolate jam	700g	6	5	30
31	Orange puree	1kg	5	7,5	37,5
32	Re dates honey	1,5kg	5	9,9	49,5
33	Thai tea	450g	5	6,5	32,5
34	Red tea 100 packs	200g	10	2,9	29
35	Fruit tea		15	5	75
36	Caramel		5	13,5	67,5
Total=1514,1					

## Logo design

