



# Mama Kavelia

**Kolarctic BRIDGE 4<sup>th</sup> Session**

**Team members:**

- Yutaro Komatsu
- Nhi Le Nguyen Chau
- Valeriia Leonteva
- Ekaterina Grigoreva
- Pasala Krishna Chaitanya

**2020**



# TABLE OF CONTENTS

Assignments.....	3
Store assignment.....	4
Vending machine.....	4
Store.....	7
Find a location in Moscow.....	9
Expenses for a lease in Moscow.....	10
Recipes assignment.....	11
Recipes list.....	11
Survey's results.....	12
Final summary.....	13



# ASSIGNMENTS

**E**valuate the cost-effectiveness of opening company's store "Mama Karelia", find the profitable location

**O**ffer "Mama-Karelia" new recipes from the natural gifts of Karelia



# STORE ASSIGNMENT

## VENDING MACHINES

For Mama Karelia, having vending machines is a new type of doing the project. We think a potential idea to cooperate with other tea shops which are having a similar business with vending machines.

Alternatively, an idea can be that Mama Karelia can work with other shops in Petrozavodsk trying to have a new idea but have not done yet.

*In this case, it might be easier to talk with Plaza and Maxi shopping malls first about having vending machines as a pilot project.*

*We can cooperate with Ostoskeskus Dobrynja, which has separate department for teas, where they provide tea sample for tastes also.*

### Vending machine places:

Vending machine places	Benefits
Aura Shopping Center	Surrounded by food shops and food court
Lotus plaza	Famous shopping mall
Gogolevsky	
Maksi	Famous shopping mall with various kind of shops, food court and a cinema
Desyatochka	Famous supermarket (Like Spar)
Tetris	Famous shopping mall
Glavnyy	
Ostoskeskus Dobrynja	Has separate dept for tea where people can taste different teas



# STORE ASSIGNMENT

## VENDING MACHINES

Vending machine providers	Address	Benefits
Doctor Vending	<a href="http://www.drvending.ro/">http://www.drvending.ro/</a>	
IVM, Inc.	<a href="https://www.ivminc.com/">https://www.ivminc.com/</a>	Mostly provide their services in Companies
Vendor Exchange International	<a href="https://www.veii.com/">https://www.veii.com/</a>	Good service, even sell individual parts and customizable machines

### In Petrozavodsk

1. Kofe Bum – Coffee Machines vending machines

### In Saint Petersburg

1. Unicum Manufacture of vending machines – Coffee Machines vending machines
2. Unitrade Co. Ltd. Vending machines – Unicum Coffee Machines, retail equipment repairs
3. VendingPro – Vending machines, Coffee Machines
4. Vending Partner – Coffee Machines Tea and Coffee Store



# STORE ASSIGNMENT

## VENDING MACHINES

Vending machines in Russia are strengthen their presence and becoming more sophisticated and user-friendly.

Russia stands 5th vending machine sales in Europe.

The vending machines assisted sales are structures as follows:

- 59% hot beverages
- 20% cold beverages
- 18% snacks
- 2% food products.

According to the Yandex map service, there is only one organization (Kofe Bum) in Petrozavodsk working on setting up vending machines. In Saint Petersburg, there are 46 organizations. They also might potentially have the capacity to provide vending machines for a pilot project of Mama Karelia.



# STORE ASSIGNMENT

## STORE

*Should we concentrate on tourist or locals?*



We see both tourists and local people as potential customers. The commissioner has told us that we can have Petrozavodsk as the first place to open a new store. For concerning budgets that will cost for a new opening, the commissioner mentioned prices must be high when we have this project in bigger cities like the center of Moscow and Saint Petersburg.

Petrozavodsk is the capital city of the Karelia regions. They have fewer populations, and Mama Karelia's office and warehouse are located in the same area. He also said we do not have any particular tea shops to corporate. Shopping malls can have many people at the same time. It might be easy to attract both locals and tourists.

Commissioner mentioned that we should consider tourists as prominent customers and bring locals together to enter the international markets. At least he already knows two places, Plaza and Maxi shopping centers. These places must be the first consideration to open a new store.





# STORE ASSIGNMENT

## STORE

*Study some shops in the Petrozavodsk, who can be a potential partner*

The shops must sell exclusive products with good qualities. As the commissioner said in the previous group meeting, they are not souvenir shops for tourists or ordinary food shops.

A list of the shops who can be potential ideas to collaborate with Mama Karelia:

- Vintage (Tea shop in the plaza shopping mall) I think they know how to display the products with the showcase and have different packages to give others special gifts
- Magazin chaya i kofe (Tea shop)
- Internet-magazin Sun Tea (Tea shop)
- Magazin Neobychayny Chaykoffye (Tea shop)
- Tea&Coffee (Tea shop in the Maxi shopping mall)

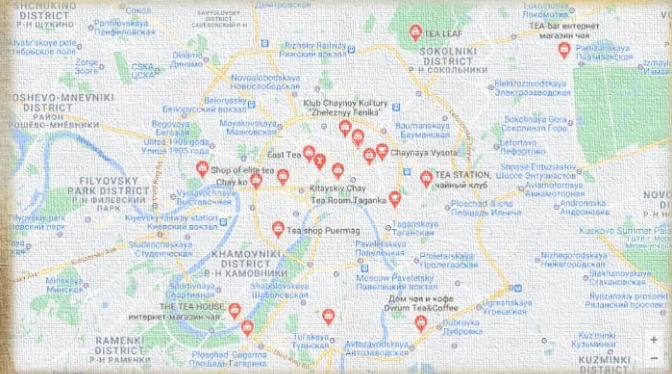
All shops were referred to Tea shops in Petrozavodsk .



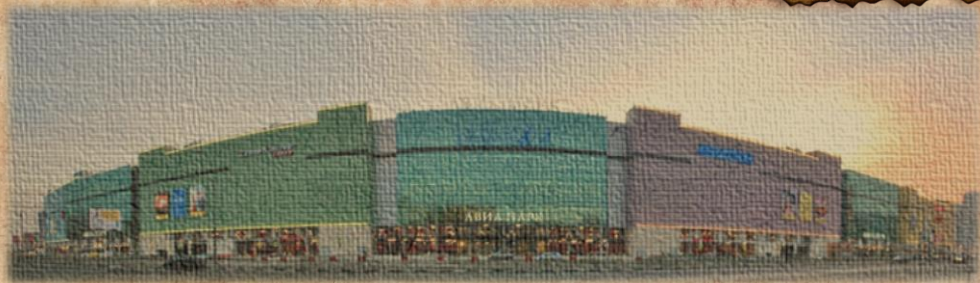
# FIND A LOCATION IN MOSCOW

## WHERE IN MOSCOW?

Shopping malls (An average-quality shopping mall – *Tsvetnoy*)



In "tea" streets



Shopping malls (a prime shopping mall – *AVIAPARK*)



# EXPENSES FOR A LEASE IN MOSCOW

Categories		Rent a lease in one of "tea" streets	Rent a lease in a shopping mall	
			Prime shopping center	Average-quality shopping center
Rental costs for a 60m2 lease /month		<b>375 000 rubles ~ 4090,48 Euros</b> <i>(Mokhovaya Street, Moscow)</i> <b>280 000 rubles ~ 3054,22 Euros</b> <i>(Pokrovka Street, Moscow)</i>	<b>975 000 Rubles ~ 10 635,25 Euros</b> <i>(On average)</i> <b>1 350 000 rubles ~ 14725,73 Euros</b> <i>(AVIAPARK shopping mall)</i>	<b>487 500 rubles ~ 5317,62 Euros</b> <i>(On average)</i>
Monthly salary		<b>70000-100000 rubles ~ 763,56 - 1090,79 Euros /person ~</b>		
Delivery costs	By air	<b>101,3 rubles/kg</b> <b>Air waybill registration 1200 rubles</b> <b>Collection of cargo 3500 rubles</b> <b>Total: 4801,3 rubles/kg ~ 52,37 Euros/kg</b>		
	By rail container	<b>100-150 rubles/kg ~ 1,09 - 1,64 Euros/kg</b>		
Purchase of furniture		<b>50000 rubles ~ 545,40 Euros</b>		
Purchase of the first batch of tea and tableware		<b>230000 rubles ~ 2508,83 Euros</b>		
<b>TOTAL COSTS:</b>		<b>630 100-1 734 802 rubles (6874,33- 18 926,52 Euros)</b>		
Customer flows		<b>800 Customers/month</b> <i>(Moichay.ru tea shop)</i>	<b>2 417 000 visitors/month</b> <i>(AVIAPARK shopping mall)</i>	
Revenues		<b>25 million rubles/month ~ 272 698,62 Euros</b> <i>(Moichay.ru tea shop)</i>		



# RECIPES ASSIGNMENT

## RECIPES LIST:

### Drinks:

- Cloudberry sepal tea
- Viburnum seed tea
- Ice tea
- Berry juice
- Raspberry lemonade
- + idea to add mint, thyme, ginger, berries to current existing Ivan-tea

### Sweets:

- Berry lollipops
- Blackcurrant fruit pastille
- Cereal bar
- Cranberry marmalade

### Mushrooms:

- Dried mushrooms
- Mushroom caviar

### Jams:

- Blueberry jam
- Berries in their own juice

### Other ideas:

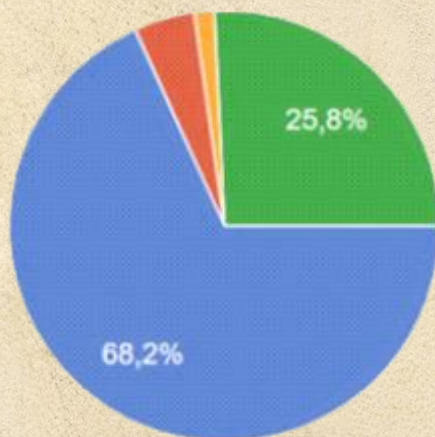
- Lingonberry sauce for meat
- Granola with berries



# RECIPES ASSIGNMENT

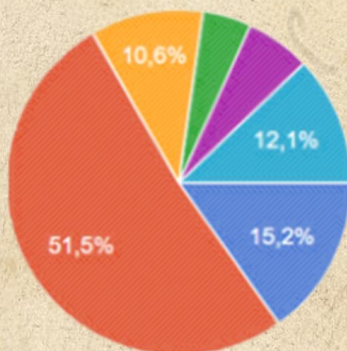
*We conducted a survey among 66 people about some of the company's products:*

**At what price are you ready to buy a healthy cereal and berry bar from the brand "Mama-Karelia" weighing 40gr.?**



- 50-70 rubles
- 75-100 rubles
- 100 rubles or more
- Not interested in purchasing

**Will you buy granola with the addition of Karelian berries from the brand "Mama-Karelia" weighing 300 gr. at the price of 150 rubles?**



- Certainly
- Possible
- I can't answer
- Probably not
- No
- Not interested in purchasing

*We can see, that most of the potential consumers are interested in buying new products.*



# FINAL SUMMARY

**V**ending machines — good idea to start it as a pilot project to attract new customers and bring visibility to a company.

**S**ore — strategy depends on a city. Company needs to expand its product range to open a store.

Good idea to cooperate with current existing stores to bring visibility.

**R**ecipes — people are interested to buy and taste new possible products. Most of the people would like to see brand's new tea flavors and sweets.

