Manual Cofium 1

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Content

1. Location2.Promotion3. Corporate culture

Problem with the current location

- The location renting is extremely high compared to others.

Cofium is currently located on Nevsky Ave road, which is one of the main streets in St. Petersburg. Due to the fact that there are many historical cultural heritages gathering around, this road can be considered the "tourist road" with thousands of travelers visiting annually.

- High competition

Besides some famous destinations such as Palace Square, the Houses of Books, Grand Hotel Europe...there are hundreds of service shops ranging from offering accommodation to food and drinks.

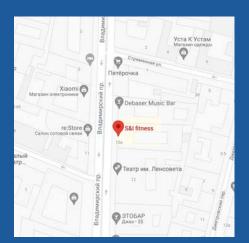
- The target customers do not fit the initial goal.

While Cofium aims at offering healthy and low calories food and drinks, tourists tend not to care much about those during their short trips.

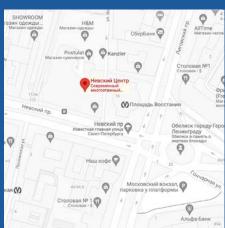
In general, there are 3 main problems with the current location of Cofium. It needs a replacement for the location to have a fresh start of the business.

Location recommendations

Our recommendations mainly concentrate on the areas that are nearby the fitness centers, where the people coming there care more about healthy food/ drinks



Vladimirskiy Prospekt, near S&I Fitness



Nevsky Center



Kazanskaya St road, near Fit Fash<u>ion</u>

Vladimirskiy Prospekt, near S&I Fitness

- One of the most crowded roads in St. Petersburg
- The parking lot is quite large
- The renting price is cheaper
- Close to S&I Fitness center (one of the most popular gym centers in St.Petersburg)



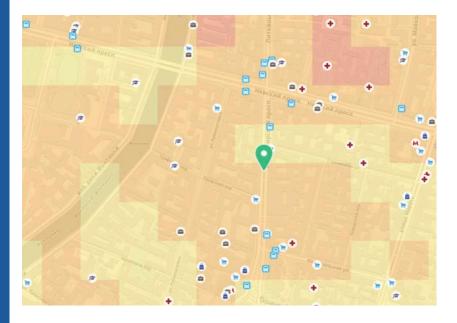
The rate of population density, intensity traffic, and the level of competition of the Vladimirskiy Prospekt



the most favorable points for opening



the least favorable points for opening



Nevsky Center

- Location in a shopping mall can widen the range of customers
- Alex Fitness is quite a big fitness center in St Petersburg





Kazanskaya St road, near Fit Fashion

- Near Cazan Cathedral, the road that many people are visiting
- Not so many coffee shops nearby



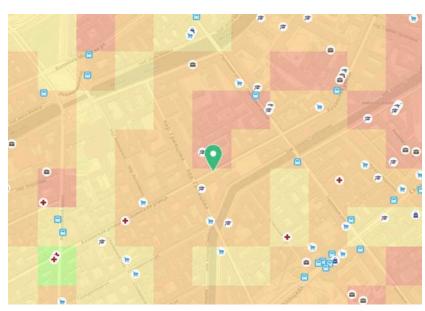


the most favorable points for opening



the least favorable points for opening





Cooperation

We recommend to cooperate with some fitness centers for mutual benefits.

Why is the partnership benefitial for us?

- Higher flow of thecustomers that are particularly interested in healthy eating
- Convinience for customers to save time and have a good eating break right after the work out
- Increase of recognizability

Why is the partnership benefitial for the gym?

- Lunches for the hall staff
- Special bonus program for our guests, which are members of the gym
- Discounts on products for gym staff
- Total contribution to promotion
- Share of profit from the sales
- Usage of gym-logo on the take-away packaging

We have tried contacting the Sport Life fitness center as an experiment to test how interested they would be in this kind of cooperation. They showed interest in this idea and now they are looking forward to the official offer.

Attention: The Internet and social networks nowadays play a key role in the development and advertising of any business, it is necessary to work with professionals in promotion and advertising.

1) After discussing the promotion program with an advertising agency, we can draw the following conclusions:

To promote a coffee shop, you need to use 3 main tools:

- contextual advertising 49.500-59.500 rubles + advertising budget from

45.000 rubles

- targeted advertising 49.500-59.500 rubles + advertising budget from

45.000 rubles

- **SMM** from 98.000 - 147.000 rubles + budget

from 49.200 rubles

The minimum package: includes only targeting

Optimal package: SMM and targeting

Maximum: all three types of advertising

How will we measure the result of advertising?

The initial arrival of the client to the coffee shop (you can give a promo code from advertising)

The cost of attracting such a client - 300-500 rubles. The average spending amount - 500 rubles.

That is, advertising will not pay off immediately. And in order for it to pay off, we need to work on **customer loyalty**, on their return to the coffee shop.

We spent 300 rubles to attract a client, and he sarts coming to us every week.

Then there will be a profit from this.

The expected payback period is 3 months.

Clear and unified concept of social networks; simple and user-friendly website (cooperation with professional designers and SMM-managers)

3) Stock options for promotion:

- On the opening day, drinks and food at the price set by the buyer
- Distribution of leaflets with a discount or a gift
- Outdoor advertising
- Pillars, signs, posters all this will help to attract attention a randomly passing person; as well as attraction of people, coming to the cafe for the first time using online maps
- Discounts on take-away coffee
- Discounts on food after 18-19 pm

4) Motivation program

The introduction of a motivational program will allow us to retain our customers, it can be both a bonus system and a system of discounts or special promotional offers.

5) QR-codes

In the current situation, qr codes are already becoming the standard, we suggest introducing qr codes for quick use of the menu Can also be printed on coffee-cup to allow fast acess to Instagram

6) Attracting customers through design changes

It is necessary to add bright colors / memorable details in the interior.

Creating a unique design will attract photographers which we could cooperate with on barter terms









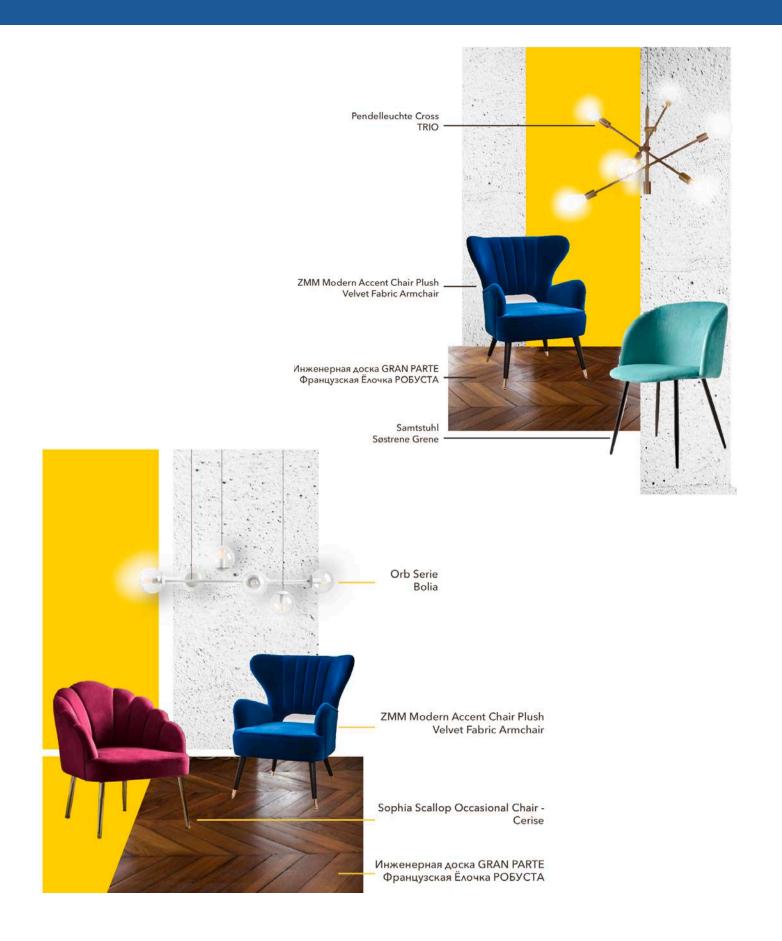








Possible furniture items to be used for new interior



Introduction of the thematic design of cups in a coffee shop

Free advertising on our clients' social networks will attract new visitors.

The cost of designed cup - 2-5,5 rubles (depending on the size)



Christmas edition



Halloween edition





Seasonable designs

Corporate culture

For the successful operation of the coffee shop, it is necessary to create a corporate culture that will allow employees to feel comfortable in the company, as well as successfully interact with customers.

1. Your staff is your big asset, which is important to invest in

Negative affects the profits of the coffee shop:

- Poor-quality barista work
- Dissatisfied faces at the bar
- High staff turnover

Inattentive attitude to staff motivation and corporate culture.

Before opening an institution, it is necessary to check the qualifications of all employees, as well as to train barista

2. Feedback

Build a work culture in advance:

- communicate regularly with your employees.
- collect feedback from everyone who wants to speak out
- implement effective, positive feedback methods that will evolve over time

It is necessary to hold monthly meetings with the team and collect complaints and suggestions.

3. Team play

Don't make decisions alone. You are part of your team.

Consult with the team, let them feel belonging to the business and influence on changes.