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Baden-Wuerttemberg Cooperative State University Mannheim

Survey on the feasibility of a new company in the coffee sector in Germany

GREENSPOT

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1. IDENTIFICATION AND JUSTIFICATION OF THE PROJECT

This project aims studies involved in the design, analysis ,interpretation and evaluation of an investment project to install a Café in the German city of Mannheim, by which it is possible to determine its reliability, technical feasibility and economic.

1.1DESCRIPTION OF THE PROJECT

The name for the concept is called "Greenspot" The idea is to help the biking community by offering free air compressors, water dispensers, wifi and help by being a recharging spot for bike users inside the city. It is a Cafeteria "Starbucks style" with healthy food, gyro style, deli-house, home-brewed beer, coffee, tea, mojitos, etc.

The whole design of the place is a mixture between environmentally friendly and biking. Special theme on decoration, ambient, music and parking spaces originally designed.

1.2TARGETS OF THE PROJECT

Basically responds to help creating a space for environment friendly bike users to bring Positive externalities into the community.

It has a special workshops and a repair shop for break adjustment, gear regulation, wheels etc.

Offers touristic information and info regarding other related bicycle shops (repair shops, sales shops, etc.).

2. ENVIRONMENT ANALYSIS

Environmental business analysis is a catchall term given to the systematic process by which environmental factors in a business are identified, their impact is assessed and a strategy is developed to mitigate and/or take advantage of them. While frameworks do exist to aid in environmental analysis, it is important to understand that they are simply frameworks to orient the user toward a more precise understanding of the business environment; they are by no means necessary. Rather, it is important to understand the business environment, the universal processes used in analysis and how analysis is converted into strategy.

Analysis Process

Any business manager should be able to analyze the environment in which the company does business. The general process used to analyze the business environment has four basic steps. First, the environment is scanned for environmental factors. Next, the relevant factors are culled and monitored. Then, those factors are analyzed for impact. Lastly, scenarios are forecast based upon the environmental factors identified and strategies developed accordingly. Further, as strategies are implemented, the business environment is monitored so that any unforeseen changes can be accounted for.

Identifying Environmental Factors

Identifying environmental factors is most commonly done by brainstorming. All environmental factors are not always obvious to everyone and the more people included, especially in this initial

brainstorming, the more accurate the environmental profile developed will be. Common environmental factors include new tax laws, tariff limits, export laws, consumer trends, developing technology, new replacement products (i.e., the iPod to the CD player), laws concerning emissions, or a new competitor.

Environmental Frameworks

Several popular frameworks exist to aid in identifying environmental factors. They are frequently used together. The first is PEST or PESTEL analysis, which looks at the political, economic, social and technological factors affecting a business; sometimes environmental and legal are included. Secondly, SWOT analysis is used. This is a framework that looks at the strengths, weaknesses, opportunities and threats affecting a business, both internally and externally. Lastly, the Five Forces are considered: internal forces, external forces, competitors, new entrants and producers of complementary products/services.

Selecting Relevant Factors

Only the most relevant environmental factors identified should be given further analysis. Further, it is important to try to quantify the effect of the environmental factors identified. Quantification will allow the true impact to be assessed and compared historically and in the future.

Strategic Position

After carefully identifying and quantifying those environmental factors most relevant to the future success of a company, assumptions are made regarding the future development of those factors and a strategy formed. Methods to accomplish this will vary, but all good plans will have the common feature of a monitoring/feedback

mechanism and a system to update the strategy accordingly, such as a monthly review.

2.1 MARKET OBJECTIVE

This study aims to identify the characteristics of potential consumers to whom the project is guided.

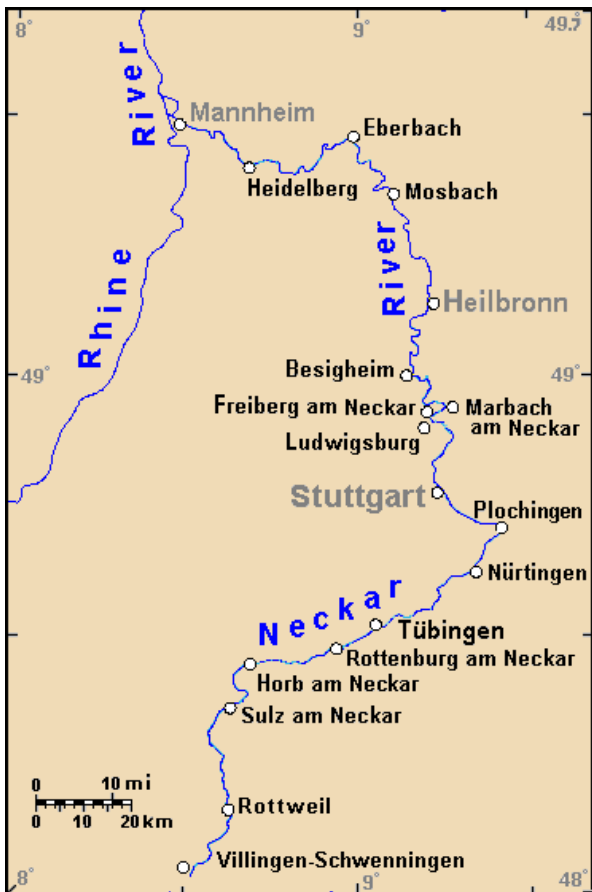
Knowledge and delimitation of the market segment in turn, allows determine the most suitable for the project under consideration business strategy.

For this project we have taken into account two important aspects define the market segment to cover, which are shown below:

2.1.1 DEMOGRAPHICS

Mannheim is a city in the southwestern part of Germany, the third-largest in the German state of Baden-Württemberg after Stuttgart and Karlsruhe. Mannheim is among the twenty largest cities in Germany with a 2012 population of approximately 315,000 inhabitants. The city is at the centre of the larger densely populated Rhine-Neckar Metropolitan Region which has a population of 2,400,000[2] and is Germany's eighth-largest metropolitan region.

Figure 1. Map



Source: <http://en.wikipedia.org/>

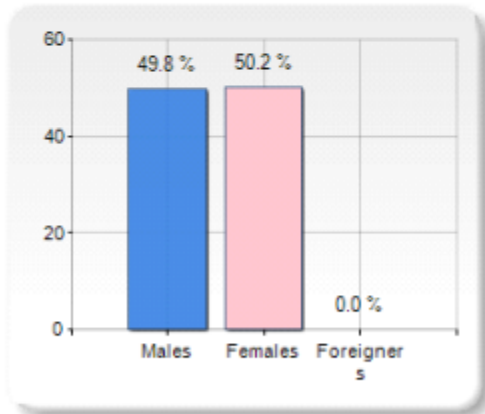
Regarding with the statistics of Mannheim, in our project we will take into account that the difference between the number of males and females is negligible, so our audience would see females as males, therefore we will pay attention both genders with the same importance.

Figure 2. Demographics Mannheim

Territorial extension of Municipality of MANNHEIM, UNIVERSITÄTSSTADT, KREISFREIE STADT and related population density, population per gender and number of households, average age and incidence of foreigners

TERRITORY		DEMOGRAPHIC DATA (Year 2011)	
Region	Baden-Württemberg	Inhabitants (N.)	314,931
Province	Mannheim	Families (N.)	0
Sign Province	MA	Males (%)	49.8
Hamlet of the municipality	0	Females (%)	50.2
Surface (Km2)	144.96	Foreigners (%)	0.0
Population density (Inhabitants/Kmq)	2,172.5	Average age (years)	42.6
		Average annual variation (2005/2011)	+0.00

MALES, FEMALES AND FOREIGNERS INCIDENCE (Year 2011)



RANKINGS

- > is on 2° place among 1103 municipalities in region by demographic size
- > is on 20° place among 11363 municipalities in GERMANY by demographic size
- > is on 7548° place among 11363 municipalities in GERMANY per average age

Source: <http://www.urbistat.it/>

This project is basically guided to people between 18-40 years old. But never forgetting the rest of people that are included in the rest of segments. This would be more or less the 30% of the population in Mannheim, 100000 people.

Figure 3. Mannheim demographics

Age classes per gender and related impact, average age and old-age index in Municipality of MANNHEIM, UNIVERSITÄTSSTADT, KREISFREIE STADT

POPULATION BY AGE (Year 2011)		
Classes	Total	
	(n.)	%
0 - 2 age	7,901	2.51
3 - 5 age	7,646	2.43
6 - 11 age	15,010	4.77
12 - 17 age	15,985	5.08
18 - 24 age	28,716	9.12
25 - 34 age	46,601	14.80
35 - 44 age	44,085	14.00
45 - 54 age	51,746	16.43
55 - 64 age	37,256	11.83
65 - 74 age	31,632	10.04
75 e più	28,353	9.00
Total	314,931	100.00

RANKINGS

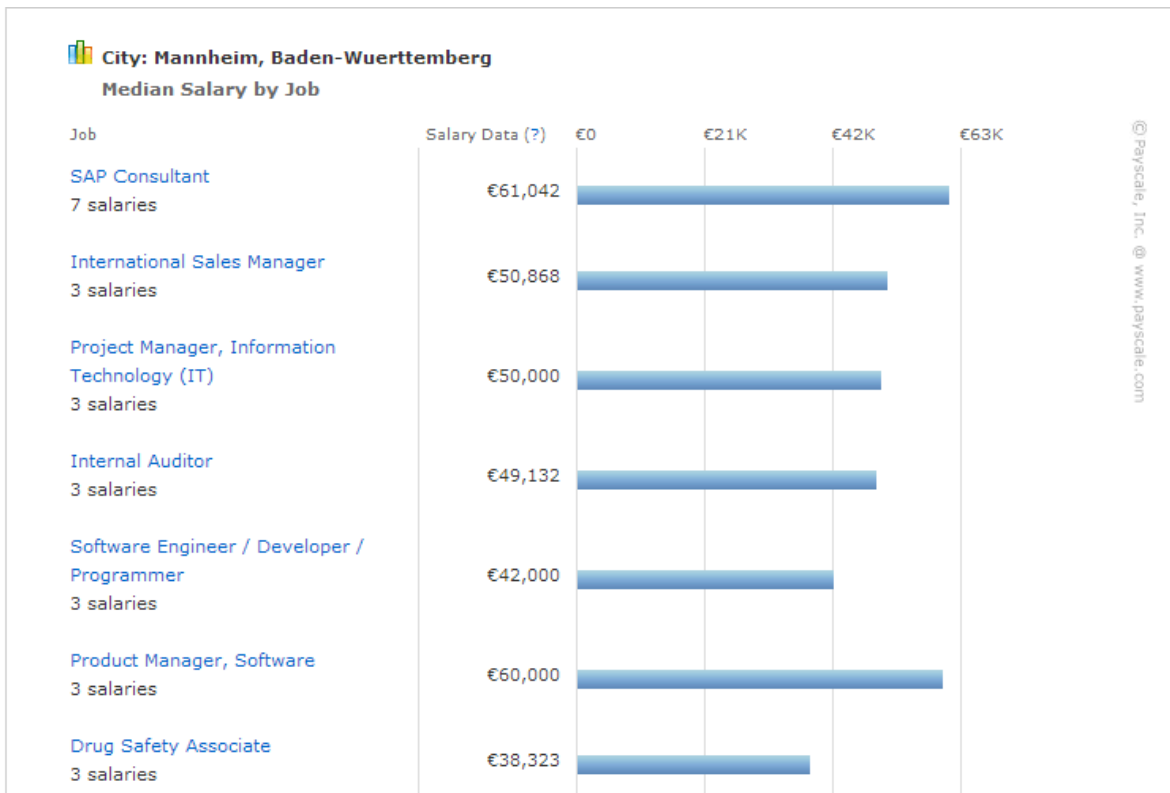
- > is on 7548° place among 11363 municipalities per average age
- > is on 4773° place among 11363 municipalities per old-age index
- > is on 8238° place among 11363 municipalities per % inhabitants < 15 years old
- > is on 6898° place among 11363 municipalities per % inhabitants > 64 years old

Source: <http://www.urbistat.it/>

2.1.2 ECONOMICS

Regarding to the economy of Mannheim, the wages are higher than other German regions and also higher than Spain.

Figure 4.wages



Source: <http://www.payscale.com/>

2.2 DEMAND ANALYSIS

Companies use the analysis of market demand to understand how much consumer demand there is for a product or service. This analysis helps management to determine if they can successfully enter a market and generate enough profit to advance their business operations. Although you can use several methods of analysis of demand, usually contain a review of the basic components of an economic market.

The first step of market analysis is to define and identify the specific target market for new products or services. Businesses use market research or consumer feedback to determine their satisfaction with current services and the products. The comments indicate dissatisfaction lead companies to develop new products or services to meet consumer demand. Although companies usually identify markets near their current product line, new industries can be tested for potential business expansion.

Due to our Project would be placed in one of the most visited areas of Mannheim, Alte Feuer-Bache, we will take advantage of this and we will pay attention of the:

- Ages of this people
- The expenses of this people in our product, that would be principally coffee and some snack on the beginning.
- The amount of bikes in Germany.
- An ecofriendly Germany.

a) Ages

Regarding with our previous segmentation, we would take as market target, males and females between 18 and 40 years old. Highlighting also that “Alte Feuer-Bache” is one of the most important train stations in Mannheim, where every line of train and bus has to make one stop there. Furthermore there has been placed several schools and the most important language academy .By this way therefore we would take advantage of the active people that use bicycles to go to work , the people that use public transport, all the people that are studying in the language academy and also the students of the schools that surround the area.

To show up an easier view of the ages attach this:

Figure 5.Ages 2

Age classes per gender and related impact, average age and old-age index in Municipality of MANNHEIM, UNIVERSITÄTSSTADT, KREISFREIE STADT

POPULATION BY AGE (Year 2011)		
Classes	Total	
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RANKINGS

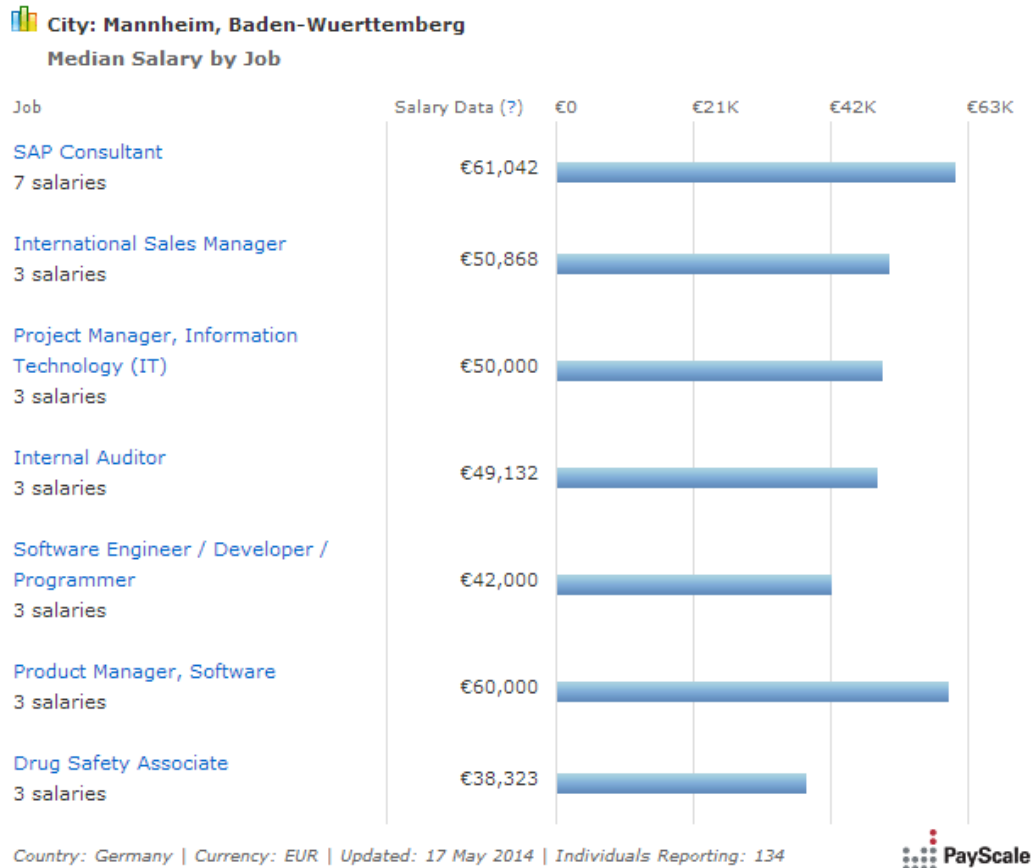
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Source: <http://www.urbistat.it/>

B) Level of spending on our product.

According with the facts we have got from www.destatis.de , the medium wage in Mannheim is around 2500 Euros per person, as you can see at this graph about the wages depending on the field.

Figure 6.wages Mannheim



Source: www.payscale.com

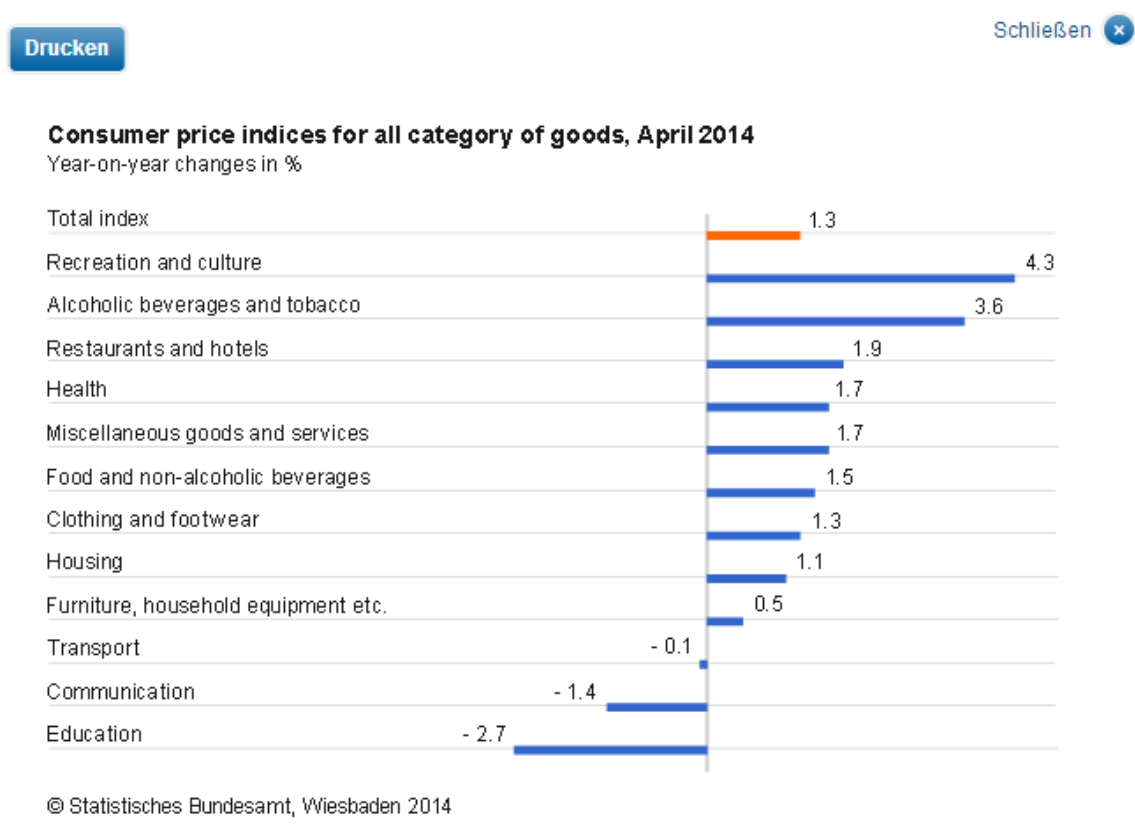
Also we have taken into account the percentage of the wage that is used for each good in the area of Mannheim. There you can observe that the 10, 2 % of his wages are spent in food (excluding tobacco) and drinks without alcohol. Furthermore we highlight that we will hug this 10 % of the market and also part of the market allied with “recreation and culture”, so our potential market will become almost 15 % of the total wages in Mannheim

Figure 7.gast good

Overall Index / subIndex	Weighting	Index 2010 = 100	Change on the same period a year earlier	Change on the preceding month
	In per mill		In per cent	
Overall Index	1.000.00	106.5	1.3	-0.2
Food and non-alcoholic beverages	102.71	111.7	1.5	-0.4
Food	90.52	112.0	1.8	-0.3
Meat	20.76	112.9	-0.2	-0.4
Fruit	8.76	120.3	2.9	0.8
Vegetables	11.26	103.4	-3.9	-2.3
Alcoholic beverages and tobacco	37.59	109.8	3.6	0.1
Clothing and footwear	44.93	108.1	1.3	0.1
Housing, water, electricity, gas and other fuels	317.29	108.4	1.1	0.2
Net rent exclusive of heating expenses	209.93	105.1	1.5	0.2
Household energy	68.19	120.1	-0.2	0.2
Electricity	26.21	125.8	1.8	0.3
Gas	14.46	111.8	0.3	0.0
Heating oil	11.11	121.2	-3.7	0.8
Furnishings, household equipment and so on	49.78	102.6	0.5	0.0
Health	44.44	100.9	1.7	0.3
Transport	134.73	107.6	-0.1	0.7
Motor fuels	38.37	110.5	-3.4	1.6
Supergrade petrol	28.38	110.0	-3.3	2.2
Diesel fuel	9.19	112.2	-3.4	0.3
Communication	30.10	92.6	-1.4	0.0
Recreation and culture	114.92	102.5	4.3	-2.6
Package holidays	26.83	100.8	10.4	-10.3*
Education	8.80	93.4	-2.7	+0.1
Restaurants and hotels	44.67	107.5	1.9	0.0
Miscellaneous goods and services	70.04	105.9	1.7	0.1
Overall Index				
Excluding heating oil and motor fuels	950.52	106.2	1.6	-0.2
Excluding household energy	931.81	105.5	1.4	-0.2
Excluding energy (household energy and motor fuels)	893.44	105.3	1.7	-0.3
Goods	479.77	108.4	0.5	0.1
Non-durable consumer goods	307.89	112.1	0.7	0.2
Energy	106.56	116.7	-1.3	0.7
Services	520.23	104.9	2.3	-0.3

Without forgetting the forecast for the next years, our potential market has grown up this year more or less a 4% as you can see at this graph.

Figure 8. Consumer Price



Source: www.destatis.de

Summarizing :

An wage of 2500 Euros



375 Euros

We catch a 15% of that wage

Our audience would be composed by 100000 people


















375 Euros x 100000= **37.500.000 Euros as Potential Market**

In this point, is important to make out that Germany is one of the largest consumers of coffee in the world and therefore in Europe. They drink 5.5 Kg. of coffee per capita that means more or less 2, 2 cups.

In the first time of the year 2014 they have consumed 614000 tons of coffee and a new research about the German manners showed that the three favorites drinks of the German people are coffee, water and beer, in this order.

Figure 9.rank coffee

Rank ↕	Country ↕	Consumption (kg/year) ↕	Consumption (cups/day) ↕
1	 Finland	12.0 kg	4.7 cups
2	 Norway	9.9 kg	3.9 cups
3	 Iceland	9.0 kg	3.5 cups
4	 Denmark	8.7 kg	3.4 cups
5	 Netherlands	8.4 kg	3.3 cups
6	 Sweden	8.2 kg	3.2 cups
7	 Switzerland	7.9 kg	3.1 cups
8	 Belgium	6.8 kg	2.7 cups
9	 Canada	6.5 kg	2.5 cups
10	 Bosnia and Herzegovina	6.2 kg	2.4 cups
11	 Austria	6.1 kg	2.4 cups
12	 Italy	5.9 kg	2.3 cups
13	 Slovenia	5.8 kg	2.3 cups
13	 Brazil	5.8 kg	2.3 cups
15	 Germany	5.5 kg	2.2 cups

Source: www.en.wikipedia.org

C) The amount of bikes in Germany

As our project consists in a Café for people who care environment and use bicycle, we also have paid attention of the number of bicycles in Germany.

People: 81,802,000

Bicycles: 62,000,000

Cyclists: ~75.8%

In the Germany 9% of all trips are made by bike. The average distance cycled per inhabitant per day is 0.9 km. Cycling is ingrained in the German culture.

This fact makes drivers and pedestrians understanding and accommodating to bicycle riders.

In the next image are showed the friendliest bike cities in the world, where Berlin, the capital of Germany, is ranked on the 9 Th place.

Figure 10. Most friendly bikes



Source: <http://www.bicycling.com/>

Also in the next images you can observe the percentage of people that use the Bicycles in comparison with the USA.

Figure 11. Means of transportation

Transportation As % Of All Trips

	Bike	Walk	Mass	Auto	Other
Germany	12%	22%	16%	49%	1%
USA	1%	9%	3%	84%	3%

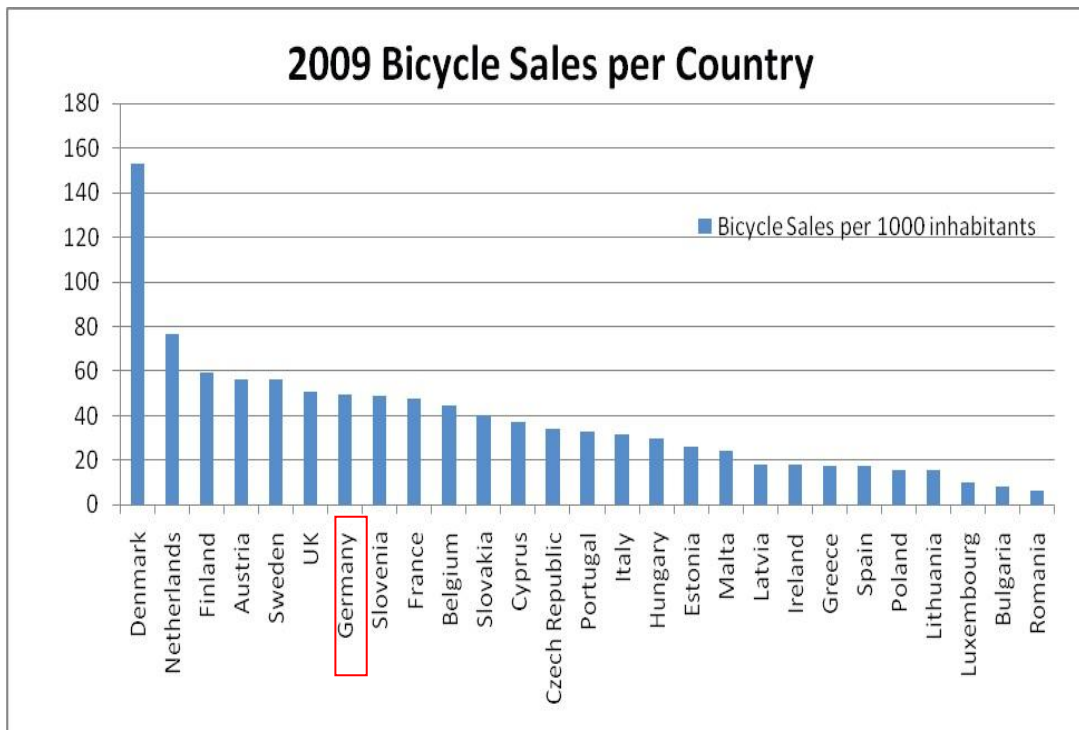
John Pucher, Transportation Quarterly

Source: <http://www.bicycling.com/>

Furthermore, Germany is one of the countries with more bike paths in the world. They have 70000 km.

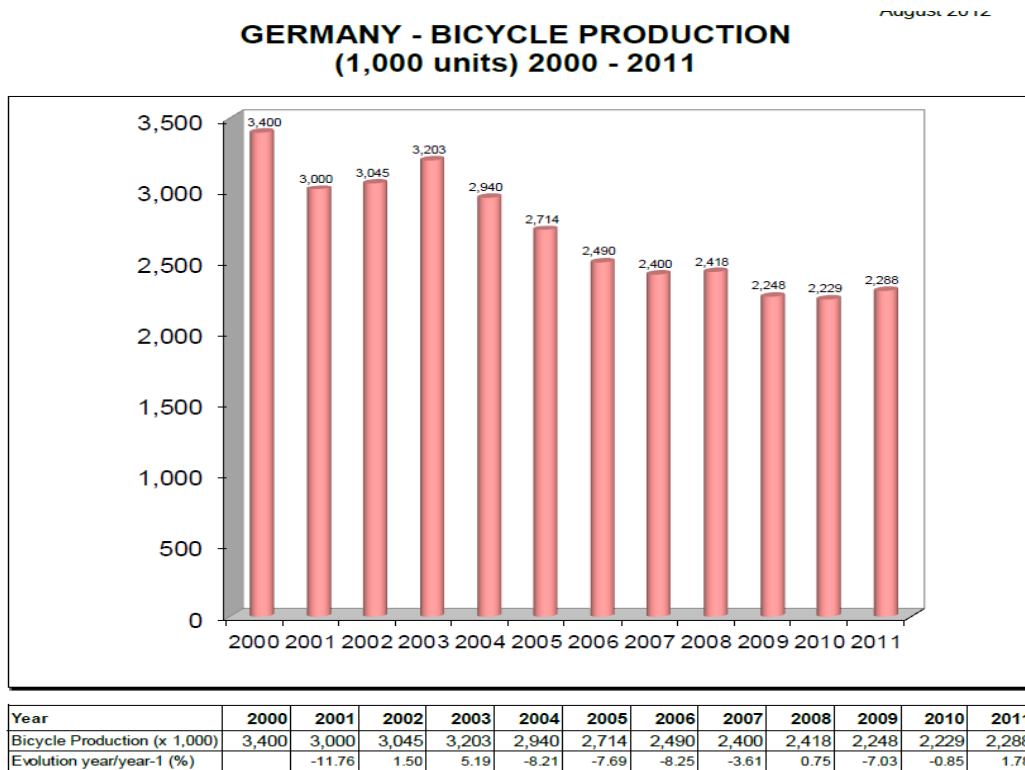
By the way, according with the statistics, Germany will grow up the sales of bicycles in Germany in a 13 % the next year, and is one of the biggest producers and salers of this product.

Figure 12. Bicycle sales



Source: www.destatis.de

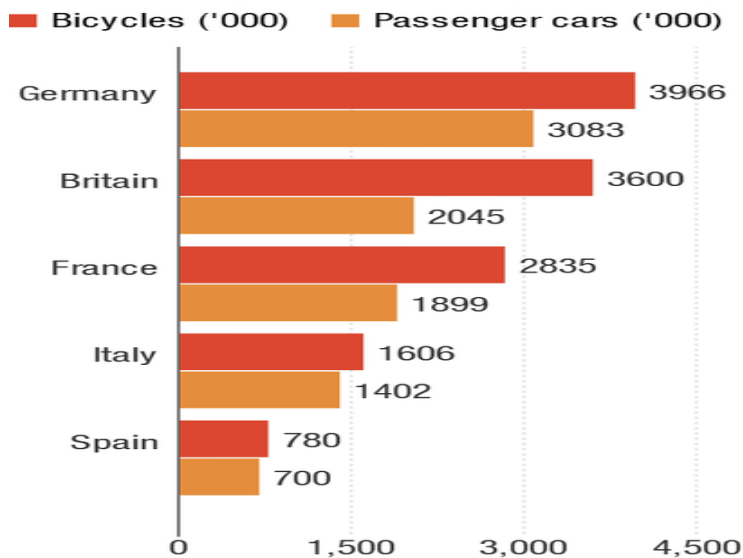
Figure 13. Bicycle production



Source:www.destatis.de

Figure 14. Bicycle sales 2012

New Passenger Car And Bicycle Sales (2012)



D) An eco-friendly Germany

Germans are world champions at garbage recycling. Germany's easily accessible venues, eco-friendly transport and sustainably run congress centres and hotels are good enough reasons for planning exhibitions and conventions in Germany. This is a country whose hallmarks are innovation, sustainability and environmental awareness.

The opinion of the German people about the environment has changed a lot in the last years, they are pioneers in this field, that is why they are changing their energy sources by:

- Wind Turbines
- Biomass
- Hydroelectric
- Solar Panels
- Biofuels
- Geothermal

And they are taking measures like:

- Shut down 7 nuclear power plants
- 2 permanently
- Angela Merkel wants a faster shift in policy toward renewable energy
- Nearly 17% of Germany's electricity produced by renewable energy
- Goal is 39% by 2020 and 50% by 2050

Regarding with this point we can take advantage due to our Café will be eco-friendly, for bikers, and coffee-lovers.

2.3 COMPETITORS ANALYSIS

According to the area that is "Greenspot" we have no direct competition with any coffee shop in 500 meter radius. If it is true that we are surrounded by bars and restaurants, but they offer other services such as pizzas and hamburgers.

Moreover it should be noted that as we have based our business idea, our main competitor is Starbucks.

Since our idea is to compete with them on price and service, the analysis is developed on Starbucks.

Price:

First include the price of the product they offer.

Figure 15. Price starbucks

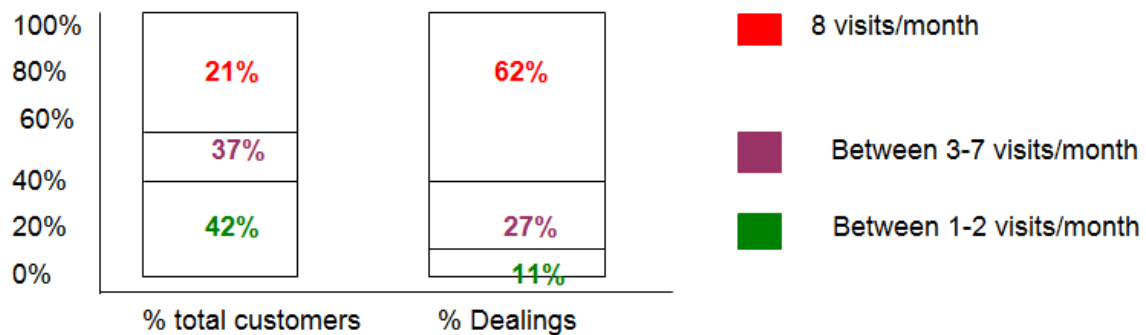
Frappuccino		
BLENDED COFFEE		
Caramel/Caramel Light		
TALL 3.25 320/140 cal.	GRANDE 3.75 430/180 cal.	VENTE 4.25 530/250 cal.
Mocha/Mocha Light		
TALL 3.25 310/140 cal.	GRANDE 3.75 420/180 cal.	VENTE 4.25 530/250 cal.
Coffee/Coffee Light		
TALL 3.25 190/110 cal.	GRANDE 3.75 260/150 cal.	VENTE 4.25 350/200 cal.
Java Chip		
TALL 3.25 370 cal.	GRANDE 3.75 510 cal.	VENTE 4.25 650 cal.
White Chocolate Mocha		
TALL 3.25 240 cal.	GRANDE 3.75 320 cal.	VENTE 4.25 450 cal.
Peppermint Mocha		
TALL 3.25 330 cal.	GRANDE 3.75 440 cal.	VENTE 4.25 530 cal.
LIGHTER OPTIONS		
<ul style="list-style-type: none"> • USE NONFAT MILK • TRY SUGAR-FREE VANILLA AND HAZELNUT SYRUPS (0 cal) • HOLD THE WHIPPED CREAM (approx 130 cal) • TRY A PEPPERMINT LIGHT® BLENDED COFFEE 		
BLENDED CRÈME		
Strawberries & Crème		
TALL 3.25 410 cal.	GRANDE 3.75 570 cal.	VENTE 4.25 750 cal.
Vanilla Bean		
TALL 2.70 350 cal.	GRANDE 3.20 490 cal.	VENTE 3.70 600 cal.
Chocolate Chip		
TALL 3.25 420 cal.	GRANDE 3.75 580 cal.	VENTE 4.25 720 cal.
Chai Tea		
TALL 3.25 370 cal.	GRANDE 3.75 510 cal.	VENTE 4.25 640 cal.
Green Tea		
TALL 3.25 390 cal.	GRANDE 3.75 550 cal.	VENTE 4.25 690 cal.
JUICE BLENDS		
Tangerine		
TALL 3.05 140 cal.	GRANDE 3.55 190 cal.	VENTE 4.05 260 cal.
Pomegranate		
TALL 3.05 210 cal.	GRANDE 3.55 280 cal.	VENTE 4.05 390 cal.
MADE WITH FRESHLY BREWED TAZO® TEA		

Source: www.starbucks.com

Clients:

Regarding to customer´s traffic Starbucks receives, according to a study by the company itself, these are the results

Figure 16. Customer´s traffic



Source: www.starbucks.com

Considering the results, you have to realize that almost half of the customers visit only 1 or 2 times a month this place, which is why we should take advantage of this, serving customers attractive products or promoting new offers and discounts.

On the other hand, it is clear that 60 of the income they receive come from the most loyal customers, is for them to reconcile a policy of capture with another of loyalty, would create a broad portfolio of clients.

Starbucks attracts a kind of young, urban consumer, upper-middle class that makes coffee a socializing element of an extended coffee way. Starbucks is not aimed at that segment of the population as an ordinary coffee Cappuccino or Latte, or the regular in bakeries. Summarizing, young people who do not go to such property by the product itself (coffee), but also a certain atmosphere locally. And that is where Starbucks comes into play. An

environment where product quality, service and employee access, makes it all so you can share and grouped.

Main keys to success:

Starbucks is a well-known case of success because I use the following five basic tools:

-The company is dedicated to establish a channel of communication on Twitter, answering questions from consumers, RT doing what they say about their products and report on the latest developments in the cafeteria.

-Taking advantage of the resources provided Facebook, Starbucks hangs different images, videos or blog posts that are of interest to consumers.

-Over 4,800 users are subscribed to channel on YouTube Starbucks, where the origins of the coffees from around the world that this brand offers are explained. In addition, users can link the content to other websites that option is not permitted by other companies for fear of misuse of the brand.

-The company also has its own social network in it, consumers say about how would your ideal Starbucks, giving suggestions on how to improve the store.

-The Starbucks Blog entitled Ideas in Action: This blog, written by various Starbucks workers, is all about spreading what the company is doing with the ideas of clients discussed at My Starbucks Idea.

-The constant thought to improve the speed of service and thus customer - satisfaction.

-The position Starbucks as the "third place", a place to unwind and to mean different things to different people.

-Its stock exchange despite skepticism that arose.

- Its ad spending was almost minimal, basing entire marketing local marketing.
- One of the most obvious advantages of face-to-town was the efficient control of the most important activities of the value chain.
- The service has so far been considered a key pair wing company, looking at each point of customer contact "an inspiring experience."
- The strategic approach of customer-focused relationship marketing was one of the determining factors for the success of Starbucks, what a shame to lose factors.
- They used perfectly the need that people have to come together and created a perfect atmosphere.
- Partner satisfaction (employee) leads to customer satisfaction and enterprise value is very important to keep in mind when describing the key.
- Provide every Starbucks customer personalized service. Ex: To recognize frequent customers, make conversation.
- Training of employees in Starbucks is considered one of the keys to success for the company.
- Loyalty plan that carried out through the SVC card.
- The philosophy of Starbucks honcho "Marketing Starbucks is present in all, everyone has to get involved in it."
- Starbucks means coffee as customer service rather than the sale of a consumer product. At that point the key is marked differentiation of the company.

-The baristas of Starbucks outlets are fully facing the customer orientation training. No wonder the regulars are treated by their name and their tastes and preferences are known to advice.

-Despite the use of services involving the product as justification to apply a high price policy, the company has not forgotten that the product would not exist without such services. With this philosophy, the raw material is always of excellent quality and the final product has a lot of variety and can be customized for each client.

Schedule:

Regarding with the schedule, here in Germany, the normal working day starts at 8 and ends at 20, which means it is open about 12 hours a day. Therefore our business will copy this schedule, furthermore is perfect because we can arrange the hours when the employees will be working.

Employees:

Regarding to the number of employees, they operate with a staff of 2 employees and a manager.

In our case, we would need only 2 employees because the manager would own the company.

More competitors

As a core competence have made clear that we have no direct competition, but if it is true that in the city of Mannheim, found many establishments offer coffee, and regarding with the extended competence, it is true that we have Tonic , McDonalds, Burger king.

With these last is very difficult to compete on price, but yes in quality and exclusivity.

However, McDonald and Burger king, represent an opportunity to attract customers to Greenspot, as they can eat in these establishments and then enjoy an exclusive coffee, since the money saved on fast food could invest in a high quality coffee.

Also we should not forget the kebabs and restaurants in the area, which although are not specialists in coffee, can meet the needs of less demanding customers.

And though these clients are not our target market now, may be in the future, so we must be aware offering affordable coffee to all public tomorrow

2.4 SWOT ANALYSIS

A SWOT analysis is a structured planning method used to evaluate the strengths, weaknesses, opportunities, and threats involved in a project or in a business venture.

Starting with Strengths: characteristics of the business or project that give it an advantage over others.

Regarding with this point, we have to highlight that we would be the pioneers with our idea. Without forgetting we have a huge market, composed by 37, 5 million euro which is divided between the amounts of café placed in Mannheim. Another important aspect is that we have the experience of Starbucks which is the most important chain in the world and we could take the ideas interesting for us and change those are not so interesting. Therefore, our new idea of business will be follow by a series of reforms that will include changes on the “employee Management”

- Is the first with this idea
- Segment valued at \$37.5
- Starbucks experience, largest coffeehouse chain in the world
- Employee management
- Respect the environment, well seen

In agreement with Weaknesses: characteristics that place the business or project at a disadvantage relative to others.

Referring to the weakness, we are in the hands of the coffee market as a big grown in the price of the beans of coffee could make us problem with our suppliers and could break our commerce chain. So it would affect directly on

our business. On the other hand we have the market of bicycles where it does not affect directly to us, but a fall in the use of oh them would suppose a fall in potential customers.

As we have emphasized, Starbucks has a hegemonic position in our market, so we do not want under any concept a pricing fight against them due to they have better cost policy

- Coffee beans price is a influence over firm's profits
- Market of bicycles also affects
- Product pricing
- Starbucks occupies a hegemonic position.

Following with Opportunities: elements that the project could exploit to its advantage.

To solve our potential problem with suppliers we could try make bigger the supplier range, by this way we can break the pressure from the suppliers and also we could create an opportunity because we would be able to fall the prices of the beans.

Another important point would be to bring our new way to sell coffee to the new countries which would suppose increase the potential market more than a 100 %. We can not forget to increase every year the product we offer therefore we can attract new customers, increasing then our potential market. Keeping the idea of increasing our products, we will expand the retail operation because a new product means new ways to sell them.

- Extend supplier range
- Expansion to emerging economies
- Increase product offerings

- Expansion of retail operations

Finally, we have Threats: elements in the environment that could cause trouble for the business or project.

Otherwise we should qualify as threats the importance of other dairy products, as milk, eggs, etc. that will affect our final products and our prices. Although taking into account also trademark infringements or the competition from the local cafes which are able to copy our product while our brand is weak and does not have enough power in the customer's mind.

- Rising prices of coffee beans and dairy products
- Trademark infringements
- Increased competition from local cafes and specialization of other coffeehouse chains
- Saturated markets in the developed economies
- Supply disruptions

3. STRATEGY

The strategy is a deliberate plan of action to develop the competitive advantage of a company and accent it, so that it achieves grow and expand your market by reducing competition. The strategy articulates the full potential of the company, so that coordinated and complementary actions of all components contribute to the achievement of defined and achievable objectives. Ideally, strategic analysis should find systematic relationships existing between the choices they make top management and economic results obtained by the company.

Strategic action is based on the deployment of organizational resources as well as the acquisition or internal generation of new resources. Such action is conditioned by a number of contextual factors that are invariant in the short term. Internally, the company strategy is conditioned by all the resources you have, as well as its organizational structure. The environment also affects the strategic decisions of the company. The influence of the environment is determined by the characteristics of the sector or sectors in which the company conducts its operations as well as a number of other external factors that restrict their behavior.

3.1 STRATEGIG GOAL

Regarding with “Green’s pot” our strategy would be focused on different points:

-First of all, we need to focus our principal product, coffee, on the way our customers are available to understand what we are offering them. Therefore, we need to make clear the message that our coffee is the healthiest coffee they can drink in Mannheim, with the best quality, with a fair price and of course respecting the environment during the process.

-Offer our customer the best service, so they may take the best coffee in Mannheim, they may also repair or fix their bicycles , park the bicycles in our specific places to leave them and any other kind of assistance our customer would need. Trying to offer, of course, a personalized service to the extent possible.

By developing our integrated offerings, we can provide customers with a more reliable and higher quality service, and a greater consistency in the quality of our products.

- Maximize our operational efficiency: We continually seek ways to reduce costs and improve our operating efficiency. In a global business environment rapidly changing and complex, we are continually adapting our network of global operations to meet current market dynamics. We continue to optimize our portfolio to ensure we are in the right business in the right markets with the right performance. Therefore, always watching out our benefits and costs so we can take advantage of our operational efficiency and taking care of within our weakness.

-With this in mind, we will continue to focus on recruiting, retaining and developing motivated and skilled executive's professionals in our area.

-Attract, retain and develop a team of world-class executives: We encourage our executives to regularly review our processes and practices and identify administrative and innovative business approaches in order to improve our operations

-We want to be part of the three Cafés in Mannheim with the highest turnover within the next 3 years, so in 2017 we should be on this top 3. And to be the number 1 with an ecological politic.

-To catch in the first 5 years of business the 5 % of our potential market (1,875,000 €)

-Promote the respect for the environment by means of creating campaigns that help the people to understand how important is to keep our world clean and as the use of ecological means of transport, ecological energies and everything allied to respect the world we live.

3.2 SEGMENTATION

The segmentation of our business idea is included in the point 2.2. Anyway here is a summary of the information that we previously spoke about. The first step of market analysis is to define and identify the specific target market for new products or services. Businesses use market research or consumer feedback to determine their satisfaction with current services and the products. The comments indicate dissatisfaction lead companies to develop new products or services to meet consumer demand. Although companies usually identify markets near their current product line, new industries can be tested for potential business expansion.

Due to our Project would be placed in one of the most visited areas of Mannheim, Alte Feuer-Bache, we will take advantage of this and we will pay attention of the:

-Ages of this people

- The expenses of this people in our product, that would be principally coffee and some snack on the beginning.

-The amount of bikes in Germany.

-An ecofriendly Germany.

3.3 TARGETING

A target market is a segment that has been selected to be served by the company. It consists of a set of buyers who share common needs or characteristics.

Four target marketing strategies:

- Undifferentiated (mass) marketing
- Differentiated (segmented) marketing
- Focused (niche) marketing
- Micromarketing / customized (local or individual)

Regarding with " Green spot " we are going to implement the segmented marketing, which is a marketing strategy that involves dividing a broad target market into subsets of consumers who have common needs and priorities, and then designing and implementing strategies to target them. Market segmentation strategies may be used to identify the target customers, and provide supporting data for positioning to achieve a marketing plan objective.

We will create this segmented marketing through increase the quality of our products above our competitors.

As we previously commented, one of our targets is that customers and suppliers identify us like a brand in the same level as Starbucks.

My target group is kind of young, women and men, between 15-48, urban consumer, upper-middle class that makes coffee a socializing element of an extended coffee way. Greenspot is not aimed at that segment of the

population as an ordinary coffee Cappuccino or Latte, or the regular in bakeries. Summarizing, young people who do not go to such property by the product itself (coffee), but also a certain atmosphere locally. And that is where Greenspot comes into play. An environment where product quality, service and employee access, makes it all so you can share and grouped.

3.4 POSITIONING

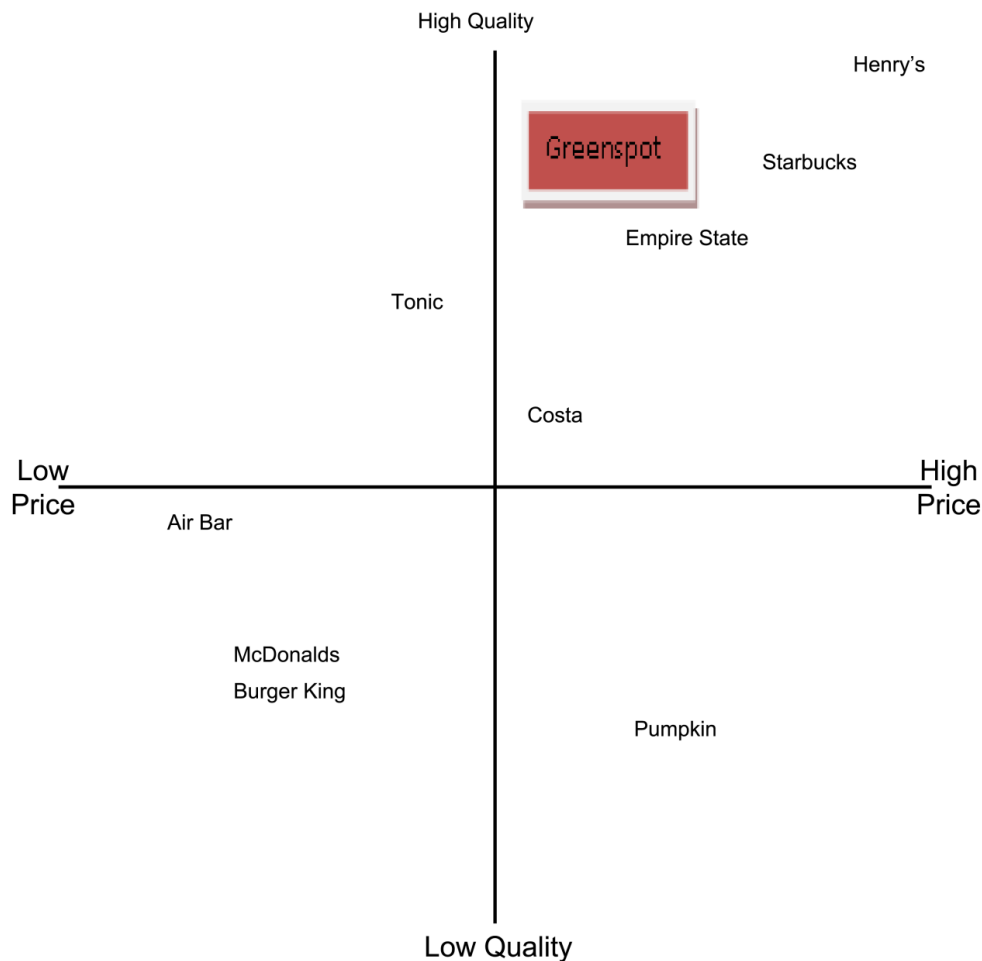
The place our product occupies in customer's minds relative to competitor's offerings.

The goal is to differentiate our product / service in a positive way to gain competitive advantage.

As we have already previously commented, one of our targets is that customers and suppliers identify us like a brand in the same level as Starbucks, and therefore higher than other coffee brands.

So our positioning map would be like this:

Figure 17. Positioning



Source: own development

Greenspot is a café that provides a perfect atmosphere to drink the best coffee in Mannheim, unlike other cafes, Greenspot offers high quality coffee while they are taking care about the environment.

4. MARKETING MIX

4.1 SERVICE DEFINITION

Basically responds to help creating a space for environment friendly bike users to bring Positive externalities into the community.

It's a Cafeteria "Starbucks style" with healthy food, gyro style, deli-house, home-brewed beer, coffee, tea, mojitos, etc.

It has a special workshops and a repair shop for break adjustment, gear regulation, wheels etc.

The name for the concept is called "Greenspot" The idea is to help the biking community by offering free air compressors, water dispensers, wifi and help by being a recharging spot for bike users inside the city.

The whole design of the place is a mixture between environmentally friendly and biking. Special theme on decoration, ambient, music and parking spaces originally designed.

Physically, the place would be composed for 150 m² where we had a place to leave the bicycles .This part, bicycles parking, there will be 2 of them, one indoor and another outdoor, due to if it is raining the customers might let their bikes inside.

Figure 18. Outdoor parking



Figure 19. indoor parking



Regarding with our products, we would start serving high quality coffee on the same trend that “Starbucks” is serving theirs, so we would adopt a large menu, which include cream coffee, strong coffee, milk shakes, chocolates, mixing hot drinks with cold drinks. This last part always depends on the season we are. In warm months we would increase our cold products, as in the cold season we would serve hot drinks mostly. On the same hand, we would offer drinks as water, cola, natural juices, etc.

Figure 20. Starbucks menu

Collections			
ESPRESSO CREATIONS ~ Hot or Iced ~			
	Tall	Grande	Venti
Caffè Latte	\$2.99	\$3.39	\$3.49
Caffè Mocha	\$3.19	\$3.59	\$3.89
Flavored Latte	\$3.19	\$3.59	\$3.89
White Chocolate Mocha	\$3.19	\$3.59	\$3.89
Cappuccino	\$2.99	\$3.39	\$3.49
Caramel Macchiato	\$3.19	\$3.59	\$3.89
Caffè Americano	\$1.99	\$2.39	\$2.59
	Single Shot	Double Shot	
Espresso	\$1.39	\$1.69	
Additional Espresso Shot		\$0.50	
Additional Fontana [®] Syrup flavor		\$0.50	
COFFEE			
	Tall	Grande	Venti
Brewed Coffee of the Day	\$1.69	\$1.89	\$1.99
COFFEE ALTERNATIVES			
Tazo [®] Hot Tea	\$1.69	\$1.89	\$1.99
Tazo [®] Chai Latte	\$2.89	\$3.39	\$3.49
Iced Tazo [®] Chai Latte		\$3.49	
Hot Chocolate	\$1.99	\$2.39	\$2.59
FROZEN BLENDS			
White Chocolate Mocha Latte Blender		\$3.59	
Salted Caramel Latte Blender		\$3.59	
Mocha Peanut Butter Blender		\$3.59	
Decaf Coffee available upon request			
Non Fat or Whole Milk available upon request			

Source: www.Starbucks.com

Of course, we will add to our menu, some snacks. Therefore, the customers can eat something while they are drinking their coffee. By this way, we catch almost the 100 % percent of the demand in Hotel and restaurant. These snacks would be composed by sweets snacks and salted snacks. Within the first group, we highlight Muffins, cupcakes, biscuit, and croissants.

Regarding to the second group “salted snacks”, here we offer sandwiches, chips, fruit chips, wraps, etc.

Figure 21. Salted snacks

Muffins, Scones, Breads & Other Treats	Calories	Starbucks® Indulgent Chocolate Cookie	320	Warm Breakfasts	Calories
Petite Vanilla Bean Scone	140	Multigrain Bagel	320	Perfect Oatmeal Toppings: dried fruit (+100 cal); nut medley (+100 cal); brown sugar (+50 cal)	140–390
Marshmallow Dream Bar	210	Pumpkin Bread	320	Spinach, Roasted Tomato, Feta & Egg White Wrap	280
Lowfat Red Raspberry Muffin *	340	8-Grain Roll *	350	Reduced-Fat Turkey Bacon, Cholesterol-Free Egg White, Reduced-Fat White Cheddar Breakfast Sandwich	320
Reduced-Fat Cinnamon Swirl Coffee Cake	340	Apple Bran Muffin with omega-3s and 7g fiber	350		
Morning Bun	350	Packaged Foods	Calories	Fruit & Parfaits	Calories
Marble Pound Cake	330	Vanilla Almond Biscotti	150	Fruit Cup	90
Plain Bagel *	290, 300	Chocolate Madeleines	200	Banana	90-120
Chocolate Croissant	300	Dark Chocolate-Covered Espresso Beans	200	Greek Yogurt & Honey Parfait	290
Butter Croissant	310	Double Chocolate Biscotti	150	Dark Cherry Yogurt Parfait	310
Asiago Bagel	310	Caramel Macchiato Biscotti	170	Strawberry Blueberry Yogurt Parfait	300
Chonga Bagel	310	2-Pack Shortbread Cookies	170		
Reduced-Fat Very Berry Coffee Cake	350	3-Pack Madeleines	200		
		3-Pack Chocolate Madeleines	200		

Source: www.starbucks.com

Concerning about the internal structure of the café, the idea is to create an atmosphere of relaxation where the customers can spend their time drinking a coffee eating, eating something or reading a book.

Due to the previously reported, Greenspot will have couches over the whole café. These couches will be individual couches or couches for more people, so the customer will be able to decide if he wants to sit with another person or alone. Also there will be normal chairs, so they can move them

everywhere inside the café. And table to let there their coffee or whatever they are consuming.

In addition, there will be shelving with books or magazine so they can take them and read them while they are on the area.

So the final idea would be a café like we show in following images:

Figure 22. Library cafe



Figure 23. Greenspot



Figure 24. Greenspot



Figure 25 . Structural level



Source: Own development

This would be the more or less of the structure, where you can see how are distributed the couches inside, like also the tables and chairs.

First of all the bar will be in the centre of the place, because we want to make easy to ask to the customers, so we can serve our products from everywhere.

Also you can see two stages, the stages are there because we want a place for the performances, so they customers or even our employees may enjoy with music performances, monologue or whatever could be interesting

In the kitchen would be a our pantry, where mostly would be the food and drinks while are not being consumed by the customers, so a big place to let coffee grains , milk, fruit, sandwiches , bread, water, etc

Also the kitchen would keep napkins, tablecloths, cutlery, wash machine, fridges, etc.

Outside, in the bicycles parking you will find, first of all, a safety place to let the bicycle and drink a coffee without worries. Also here, you would find pumps, bicycle oil, parts for bicycles mostly, therefore clients could come just to repair the bicycle and meanwhile, drink a coffee.

The schedule of Greenspot will be:

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
8:00/20:00	8:00/20:00	8:00/20:00	8:00/20:00	8:00/20:00	8:00/20:00	CLOSE

4.2 Prize

Due to our strategy is based to get closer of Starbucks in meaning of quality and service, our prizes would on the same trend but a 10% less with respect to prizes in Germany. So here you can find the list of our products with their respective prizes.

Figure 26. Price

COFFEE AND ESPRESSO				CREAMICE™				ENHANCE YOUR BLEND			
HOT OR ICED	TALL	GRANDE	SUPREMO	FROSTED BEVERAGE	TALL	GRANDE	SUPREMO	HOT, ICED OR DECAF	TALL	GRANDE	SUPREMO
COFFEE OF THE DAY <small>REGULAR OR DECAFFEINATED</small>	\$1.50	\$1.70	\$1.80	BLENDED ICE COFFEE				SIZES	12 oz.	16 oz.	20 oz.
CAPPUCCINO <small>ESPRESSO, STEAMED AND FOAMED MILK</small>	\$2.55	\$3.10	\$3.40	LATTE	\$2.75	\$3.25	\$3.75	EXTRA ESPRESSO (EACH SERV. ADD \$0.50)			
CAFFÈ LATTE <small>ESPRESSO, STEAMED MILK WITH FROTH</small>	\$2.65	\$3.10	\$3.40	MOCHA	\$3.10	\$3.60	\$4.10	REGULAR			
VANILLA LATTE <small>ESPRESSO, STEAMED MILK AND VANILLA SYRUP</small>	\$2.95	\$3.50	\$3.75	CARAMEL	\$3.30	\$3.80	\$4.30	DECAFFEINATED			
CAFFÈ MOCHA <small>ESPRESSO, COCOA, STEAMED MILK AND WHIPPED CREAM</small>	\$2.75	\$3.30	\$3.55	HAZELNUT	\$3.30	\$3.80	\$4.30	SYRUP FLAVORS (ADD \$0.50)			
WHITE CHOCOLATE MOCHA <small>ESPRESSO, WHITE MOCHA, STEAMED MILK AND WHIPPED CREAM</small>	\$3.35	\$3.90	\$4.20	ALMOND	\$3.30	\$3.80	\$4.30	ALMOND			
CARAMEL MACCHIATO <small>ESPRESSO, STEAMED MILK WITH VANILLA AND CARAMEL SYRUP</small>	\$2.80	\$3.40	\$3.65	BLENDED ICE FRUIT BEVERAGE				CINNAMON			
CAFFÈ AMERICANO <small>ESPRESSO AND HOT WATER</small>	\$1.75	\$2.05	\$2.40	MANGO	\$3.30	\$3.80	\$4.30	IRISH CREAM			
BREVE <small>CAFFÈ LATTE WITH HALF AND HALF</small>	\$2.75	\$3.30	\$3.55	RASPBERRY	\$2.75	\$3.25	\$3.75	SUGAR FREE HAZELNUT			
HOT CHOCOLATE	\$2.35	\$2.60	\$3.10	AFFOGATO STYLE (ADD \$0.50) <small>TOP ANY CREAMICE™ BEVERAGE WITH HOT CARAMEL OR MOCHA DRIZZLE AND A DART OF ESPRESSO</small>				VANILLA			
ESPRESSO <small>STARBUCKS ESPRESSO ROAST SMOOTH AND SMOOTHING</small>	\$1.45 SINGLE—1 oz. \$1.75 DOUBLE—2 oz.			FRESH ON THE SIDE				ADDITIONAL ITEMS			
TAZO® TEA				FRESH BAKED MUFFINS				SKIM MILK			
CHAI TEA LATTE <small>CHAI TEA AND STEAMED MILK</small>	\$2.90	\$3.30	\$3.55	MULTIGRAINS—8 pcs	\$1.50			SILK SOY (ADD \$0.50)			
HOT TEA <small>BLACK, GREEN OR HERBAL TEA</small>	\$1.50	\$1.50	\$1.50	BREAKFAST BREADS	\$1.25			WHIPPED CREAM			
ICED TEA	\$1.50	\$1.70	\$1.80	NON-DUTCH				SUGAR FREE VANILLA			
				FRESH BAKED COOKIE	\$2.50			CARAMEL			
				TOSSED SALAD WITH DRESSING PACKET	\$3.95			HAZELNUT			
				DELI STACKED SANDWICH	\$4.50			RASPBERRY			
				SERVE ON WHOLE WHEAT OR CRISPBREAD WITH YOUR CHOICE OF				SUGAR FREE VANILLA			
				HAM				EXTRA HOT			
				TURKEY				EXTRA FOAM			
				TUNA				SUGAR SUBSTITUTE			

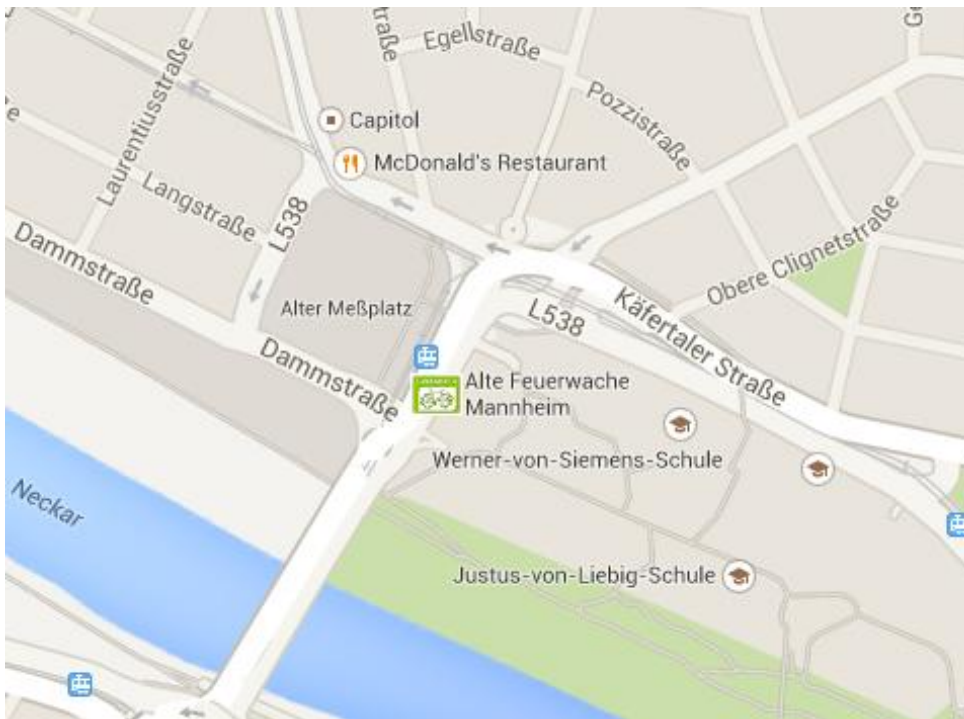


Source: Own Development

4.3 PLACE

Greenspot would be placed in the neighborhood of "Alte-feuer Bache", which is in a strategic position because of is the closest one to the river, and also is between Marktplatz and Herzogenriedpark where actually most of the population is focused.

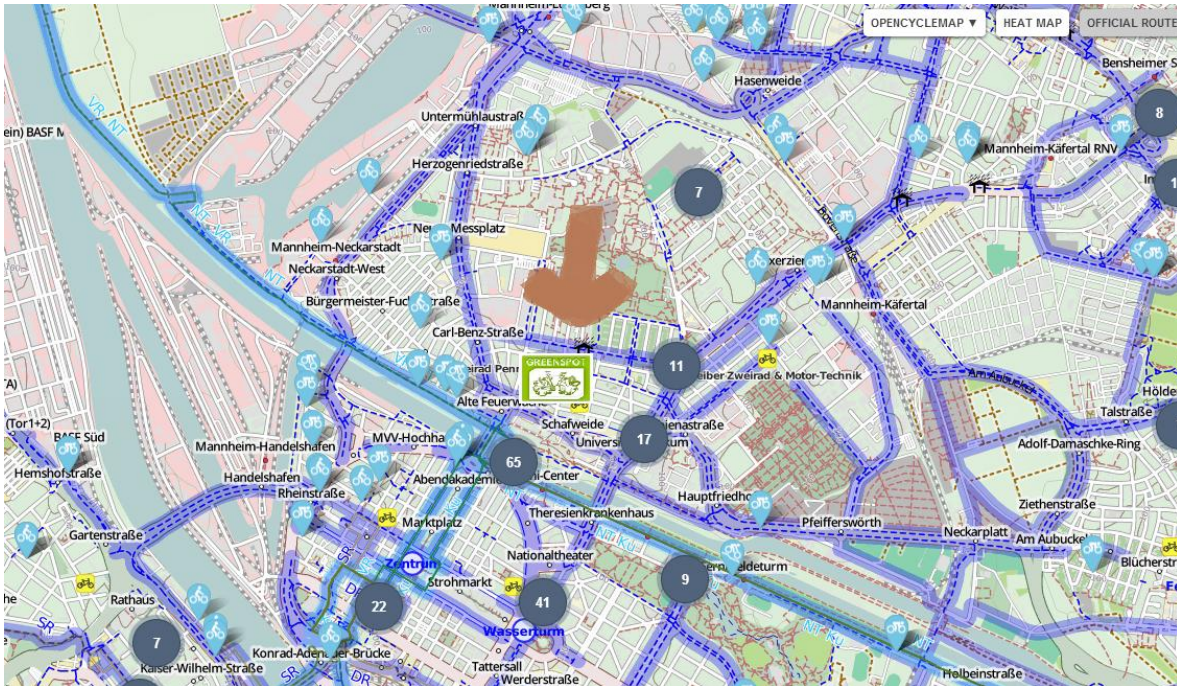
Figure 27. Place



Source: Google Maps

Furthermore, the place is perfectly connected with all the bus and train lines in the city. All the bike paths as well pass over this area so we may catch as much customer as we can. Like we show in this picture with every path that is include in our influence area.

Figure 28. Bike path



Source: Google Maps

4.4 PROMOTION

As our café is supposed to be a revolutionary way to drink coffee, respecting the environment and always healthy, our idea is to project all of these concepts with a viral marketing campaign.

According to the latest research, the best way to implement a viral campaign is following these 3 points:

1. Be positive, dwelling on positive issues or topics.
2. Evoke a strong emotional reaction (joy, fear, anger).
3. Be practically useful.

Regarding these 3 ideas, there are a few steps to follow.

Social Currency: We have to make the people speak about our product; they are our customers and also our best tool to promote us. “an image worth more than a thousand words, but less than the word of a satisfied customer”

Triggers: We need to evoke that attitude in our customers, so we should show them how we work and why our way to service them is the best for the planet.

Emotion: to induce this chain, we can take advantage of the emotions of the people regarding the climate change, the benefits of healthy style of life, etc.

Public: First we will have audience, that will pay attention to our advertisements and events, but then we should be able to convert this audience in customers. And the best way to do that is making public every event and every way to promote our business.

Practical Value: In the point we have their attention is moment to show them our practical value; Good coffee, healthy food and drink, sport supporting.

Stories: People like stories, and is our duty to take advantage of it, because we may create stories with the values of health, sports, overcoming, etc.

Therefore our plan would be use a Guerrilla marketing, which was originally a marketing strategy in which low-cost, unconventional means (including the use of graffiti, sticker bombing, flyer posting, etc.) were used in a (generally) localized fashion to draw attention to an idea, product, or service. Today, guerrilla marketing may also include promotion through a network of individuals, groups, or organizations working to popularize a product or idea by use of such strategies as flash mobs, viral marketing campaigns, or internet marketing.

In our case, we will start with some ideas like:

We will Facilitate spray graffiti directions and addresses in dark places, walls, floor, curves or streets within Bicycle paths in Mannheim. (Obviously including our logo). Therefore people can find them easily and start using them instantly.



When giving away Seat Covers on Bicycles parked all over the city we can involve community into something practical and useful.



We also would deal:

-Pamphlets & Flayers: warning the people about our future events, special discounts, or just wishing everyone a good day

-Seat Covers: Community participation «Help somebody's butt stay dry day»

-Merchandise: Stickers

As our café respect the environment, all of the “give away” that we share with the people should be composed by bio material so are environmentally.

As now there is a common trend to do flash mobs between the biggest companies in the world intention of promoting their products, we could arrange a massive meeting in the centre of the city to release our café, through people cycling and serving free coffee to everyone interested in joining us.

We will do contest for special prices, gift cards, books, bicycles, services, etc. With fun twists:

Races, Bike tricks, Tournaments.

Free Seeds when filling a loyalty stamp card.

Recycle of all types of materials, machines, with collaborations of Wood artists, Inventors and Designers.

We also would implement a Coffee Punch Card to increment the loyalty of our customers and also to catch new ones.

Rewards Cards

Frequent Biker Card

Discounts

Special Discounts for Students

Special Discounts for Businesses

Channels or messages “already-there” to stick to.

a. / Online Sources

- Leisure: Being present in websites of high visits and well seeing.
- News: High impact public event to capture the eye of news websites.
- DIY: Associating with Do-It-Yourself or Grow-it-yourself websites or YouTube channels.
- Social Media: Facebook group, association with Facebook groups in Mannheim
- YouTube: Creating own Channel, association with environmentally friendly and bike users channels. Also allowing interaction.
- Own Website: Allowing interaction.

-Messages that basically relate to Bikes and Environmentally Friendly

b. / Mobile Sources

- Day-to-day Use: Apps like Google maps, city advisor, we want to be in shown in these apps.
- Travel and tourism: We want to promote apps to travel through cities, and also be shown in them.

c. / City

- Travel and Tourism: Appear on city maps.
- Transport: Appear in different Transports, especially where bikers can be seeing.
- Streets: Flayers. Maybe Gratifies in Trees with no toxicity, but nutrients,
- Community: We want to engage community positive externalities. Gain promotion by city green related strategies. Active participant.

d. / Competition

Other Cafes: Place stickers, flayers around other cafes.

Stops: Stickers, Flayers, near stops

Kiosks:

e. / Places

Work places: Address companies that embrace the use of bike, maybe give discounts for their morning coffee.

Universities: Same that with companies

Schools: Instruct kids on bike issues and green action.

f. / Bike Related

Societies or Clubs: Promote

Shops: Promote

Repair Shops: Promote

Sport Shops: Promote

Inside of this section, we will present our product to future investors through a " PowerPoint", so we can show them in a more attractive way our café and possibilities it offers to them and the future costumers, and also an advertisement.

5. FINANCIAL ANALYSIS

5.1 INVESTMENTS TO BE MADE

To start the business, we have estimated a capital requirement 45000 €

Due to the high interest that banks demand, we have decided to invest all the money I had saved and thus avoid possible financing problems with banks.

This is why we have chosen the self-financing.

The 45000 euro will be invested in:

Furniture:

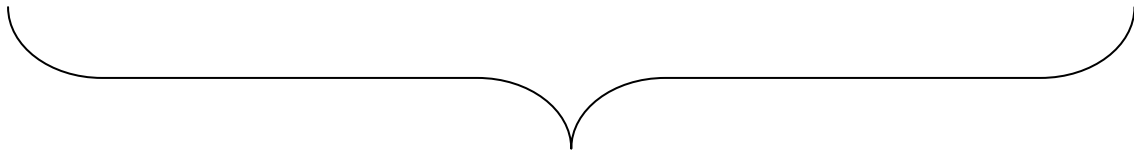
5 couches: 3000 Euros	} 9500 Euros
3 TV 's: 2000 Euros	
15 tables: 1500 Euros	
60 chairs: 1500 Euros	
5 armchairs: 1500	

Bicycles parking:

Pumps	} 1000 Euros
Wheels	
Tires	
Oil	
Breaks	

Kitchen equipment:

Set fire 1000 Euros	Drawer 500 Euros	}	
2 Fridges 3000 Euros	2 Microwave 100 Euros		
Dishwasher 1000 Euros	2 coffee machines 4000 Euros		13600
Oven 1000 Euros	Smoothie machine 2000 Euros		Euros
Shelving 500 Euros	Closet 500 Euros		



Summarizing, we have spent an amount of 24100 Euros.

But we would spend another 2000 thousand Euros just to decorate our place, so we should add some plants , some pictures on the wall, graffiti's on the wall , paint the wall on green and this kind of things.

Another 2000 Euros would be spent in the promotion of the place during the opening, so this money would be invested in:

flyers

eco painting sprays

free service during the opening

A monolog during the party.

And 1900 Euros would be saved for the futures expenses during the first month.

In paragraph “license”, the council offers a 10-year license for only 4000 Euros, of which we become beneficiaries.

Computer, cash register and management software: 1000 Euros

Insurance: 5000 Euros

Initial stock: 5000 Euros

5.2 CASH FLOW

Previously we talked about our expenditures during the zero month, but now let's talk about the costs would be produced during normal operation of the business.

Regarding our incomes we have forecasted:

- 100 clients per day, with an average consumption of 5 Euros.

 - 24 days/ month and 12 months /year.

- Also taking into account our specific goals related with an increase of a 2, 5 %/ year.

So in out beginning we will start with 156000 Euros as incomes.

Regarding with salaries :

- we will hire two employees.

- salary each month is 1250 Euros, of which 250 are destined to pay social security of the worker

- In Germany they have 12 monthly payments

- Thus, in addition, we have estimated an annual increase in salary of 3%

Variable cost.

- Variable costs refer to the costs it takes to make our products.

Starbucks Variable costs are 40% of sales, which is why we have implemented the same variable cost, so the costs are 40% of income

Local hire

-Regarding with this point, we could arrange a local for ten years. During these ten years the hiring will be constant, so we will pay a constant hiring

-This local will have 90m/2

-The price in this area, Alte Feuer-Bache, is 106, 6 € m/2

Provision.

-we have estimated 2400 Euros / month to bear water, electricity, gas, etc

-This provision will increase every year 1%

Other expenses.

- For expenditure outside the budget, we have given 2400 Euros every year,

-Which are updated annually at a rate of 1%, so we can cover expenses that we did not like a broken chair, the couch etc

- Way to amortize the assets.

Business expenses.

- In this paragraph talk about business expenses, which deal with expenses such as marketing, representation, events and all kinds of costs to be directly or indirectly led to the search for future customers

- We have estimated 4800 Euros, which are updated also every year at a rate of 1 %

Residual value.

-we have estimated a useful life of 10 years for the initial investment, which are not part license (4000), the first operating expenses (1900), insurance (5000) and initial stock (5000).

Figure 29 . Cash flow

YEAR	INCOME	SALARY	VARIABLE COSTS	LOCAL HIRE	PROVISION	OTHER EXPENSES	BUSINESS EXPENSES	RESIDUAL VALUE	CASH FLOW
0									-45.000,00
1	156000	30000	62400	9600	2400	2400	4800		44.400,00
2	159900	30900	63960	9600	2424	2424	4848		45.744,00
3	163897,5	31827	65559	9600	2448,24	2448,24	4896,48		47.118,54
4	167994,938	32781,81	67197,975	9600	2472,7224	2472,7224	4945,4448		48.524,26
5	172194,811	33765,2643	68877,9244	9600	2497,44962	2497,44962	4994,89925		49.961,82
6	176499,681	34778,2222	70599,8725	9600	2522,42412	2522,42412	5044,84824		51.431,89
7	180912,173	35821,5689	72364,8693	9600	2547,64836	2547,64836	5095,29672		52.935,14
8	185434,978	36896,216	74173,991	9600	2573,12485	2573,12485	5146,24969		54.472,27
9	190070,852	38003,1024	76028,3408	9600	2598,85609	2598,85609	5197,71219		56.043,98
10	194822,623	39143,1955	77929,0493	9600	2624,84465	2624,84465	5249,68931	2910	60.561,00

Source: Own development.

5.3 FEASIBILITY

We have calculated the NPV with a discount rate of 5%, as we all net cash flows are positive that the rate of disbursement upgrade and get a NPV = 328,305.69.

As the NPV obtained is higher than 0 accept investment.

As for the internal rate of return we see that this is higher than the update rate (102% > 5. %) And also the profitability can be considered very high.

Figure 30. NVA IRP



6. TIMING.

Have a calendar with all the usual actions of year will avoid last minute confusions, improvisations and loss of time and business opportunities, besides improving perspective being helpful to properly plan your purchases.

In our case, as we are a café, our main task will be to have all the material to serve our customers.

1. Check the current material. 1 day.
2. Generate purchase order. 0.5 days.
3. Receipt of materials. 2 days.
4. Sort order. 2 hours.
5. Evaluation. 3 hours.

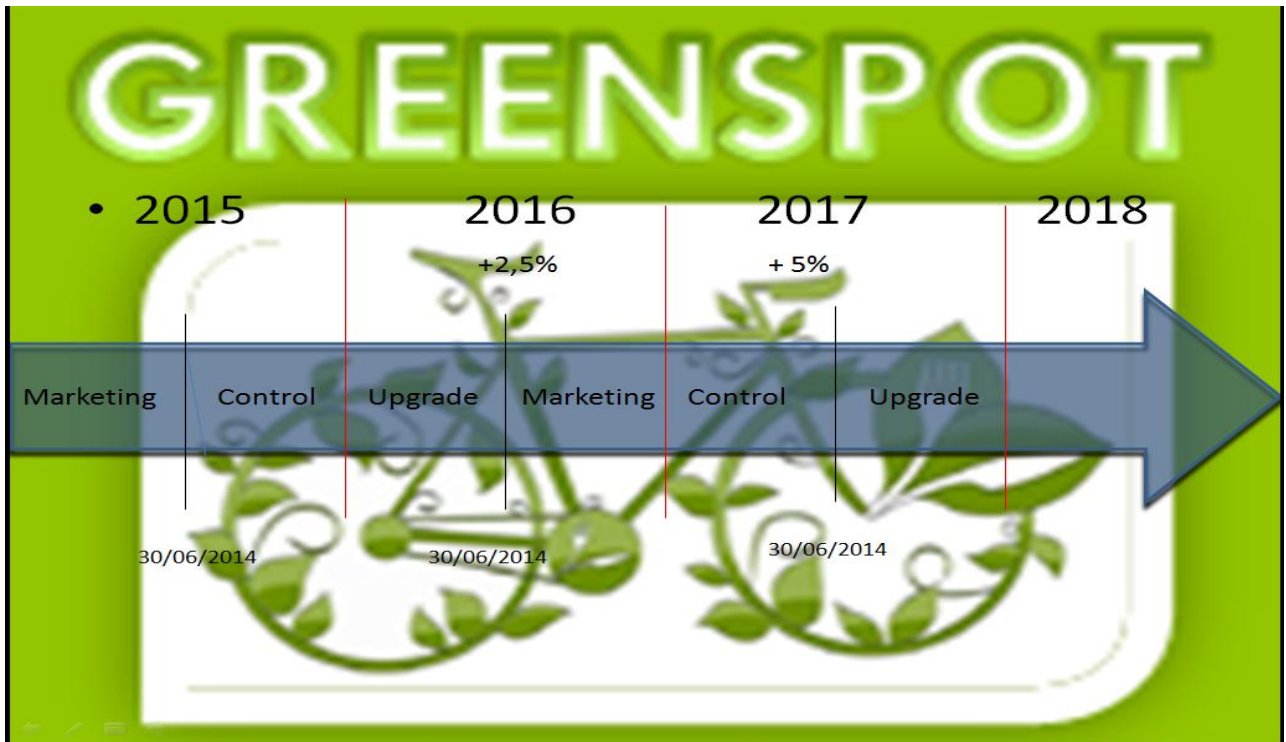
According to a timeline, the cafe will open in January 2015, two months before the inauguration and subsequent five months would have taken out an intense campaign to capture customers through the promotion techniques that we discussed in section 4.4.

Once we have a customer base and reputation in the city, would start to analyze our services so that we can improve the service offering the drinks more like or eliminating those that were not successful during this period of control.

In January 2016, we should know what kind of products will continue to serve and which are to be upgraded.

Of 2017 should be accompanied by an increase of 5% since we started in 2015.

Figure 31 . Timing



Source: own development

As seen in the image, each year we will start controls, to know about the satisfaction of our customers and the need to expand or reduce our menu.

Thus, in the additional information section, is the survey that customers would be submitted, in order to assess their opinion Greenspot.

7. CONCLUSION

To complete the study of this business plan, I shall discuss the most important aspects that can be drawn from this study as well as the prospects for the future.

Due to the volume of demand for coffee and its products that are taking place in the city of Mannheim, which is corroborated by our market research, the proposed business is a great opportunity for those who want to take advantage of the "Boom" that is having the ecology and bio products in Germany.

Noting this fact, we propose the creation of a thematic ecological cafeteria in the city of Mannheim, an area with high growth prospects, particularly the neighborhood of Alte-feuer Bache.

One of our greatest competitive advantages is that Starbucks could only compete in the services we offer, but neither have they offered the idea of an ecological coffee, in which bicycles and the environment will be really important.

As has been observed in the analysis of project profitability, our company will produce significant benefits and a steady growth in line with the economic situation.

With regard to project risk, because the initial investment is not very high because even the most pessimistic scenarios would support our investment, I would treat not a high risk investment.

Regarding to personal conclusions, I would like to emphasize that this project has helped me on one side, to see in detail the most important points when

implementing any type of business. To know where and who I have to ask help to each of the requirements, request for information or problems that may arise when implementing the business. To understand that you must leave nothing to the improvisation, let advised by those who already have a business and experts in each specialty.

Ultimately, this project has proven to be a very enriching experience and I advise to make it anyone who wants to develop a business, whether big or small.

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ANNEX: CONSUMER SURVEY

Questions to Ask	Suggested Question Type	Additional Suggestions
How long have you used our products/service?	Single-select multiple choice	Answer choices might include: <ul style="list-style-type: none"> • Less than 6 months • 1 year to less than 3 years • 3 years to less than 5 years • 5 years or more
Which of our products/services do you use?	Multi-select multiple choice	The answer choices will vary based on the products you offer. - Be sure to include an "Other" choice.
How frequently do you purchase from us?	Single-select multiple choice	Answer choices might include: <ul style="list-style-type: none"> • Every day • Every week • Every 2 - 3 weeks • Every month • Every 2 - 3 months • Every 4 - 6 months • Once or twice a year
How would you rate your overall satisfaction with us?	Rate one item on a scale	Include a Comments area in the question to find out why respondents rated you as they did. You might want to include rating scale answer choices such as: <ul style="list-style-type: none"> • Very satisfied • Somewhat satisfied • Neutral • Somewhat dissatisfied • Very dissatisfied

Questions to Ask	Suggested Question Type	Additional Suggestions
How likely is it that you would recommend us to a friend/colleague?	Rate one item on a scale	Include a Comments area to find out why respondents rated you as they did. Answer choices might include: <ul style="list-style-type: none"> • Very likely • Somewhat likely • Neutral • Somewhat unlikely • Very unlikely
Please rate us on the following attributes:	Rate items on a scale	You might want to include rating scale answer choices such as: <ul style="list-style-type: none"> • Very satisfied • Somewhat satisfied • Neutral • Somewhat dissatisfied • Very dissatisfied You might also ask readers to rate you on the following attributes: <ul style="list-style-type: none"> • Customer service • Professionalism • Quality of products/services • Customers' needs • Sales staff • Price
How likely are you to continue doing business with us?	Rate one item on a scale	Include a Comments area in the question to find out why respondents rated you as they did. Answer choices might include: <ul style="list-style-type: none"> • Very likely • Somewhat likely • Neutral • Somewhat unlikely • Very unlikely

Questions to Ask	Suggested Question Type	Additional Suggestions
Please indicate your gender.	Single-select multiple choice	Answer choices would include "Female" and "Male". It's also polite to include a "Prefer not to answer" choice.
Which range includes your age?	Single-select multiple choice	Make sure the age ranges don't overlap, which may cause confusion amongst your respondents. It's also polite to include a "Prefer not to answer" choice. Example answer choices might be: <ul style="list-style-type: none"> • Younger than 18 • 18 - 24 • 25 - 34 • 35 - 44 • 45 - 54 • 55 - 64 • 65 or older • Prefer not to answer

Questions to Ask	Suggested Question Type	Additional Suggestions
How satisfied are you overall with our customer support?	Single-select multiple choice	Answer choices might include: <ul style="list-style-type: none"> • Very satisfied • Somewhat satisfied • Neutral • Somewhat dissatisfied • Very dissatisfied
How satisfied were you with how the support staff resolved your most recent problem?	Single-select multiple choice	Answer choices might include: <ul style="list-style-type: none"> • Very satisfied • Somewhat satisfied • Neutral • Somewhat dissatisfied • Very dissatisfied
If your problem was not resolved, did our staff offer to follow-up after the call?	Single-select multiple choice	Answers choices would include "Yes" and "No"

Questions to Ask	Suggested Question Type	Additional Suggestions
<p>Please complete the following. The service...</p>	<p>Single-select multiple choice</p>	<p>Be sure to include a "Comments" area. Answer choices might include:</p> <ul style="list-style-type: none"> • Was better than expected • Matched expectations • Was worse than expected
<p>Please indicate your level of satisfaction with the following attributes of our service.</p>	<p>Rate items on a scale</p>	<p>Be sure to include a "Comments" area. The rating scale might be:</p> <ul style="list-style-type: none"> • Very Dissatisfied • Somewhat Dissatisfied • Neutral • Somewhat Satisfied • Very Satisfied <p>Items to rate might include:</p> <ul style="list-style-type: none"> • Delivery of service • Quality of training provided to your staff • Methods of communication • Quality of support • Quality of proposals created • Price • Post-service follow-up • Knowledge of our staff
<p>Do you have any suggestions for improvement?</p>	<p>Open-ended text</p>	<p>When creating the open-ended text question, you may wish to give respondents as much room as possible for their suggestions, choosing "10 Lines of Text/500 Characters" for the "Limit answers to" option.</p>

Questions to Ask	Suggested Question Type	Additional Suggestions
How long did you use our service before you cancelled it?	Single-select multiple choice	Answer choices might include: <ul style="list-style-type: none"> • Less than 6 months • 6 months to less than 1 year • 1 year to less than 3 years • 3 years to less than 5 years • 5 years or more
Why did you cancel our service? Select all that apply.	Multi-select multiple choice	Be sure to include an "Other" choice. Answer choices might include <ul style="list-style-type: none"> • Did not need it anymore • Service was inconvenient to use • Unhappy with customer service • High cost of service • Unhappy with payment plan
If you switched to another service provider, please indicate your reasons for doing so. Select all that apply.	Multi-select multiple choice	Be sure to include an "Other" choice. Answer choices might include: <ul style="list-style-type: none"> • Better quality of service • Service is easier to use • Better access to service • Better customer service • Better price • Better payment plan

Questions to Ask	Suggested Question Type	Additional Suggestions
What day/time do you prefer to attend an event?	Single-select multiple choice OR Multi-select multiple choice	If you want respondents to choose their top choice for a day/time, make the question a single-select question. If you want to know all of the days/times that they would be able to attend the event, make the question a multi-select question.
To help us pick a convenient location, please enter your zip code.	Open-ended text	
How far are you willing to travel?	Single-select multiple choice	
Do you prefer networking before, during or after an event?	Single-select multiple choice OR Multi-select multiple choice	
Rate your preference of an event on the following topics.		
Do you have any suggestions for topics? If so, what?	Single-select multiple choice	Use "Yes" and "No" for the answer choices, then include a Comments area to capture the suggested topics.
Do you have any suggestions for speakers? If so, what?	Single-select multiple choice	Use "Yes" and "No" for the answer choices, then include a Comments area to capture the suggested speakers.

Questions to Ask	Suggested Question Type	Additional Suggestions
<p>Please rate your satisfaction with the following parts of the event.</p>	<p>Rate items on a scale</p>	<p>You might want to include rating scale answer choices such as:</p> <ul style="list-style-type: none"> • Very satisfied • Somewhat satisfied • Neutral • Somewhat dissatisfied • Very dissatisfied <p>You might list sessions and/or speakers from your agenda or you might ask readers to rate the following more general attributes of your events:</p> <ul style="list-style-type: none"> • Cost • Location • Exhibits/sessions • Ease of transportation or parking • Length of event • Topic/theme • Profile of other attendees • Food and beverages provided at breaks
<p>How likely are you to recommend this event to a friend or colleague?</p>	<p>Single-select multiple choice</p>	<p>Include a Comments area in the question to find out why respondents rated the event as they did.</p>
<p>Why did you attend our event? Select all that apply.</p>	<p>Multi-select multiple choice</p>	<p>Be sure to include an "Other" choice. Answer choices might include:</p> <ul style="list-style-type: none"> • For networking • Interest in event topic • To support the organization • You know the organizers or participants