Cuppa Cake Café Marketing Plan

By: John Abda, Paige Basalyga, Billy Lavelle, Christian Luciano, & Lauren Sciabbarrasi



Marketing 301 Professor Foley April 26, 2019

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cuppa cake cafe

Executive Summary

After a thorough analysis of the café, its owners, its offerings, its clientele, and the survey results, our marketing firm is confident in our presentation of suggestions, recommendations, and analysis of Cuppa Cake Café's current market position and goals for the future. Based on the SWOT analysis below, our marketing firm has identified the current successes, shortcomings, growth potential, and competition that Cuppa Cake Café will face during the plan's implementation.

	<u>Strengths</u>	1	<u>Weaknesses</u>
*	Customer service	*	Speed (on the slower side)
*	Food Taste and Freshness	*	Location (lack of parking)
*	Corner Location in Scranton	*	Limited Production
*	Customer Loyalty	*	Lack of online marketing
*	Family Owned and Operated (increases unity		
	cohesion)		
	Opportunities		<u>Threats</u>
*	Opportunities Capitalizing on the millennial/college	*	Threats Well established cafés in the heart of Scranton.
*		*	Well established cafés in the heart of Scranton.
*	Capitalizing on the millennial/college		Well established cafés in the heart of Scranton.
	Capitalizing on the millennial/college student/health conscious market growth	*	Well established cafés in the heart of Scranton. Rising costs of fresh ingredients
*	Capitalizing on the millennial/college student/health conscious market growth Expansion into the food truck market	*	Well established cafés in the heart of Scranton. Rising costs of fresh ingredients Changing economy
*	Capitalizing on the millennial/college student/health conscious market growth Expansion into the food truck market Increasing customer base through live music	*	Well established cafés in the heart of Scranton. Rising costs of fresh ingredients Changing economy Technological Evolutions (more and more difficult

We have found that the café's main market are the brunch/lunch crowd of elderly and young-adult females who live within 12-miles of the café. This identification will allow the café to better reach its target market through strategic advertising to these groups. We feel that our plan will give the café a way to increase its return on investment and position them strategically above the competition in the area.

Additionally, through a 4Ps analysis we have identified areas for expansion and improvement of the logistical operations of the café to increase customer awareness, speed of production, and loyalty. To ensure the plan is working for the café, progress will be monitored continuously through social media analysis, word of mouth feedback, sales, event attendance, and re-surveying. Plans will be modified to better fit the needs of the café and consumers as time passes.

Our team brings marketing, technological, service, leadership, and management skills to the table that are required for successful plan development and execution. All of these efforts will lead to a better customer experience and increased revenue for the café.

Introduction

Introduction

Our Team 7 Marketing Firm was comprised of five individuals: John Abda, Paige Basalyga, Billy Lavelle, Christian Luciano, and Lauren Sciabbarrasi. Our team was tasked with developing a marketing plan for a local small business of our choice. Our marketing firm decided to further investigate Cuppa Cake Café.

We first became familiar with Cuppa Cake Café through one of our team members, Lauren. She happens to drive by the café every day on the way to Planet Fitness in Scranton. Located at 701 East Market St. Scranton, PA, they are positioned in a local strip mall set-up with hours from 8 AM- 3:30 PM daily (closed Monday and Sunday). The café started operations 5.5 years ago and is family owned and operated. The café currently reaches consumers through its Facebook and Instagram pages outlining weekly specials and photographs of their delicious menu offerings and fresh cupcakes.

Head owners/managers, Jackie Kromko and Denise Cosgrove, were our points of contact for this project. In an interview with Ms. Cosgrove, she identified Cuppa Cake Café's competitive advantage as "the café's relaxed and welcoming atmosphere, the individualized attention paid to each customer, and the focus on creating repeat customers through socialization and amazing food". She also identified that the café's greatest advertising and publicity successes is through word of mouth recommendations. Currently, the café is very happy with its business offerings and how it has positioned itself in the café service market. They feel that part of their charm is the family orientation and quaint operations. However, they do see the potential in tapping into the college student market and would like to further assess opportunities there.

List of Assumptions (Pre-Analysis)

- Our marketing firm will learn something of value in Marketing 301 providing us with the necessary knowledge to complete this project.
- Our marketing firm assumes that all team members will be available to make team meeting and meet status report deadlines.
- Our marketing firm assumes that a Cuppa Cake Café representative will show up to our presentation.
- Our marketing firm assumes the café owners will be receptive of our business plan.
- Our marketing firm assumes Cuppa Cake Café customers will be willing to fill out and submit our survey.
- Our marketing firm assumes that the survey will show something of value.
- ❖ Our marketing firm assumes that all of the technological aspects required to create a commercial for Cuppa Cake Café, do market research, and present our marketing campaign will work properly and be available to us.
- Our marketing firm assumes that the operation hours of Cuppa Cake Café will align with our schedules to conduct the necessary interviews with business owners.
- Our marketing firm assumes that Cuppa Cake Café will remain in business and honor our verbal agreement to partake in the project.
- Our marketing firm assume that our marketing firm will have the adequate financial means to assess Cuppa Cake Café.
- Our marketing firm assumes that Cuppa Cake Café will have adequate financial means to implement our suggestions.
- Our marketing firm assumes that all partners/vendors that do business with Cuppa Cake Café will not be affected, or accept, any marketing plan we suggest.
- Our marketing firm assumes that Cuppa Cake Café's current customers will be receptive of any changes.
- Our marketing firm assumes that there will be no major structural changes to Cuppa Cake Café organizational structures and standard operations.

Milestones

Our marketing firm made our original Gantt chart based off of the project outline provided in the project description and requirements handout. As time passed, the original project timeline was amended four times to accommodate new due dates, unforeseen weather circumstances, and to align better with team member's schedules.

The first edit was made to the survey questions status report (no. 4). The due date for that status report was moved from February 13th to February 18th because of a snowstorm throwing off our class lectures that aligned with survey collection.

The second edit was made to the projected advertising, publicity, and promotion status report (no. 7). This status report was originally due on March 27th, but was pushed to March 29th. This was to allow students more time to hand in their ideas, rather than have this report due the day we returned from our spring breaks.



The third edit was made to our commercial filming/editing projected timeframe. We originally scheduled to film/edit in a 10-day window from 4/9/19-4/19/19. However, this timeframe was modified to encompass 4/12/19-4/19/19. Due to scheduling conflicts with team members and the operating hours of the café, our first available day to film was pushed to April 12. Filming concluded on April 17 and editing ended up running slightly after the Easter Break, until April 24.

The final edit was made to our presentation date. Our team was originally scheduled to present on Monday, April 22. However, the café is closed that day and it would be a hardship to the owners. Therefore, our presentation date was moved to Friday, April 26 in place of Team 4. which was disbanded.

Challenges Identified by Marketing Firm

Our Firm

- Not being able to observe Cuppa Cake Café during all of their hours of operation, especially when they are the most busy.
- Not being able to devote our Marketing Firm's full time and attention to the business because we are balancing school, work, and extracurricular activities as well.
- Have disagreements between group members ideas.
- ❖ We are young and inexperienced in the field of marketing.
- Our marketing firm must ensure we compromise and focus on the true needs of the business and its owners, not our own interests.
- Not having all the skillsets required within out group members to complete all tasks with a high proficiency.
- Misaligned schedules could throw off our meeting timetable and plan.
- Unforeseen weather circumstances could delay progress.

The Business

- Cuppa Cake Café is a small business in the local community, which may limit advertising reach.
- ❖ Being a small business, Cuppa Cake Café is more limited in their funding for advertising and any other suggestions we present based on interviews/surveys.
- The NEPA small business market is extremely competitive, barriers to entry are low but continuing a successful business can be an obstacle.
- Cuppa Cake Café may struggle with keeping up with demand and the pace of the restaurant business due to their "made fresh daily" promise.
- Cuppa Cake Café is a small, localized spot and therefore our marketing firm may have some trouble getting our survey out to a wide enough range of people.
- Since Cuppa Cake Cafe is family owned and operated, they may struggle with keeping up with technology-based marketing campaigns and alerts, which the current market heavily relies on for information and updates.
- Our marketing firm and Cuppa Cake Café managers may struggle to identify the right technologies to use that will best reach their target market.
- Cuppa Cake Café may struggle to continue implementing our marketing firm's suggestions after they are implemented. The must ensure their efforts do not "fall off the wagon" after a couple of months of operation.
- It may be challenging to alert potential customers that Cuppa Cake Café does not just specialize in cupcakes, rather, they offer a full brunch-type menu.

Survey Results

Survey Questions and Graphs

Please find a physical copy of our survey questions attached. (APPENDIX D)

Survey Results/Analysis

Question I & 2: Age and Gender

Overall, the main age demographic of the café is on the elderly side. Most café goes fall into the 65+ and 55-64 range. This demographic is followed by the 25-34 and 35-44 range. Additionally, most customers are female.

These age categories made sense based on the hours of operation of the café. Many of the elderly people that attended were retired and came to the café for a brunch get-together with their friends. Many were also friends of the owners. The next most popular age range can be

rationalized as well. The young adult/middle aged individuals that came to the café were mostly female and came with young children, under school age. The

schedules of the mothers also aligned very well with the lunch operating hours of the café and the café's location next to Lackawanna River Trailhead is also convenient for the kids. Again, most café goers are

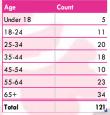
female. Most men that attended the café did so with a woman. This shows that Cuppa Cake Café's vibe is largely feminine.

Question 3: Residence

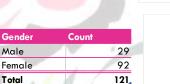
Most people who came to the café resided in Scranton, followed by Troop, and Clarks Summit. Moscow and Dickson City had a few people who visited the café. This indicates the café's physical reach is approximately 12 miles or a 20-minute drive before losing market share.

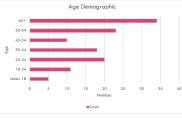
Question 4: Day/Time of Visit

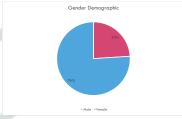
The café's busiest days are Friday and Saturday. This makes sense considering the café's hours are from 8 AM – 3:30 PM. Many people who work during the day cannot make it to the café during those hours on weekdays. On Friday's some

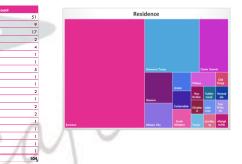














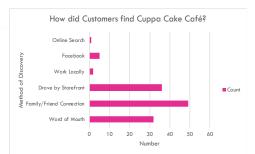


workplaces allow employees to leave early, and of course, Saturday is a very popular brunch day. The most popular time to visit the café is consistently the noon to one hour. However, in general, the café is busier in the morning compared to after 1 PM.

Question 5: How did you hear about the café?

The majority of people surveyed said they found out about the café through some sort of connection with the owner/family and/or word of mouth through friends of social gatherings. This was to be expected

FindOut	Count
Word of Mouth	32
Family/Friend Connection	49
Drove by Storefront	36
Work Locally	2
Facebook	5
Online Search	1
Total	125

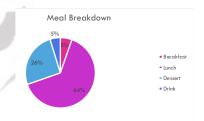


considering the café's original position as family oriented, customer service based, and their close relationship with café goers. However, the second highest ranking is driving by the storefront. This validates the café's physical location in a higher traffic area. Its placement in a shopping location in the

Green Ridge section of Scranton serves it well. The low scoring of the online searches and Facebook page indicate a possible area for improvement to target the tech savvy/younger generation, which was an underrepresented age demographic.

Question 6: Typical Order

The most popular meal to eat at Cuppa Cake Café is lunch with 64% of the breakdown, followed by their desserts with 26%. Within that lunch category, their sandwiches and paninis are the top sellers followed by soups. Many customers stated they love the new weekly specials of soup and sandwich combos the café puts out, prompting many of them to make the purchases in tandem. The two most popular sandwiches served at the café are their egg and cheese (often ordered by the breakfast/brunch crowd) and grilled cheese (often ordered by the lunch crowd, especially on tomato soup days). Of course, the café is also very well known for its cupcakes and they are ranked as a very close third. This ranking may be because the café makes all the cupcakes for the day in the morning, so once they run out, they run out. This fixed inventory could impede some café-goers from receiving a cupcake if a large order was placed earlier in the day.



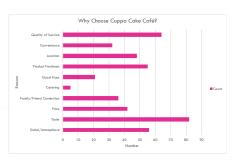


Question 7: Menu Suggestions

The majority of café goers indicated they were satisfied with the menu as it is, and the weekly specials change it up enough to keep they coming back. However, there were still 26 recommendations, two of which were repeated 3-fold. The first suggestion is a tuna salad, which may be a nice addition considering they don't currently offer any seafood options. The second suggestion, vegan options, would be a great way to target an underserved market segment. The café already has all the ingredients needed to implement a vegan option by pooling from other menu offerings. It would be a significant market growth opportunity.

Question 8: Why do you come to Cuppa Cake Café?

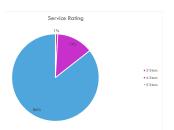
There were three main stand-out reasons why people decided to come to Cuppa Cake Café specifically, as opposed to other café's or restaurants. The highest scorer was simply, the taste of their food offerings. Their made fresh daily guarantee is what keeps bringing people back to their establishment. The consistency in their offerings creates loyalty and commitment to their brand. Second is the quality of service. This plays to the fact that their customers become family and regulars after their first visit. Each customer is treated as a special individual. While this may take



longer, it builds a trusting and loyal clientele. Third, café goers love the atmosphere of the café. The soft rock and alternative music, mixed with something modern satisfies all music tastes. The tables and furniture is soothing and vintage, while still providing a homie vibe. This really makes customers enjoy the sensory experience in addition to the food.

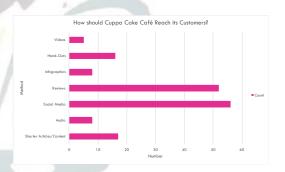
Question 9: Customer Service Rating

It is no surprise that 86% of café goers rated Cuppa Cake Café's service 5-stars. This was already identified as one of the top reasons people choose to come to the café. What the café lacks in speed they more than make-up for in their stellar focus on the consumer's needs.



Question 10: Preferred Advertising Format

Most people identified that they are most in-tune to ads that are posed on social media or part of an online review website. Based on this information, Cuppa Cake Café has room to improve in regards to social media usage. While they do have both a Facebook and an Instagram page, they are underused, especially with regards to their advertising potential. This would be a great opportunity to use a "community" tab and/or online promotion/competitions to draw more people to their page, and ultimately the café.



Currently, the café does have some reviews on their Facebook page, however, customers may be more willing to trust a third-party website (less bias). They can be found on yelp.com. However, the identification of the desire for online reviews is also a great opportunity to reach out to local newspaper review sections and Discover NEPA to get free publicity.

Question 11: Monthly Event Interest

Lastly, to expand upon the café's competitive advantage of service and freshness, customers are showing an interest in a new social/atmospheric addition to the café's offerings. Only 29 people surveyed did not show interest in the monthly events. This clearly indicates a demand, at least enough for a trial run. Live music is clearly the leader and should be a starting point, if events were to be added. These events could also serve as a new strategic selling point and bring new people into the café for the first time.

Events	Count	
Card Games		11
Bingo		21
Poetry Reads		8
Crafts		23
Live Music		38
Not Interested		29
Total		130

Marketing Plan Explanation

Product

Based on customer survey results, the current patrons of Cuppa Cake Café are very satisfied with their product offerings. The weekly specials keep the menu current and intriguing to returning customers. However, we suggest expanding the permanent menu to include vegan options to appeal to an underserved market. To continue the café's strong brand (of miniature cupcakes), they are placed in a large displace case easily visible from the front entranceway.

While the quality of the café's offerings are always top-notch, there is room for improvement in regards to availability and technology. The café often makes fixed amounts of their signature cupcakes in the morning. Due to this, when they run-out, they can no longer satisfy the demand of customers later in the day. Since cupcakes are their signature offering, production should not shut down completely after the morning shift. Additionally, the resources the café owners use to make the cupcakes is inefficient. We suggest expanding production capabilities from one oven and one mixer to two ovens and three mixers. This way, more employees can me making different things at the same time, allowing for product line expansions thanks to increased efficiency.

Lastly, the café sells one product not directly produced by them: by the register mini flavored energy coffee shots. We feel that this offering can be expanded upon by introducing a line of branded travel coffee mugs to sell next to the shots as a tandem deal.

Place

First, the physical location of Cuppa Cake Café is conveniently located on the corner of a well-traveled Scranton intersection. This increases the amount of pass-by impressions created on consumers with no extra advertising costs. Within the café, the large menu board and cupcake displace is a focal point of the café, along with a staple couch and clock. The positioning of seating areas around the café are strategic in breaking down barriers between people and encourages socialization. The placement of tables around the café gives it a more spacious atmosphere for such a small location.

With regards to logistics, inventory, and transportation, the café owners also front this task. Each morning they go to the store to purchase fresh ingredients and bring them back to the café, where the immediately start cooking. While the system works well most days, considering there are only 3-4 ladies staffed each day, sometimes they can run behind. The café would really benefit from having some sort of delivery service and electronic ordering system to allow them to better utilize their time preparing the food and physical café location for customers daily, especially with such a small staff.

Promotion

The café should focus on advertising in the local community, personal selling within the café, and sales promotion efforts on a seasonal basis. We feel that the café would be the most successful running advertisements on social media, at local events and schools in the form of physical mediums (fliers/boards), and on local news stations and newspapers. Since the café's main customer reach is within 12 miles of its location, that should be the target area for

advertisements. Also, word of mouth was identified as one of the main channels customers cited they found out about the café. Therefore, personal selling within the café (directly and indirectly through their offerings/service) is vital. Customers serve as selling agents when they promote the café to their friends and the community. Lastly, seasonal promotions will keep café goers interested and feel like the café is offering them benefits for their loyalty. Creating a calendar, giving free drinks, hosting cupcake decorating, first day of summer sales, punch cards, and themed discount menus around holidays will boost morale and customer loyalty.

Price

In addition, the seasonal discounts and promotions (including punch cards, free giveaways, and special sales) offered to customers, the café has positioned its list prices on the lower side, taking market share away from more expensive café's in the heart of Scranton. They add a convenience to customers as the take payment in cash, debit, or credit. Although under promoted, they offer a generous student discount to those they produce their student ID at the register. This would be a great selling point is further marketed to local college students, who often like to go to café's to hang-out and do homework, but not front the cost.

cuppa cake cafe

Evaluation Plan

Hits/Shares on Facebook and Instagram

- > By monitoring how much traffic flows through Cuppa Cake Café's prospective website, the cafe can identify how many impression they have made.
- The percent increase in followers and shares on Cuppa Cake's social media will indicate how well their promotion efforts are. Additionally, this will expand their reach beyond their direct followers to their followers' followers. Lastly, tracking how often they are tagged in images can validate customer's satisfaction with the food and service. It can also be helpful in identifying any areas to improve, if a rating is lower or if unfollows are becoming more common.

Total Ad Clicks

The success of their pay per click pop-up ad and keyword investments increases the impressions made. An increase in the impressions creates a positive feedback loop of virtual sharing and indicates a successful campaign and that the correct keywords and avenues are being used to reach prospective customers.

Receipts

Tracking receipts can evaluate the effectiveness and success of new cafe offerings. By saving the orders of cafe goers, Cuppa Cake can continually identify patron favorites and tailor their offerings to what is in demand at different times throughout the year. This can help them save money by remaining focused in their offerings, and simultaneously keeping consumers satisfied and receiving superior value.

Word of Mouth Feedback

Most directly, any word of mouth feedback that makes it back to the owners conveys customer feelings and opinions about the cafe and its offerings.

Sales Figures

From a monetary perspective, the cafe should be viewing sales figures regularly. This will not only identify best sellers, but also how economically they are operating. It will help identify if the means (including utilities, hours of operation, menu offerings, promotional efforts, and new entertainment ideas) meet the ends (the bottom line and profits). Modifications to the budget and expenditures can be made based on the success/shortcomings of current spending habits.

Event Attendance

➤ Since the addition of monthly events (bingo, music, cards) is a major new idea for the business, evaluation is vital. Primary event attendance will identify the success of original promotion efforts. However, the tracking of return visitors each month for the event will validate the effort, or suggest a different approach.

Loyalty Program Sign Up

Tracking the sign-up rate for the new loyalty program and the frequency of the punch card usage will identify the effectiveness of the promotion. If successful, new customers should become return customers, motivated by their free drink/cupcake after 10 purchases. This can be tracked by how often a free offer is given out per month and striving for increased levels each month.

Re-Survey

- Modifying the original survey and resurveying the population will provide direct feedback from the customer. This can be done to identify what kinds of promotional effort should be continued/ended/added, what menu offerings are coming into popularity/tailing off, and what monthly events are going well/new suggestions. These surveys can be administered two times a year to get continual feedback and modify the cafe's offering to their customers' needs.
- Revisit the original marketing plan and objectives. Did we meet our own personal goals?
 - Lastly, the cafe should revisit the original marketing plan and objectives. It should go through its goals and ideas and see which ones they were able to successfully implement, and which ones they have not yet attempted or have failed. From there, they should modify the plan and set new goals to reach in the coming year. Those goals that have not been attempted should be carried over and any struggling projects should be let go and/or modified. The successful projects should also be viewed for continual improvement. The success: not attempted: failure ratios can be calculated to give the company a better idea of where they stand compared to previous evaluations and set new goals.

Recommendations/Conclusions

- We suggest that the café increase its production capabilities to serve the growing demand for their products more efficiently.
- ❖ We suggest hiring 3 additional staff members as a cashier, busser, and deliver person. This will allow the owners the ability to man the kitchen and customer service areas more fully and increase their delivery sales, which are currently only available on Fridays.
- ❖ We suggest instituting an automatic grocery ordering and delivery system.
- We suggest introducing monthly live music events to satisfy the demand of current café goers and draw in new clientele who are intrigued by the offering and/or are fans of the performer. (networking)
- We suggest using either Monday or Sunday as a promotional day to focus on social media updates and/or events in the local community to get the word out about the café and its offerings.
- We suggest updating all business fliers and business cards to include links to their social media sites for easier customer location.
- ❖ We suggest creating a website where orders can be place electronically and an email list can be set-up for more targeted promotional efforts.
- We suggests expanding the menu to include vegan options to include a new market.

In conclusion, our marketing firm feels like the café has positioned itself well in its current market, however, there are great opportunities for expansion. Cuppa Cake Café has many loyal customers who love their offerings, and we feel that this interest can be extrapolated to younger generations and those with special dietary needs. We are confident that the implementation of monthly events, increased promotion to college students, a social media revamp, and the hiring of a couple of new employees will set the café up for even more growth in the local community. Once this expansion occurs, they can further look into new opportunities, potentially a Cuppa Cake Café food truck, which will increase the physical reach of their business outside of the identified 12-mile radius.

Team Challenges / Recommendations

Overall, our team worked very well together as a unit. However, there were still some challenges we identified and had to overcome to ensure the successful completion of this project. These challenges included:

- > Scheduling conflicts within our team and with the café owners to avoid busy times.
 - This challenge was overcome by understanding that not every team member had to be present at each meeting/event. By identifying each team member's strengths, tasks could be delegated and communication could be successful remotely.
- None of us had experience/equipment required to create a commercial.
 - This challenge was overcome by group research of common filming techniques and each of us taking a turn filming and editing.
- Communication/Response to text
 - Our original group chat was not being sent to every member. Our solution was to use GroupMe, but a similar problem occurred again. We remedied this issue by utilizing GroupMe which worked for 4/5 team members. Whenever a text was sent in the chat, one delegated team member would pass the word to the member that could not receive communication.

For next semester, we recommend having a little more guidance as to how to approach our small business for the first time. With this being our first marketing course ever, many of us did not know what would be required of us for this project, or what a marketing plan should entail. This made it hard to describe our project and goal to the business owner(s).

Appendix

Appendix A (Commercial Script)

Hello, and Welcome to Cuppa Cake Café. This local gem is Located on East Market Street in Scranton PA and has been serving the local community for just over 5 years. Once you walk through the doors for the first time, you become a regular.

This family owned and operated café prides itself on freshness and friendliness each and every day. The service is second to none, and you will love the huge variety of mini cupcakes and delicious weekly specials. Your taste buds won't get bored here!

Not only is Cuppa Cake Café a wonderful brunch spot with food made fresh daily, but they also offer affordable prices and amazing student discounts. It is the perfect place to grab a bite to eat in between classes, catch up with friends, collaborate on a project, or just relax.

Check us out on Facebook and Instagram and we look forward to seeing you soon. We just put the cupcakes in the oven!

storyboard attached

Appendix B (Meeting Minutes)

Meeting Date	Timeframe	Purpose of Meeting
January 16, 2019	2:30-3:30	Introduce ourselves to café owners
February 19, 2019	2:30-3:30	Interview café owners
February 28, 2019	12:00-2:00	Survey café customers
March 1, 2019	12:30-2:00	Survey café customers
April 9, 2019	2:10-2:45	Introduce commercial to owners
April 10, 2019	12:15-1:00	Film Commercial
April 11, 2019	7:30-8:00	Film stock footage and behind the scenes
April 12, 2019	9:45-10:00	Final meeting with owners (wrap-up)
April 24, 2019	12:15-1:00	Team presentation practice

Appendix C (Team Presentation Slides)

Appendix D (Survey Questions)

^{**}attached**

^{**}attached**