IMnm3709

Assignment 4

Question 1.

1 .Strategy plan

" Black Smith coffee movement was born out of a simple idea that great coffee can do thing. "

2. Strategy ploy.

"Trainee baristas are selected to put thought a three months BUP where they trained up skilled to be professional barista. "

3 . Strategy Patten.

* All three black smith coffee are Arabica blend and have been and are locally certified continuously adding to the range the newest offer are filter and pod coffee.

*" from crockery to accessories, our sales staff are trained to recommend qualifying accessories that would work for your business. "

4. Strategy as position .

* "there is a great importance around supplying our costumers with branded point of sale to help ensure the costumes experience is always one of the enjoyment and ever lasting.

* " by offering organic Fairtrade and relationships coffee blend, ensure the coffee experience is one that benefit eveyone.

5. Strategy of perfection .

BLACK Smith coffee movement is a social change and a platform for job creation and skilled

development within the coffee industry.

2. DIMENSIONS OF MARKET ANALYSIS.

1. Current and emerging submarket.

*Black smith coffee movement is not about the crafting of beautiful coffee blends from sustainable sources , its real purpose is what comes after that superior value offering , product offering , market support point of sales and barista uplifting programme.

2 . Actual market , potential market and sub market size.

*Black smith coffee movement will also initiate enterprise development project for new baristas , as well as facilitate employment placement for them within the coffee making industry .

* The aim is to promote training and development among unemployed youths.

3. Market and Submarket growth.

* Black Smith coffee movement grow its business by firstly understand that they are selling more than coffee . They must consider buying exciting shop if there's ready to expand , also putting quality first serving the best . By adding beer or wine to the menu will also help in growing the business.

*Black smith coffee movement market growth of various portions and nations' in earliest year and estimate the qualities to the following 5 years.

4. Market and submarket profitability.

* the market size of black coffee movement reached 7.5 million in 2019, showing a growth and good profit too that a growth of 3.3 percent from previous year. This lead to a 24 percent increase in market value in that year.

* But the labour goes in to making that cup of coffee is three cent. All this thing combined usually make for a cost of R1, 17 and make 199 cups which means they have they have about 82 cent of profit per cup.

5. Cost structure.

* Black coffee movement can make average annual revenue of R 215 , 000 per year by selling about 250 cups of coffee daily that works out to be about 18, 000 in revenue per month.

* They are extremely profitable due to the high profit margin and low cost of stock.

6 trends and development.

While soft drinks and sugary juices are becoming less and less popular, ready-to-drink coffee, on the other hand, is seeing a huge surge in demand. Nowadays, people want things quick and easy, including their coffee. With the rising trend of ready-to-drink coffees, it creates new opportunities for players in the market to capitalize on this newest coffee consumption mania.

Offer new concoctions that consumers can easily grab in your store.

People want high-end, low-calorie, and less sugary drinks, as well as lattes.

It's okay to go premium, as long as it is healthy and within reasonable limits.

7. Distribution channels.

*black smith coffee movement distribute the blends usually through wholesale channels and supply the coffee for restaurants, hotels, airplanes, and supermarkets. Specialty coffee is sold in both whole bean and ground forms to wholesale and retail channels

SOURCES OF SUSTAINABLE COMPETITIVE ADVANTAGE.

1 Distribution source.

The supply chain of coffee beans is a lengthy process that involves growing the beans, harvesting, hulling, drying, packing, bulking, blending and finally roasting. In between this process, the beans go through international transporters, export sellers and retailers like grocery stores, cafes and specialty shop

2 Promotion sources.

*Social media users frequently celebrate their love of coffee, with themed events like 'National Coffee Day' and 'National Espresso Day' occurring every year.Make a note of when these dates fall and be sure to get involved in the conversation. Post your finest latte art, talk about the ultimate macchiato and start putting your name out there.

Host a special event and promote it

Holding an upcoming event at your coffee shop, such as a poetry reading, open mic night or an evening class in cupcake making can help boost your profile.Advertise community events like this by designing a branded poster with all the relevant information. Then, hand them out to other local businesses to ensure your event is noticed. Not only will this bring in new customers in a different way, it helps raise your profile in the local community.

3. Relation source

* The relationship that organization has with it brand loyal costumers and long term relationship it has with it suppliers

* Black Smith coffee movement supplies are knowledgeable about the best roasting and repackaging process , that why they are proud to offer quality , turn speed, minimum and capacity.

4. Legal source.

* Black Smith coffee movement has it trade mark that is registered as a trademark to the brand name , logo, design, slogan, and any word associated with the brand .

* They also have copyright trademark and ownership.

5. Organizational source .

* Black Smith coffee movement still to be launched troughs online sales platform in the next few month

6 Human resource sources .

*upon from competing of the training programme black smith coffee movement also assist the BUP graduate with finding employment within the coffee industry as professional baristas .

7 pricing source.

*Well, the simplest answer is supply and demand. Coffee is an agricultural commodity, and production changes will affect price. Simply put, lower production equals higher price while higher production equals lower price.

*Day-to-day physical coffee prices are determined by supply and demand. Price setting criteria are mostly quality (what is the quality of a given coffee or origin), and availability (how much or how little is being offered of a particular type of coffee). This confirms that not all coffee is the same.

FACTORS Determining strategy selection.

Demand factors.

*There is growing consensus among experts that climate change will severely affect coffee crops over coming years.

* Consumer motivations to branded coffee shops are most influenced by three factors: past experience/ familiarity; convenience of location/travel; and friends and family. With friendly staff, high quality of coffee and food, good atmosphere and good reputation the most important aspects for branded coffee shops.

Competitive factors.

*black Smith coffee movement also faces stiff competition from branded coffee chain market leaders,McCafé, Vida e Caffè, and Seattle Coffee Company, cappuccino, Nescafe , which already have an established presence across South Africa.

*Businesses serving coffee compete with one another for a share of the market and when one business acquires or develops unique attributes, which are valuable to consumers, it results in a position of competitive superiority and greater market share.

Environmental factors.

*street coffee shops want to make it quicker and easier to obtain their product and to make the whole experience a far more individualized one, example of how this is being done is black smith coffee movement experimentation with Apple's iBeacon software.

* Coffee processing plants often discharge waste into rivers creating pollution and contamination problems that can cause eutrophication of the water systems and kill aquatic plants and animals. As coffee demand grows, so does the market and in come the new suppliers.

COMPANY FACTORS.

Bottled Drinks Are Ready to Go

While it may have started with the biggest companies on the market, now even small and independent companies are starting to bottle their coffee. With more people looking for quality coffee on the go, more roasters are trying their hand at cold brew drinks. They're even packaging signature lattes that are ready to drink right out of the cooler.

Ready to go coffee is premade and found everywhere from gas stations and convenience stores to high-end grocers. Bottled coffee can be better than we'd ever imagined.

Fairtrade Is Powerful

With more people getting to see just how important it is to treat workers fairly, more buyers are invested fairly traded coffee. The average consumer has never been more aware of how the products and services they buy are sourced.

RISK FACTORS.

*In response to a question about how the credit crisis might affect its financing, a BLACK Smith coffee movement spokesman said the company was well aware of the current developments in the financial markets and their potential consequences.

*In keeping with its culture of taking the long-term view, black smith coffee movement has strong systems and legal agreements in place to protect its financial interests,