

The Perfect Cup

A QUICK START GUIDE TO STARTING
A COFFEE SHOP



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The Perfect Cup

A QUICK START GUIDE TO STARTING A COFFEE SHOP

Coffee shops today are more than just a place to meet up with friends over a cup of coffee. Coffee shops these days have their own culture and a complete eco system that extends within its WIFI range boundaries. The young generation prefers to meet and discuss ideas over a cup of coffee. It is the focal point of their social interaction with their friends.

Young entrepreneurs and startup founders use coffee shops to meet clients and potential investors. Freelance coders spend the entire day in a coffee shop consuming coffee and the free Wi-Fi. Many startups call a coffee shop their conference room and start their day over a cup of coffee and a meeting at the coffee shop.

Everybody loves to start their day with a cup of coffee. You will be hard pressed to find a local coffee shop that is empty these days. In some places coffee shops run throughout the day and into the night because there is steady demand from the crowd.

The beauty of the coffee shop industry is that it has not peaked yet. The industry is still booming and growing year on year which only means there are several opportunities for entrepreneurs. Sure, the competition is brewing hot, however if you can manage to stand out you can thrive in this industry.

Let us face it if you love coffee you must have entertained the idea of starting your own coffee shop someday. You probably already have a mental blueprint of your coffee shop prepared in your head. You already know what you will do that is missing in the coffee shops you have visited. For fulfilling demand is the best way to succeed in any business. If you still nurture that dream and do not know where to begin then today is your lucky day.

This quick start guide will help you get a fair idea of what it takes to start your own coffee shop.

WHERE TO BEGIN?



We suggest you begin with some introspection. Every business man or business woman should be a realist rather than an optimist. It does not make sense to start your own coffee shop just because you love the smell of coffee brewing. A cheap espresso machine will do the job and save you a lot of stress and heartbreak. However, if you love brewing coffee passionately and meeting new people every day then this industry can be kind to you.

Begin by getting your priorities right. We always believe that an entrepreneur must not entertain an idea unless they are willing to risk it all to work on it. You must have a thick hide to stick it through the hard times and relentlessly pursue your goal to be successful in any business you begin. Things won't always go wrong but when they do they can really hit you hard. If you are willing to get your hands dirty to find solutions to obstacles, then you can move on to the next step. Ensure that your conscience and mind is clear. If you have doubts find answers to your questions.

CREATE A BUSINESS PLAN

Any job that is started well is half done. You need a plan for everything in life and your business should be no different. A business plan is the most important aspect to setting up your own coffee shop. Your business plan will help create a roadmap for your business and give your dream a sense of direction. A business plan will create a clear picture of what needs to be done to establish your new business. It will also help others understand your vision and will convince them to be a part of your journey. A good business plan can help you secure the funding you require to setup your new coffee shop. It will help you describe your vision to candidates who wish to join your business and play a part in its growth. It will also help you spot obstacles and prepare for them in advance so that you can conduct your business without hiccups.



Here are some of the key elements of a business plan:

Summary

Placing the summary at the beginning of a business plan helps you grab attention of the reader. Some people might not have the time or patience to get through your entire business plan in detail. A summary will help them understand what the business plan is all about and help convince them regarding the viability of your business. Although it features at the top a summary is logically created at the end of a business plan.

Description

Not everyone will be familiar with how a coffee shop works. Description provides you an opportunity to describe your business as well as aspects that help you stand apart from the competition.

Market Strategy

The market strategy is a result of the market and competition research you have carried out. It will help you identify areas of opportunity which can be used to create a successful business. It will also contain your roadmap to profitability and your targeted market share. It will also contain a description of the market you plan to corner with your coffee shop.

Marketing

You need to invest in marketing your product and services to create awareness among customers. People will only know of your business when they are exposed to an effective and efficient marketing strategy. Your marketing strategy must be strong to reap the benefits that are on offer in the industry.

Operations

It is challenging to run a coffee shop on your own. No matter how competent you maybe you will invite skepticism if you claim to shoulder the entire operations on your own. The operations strategy shows your roadmap for the daily operating procedure. It will also contain the staff you plan to hire to run your business.



Financial plan

Financial plan contains information about the money you will require to setup and run your coffee shop before it achieves profitability. Your business must survive on its own until you have customers walking into your coffee shop consistently.

It also contains the finance you already have and how much you need as well as how you aim to raise the money required.

Development/expansion

This section of the business plan allows you to describe the vision you have for your business in the future. It is the goal and benchmark you set for your business for the next to 5 years. It will demonstrate your vision for the growth of your coffee shop.



LOCATION

Now that you have your detailed business plan ready it is time to look for the birthplace of your coffee shop business. Finding a good location for your business is essential for success. There are several aspects that goes into deciding a location for your coffee shop.

Begin by looking at the competition in your neighborhood. It is easy to find the number of coffee shops in your locality. All you need is a google maps search for all coffee shops around you. This will help you identify pockets where you can establish your business and corner your market share. Staying away from competition in the beginning also provides breathing room for your business to grow in the initial stage.

Once you identify areas it is a good idea to visit the places and look for shops that are being offered for lease now as well as in the near future. You must ensure that your coffee shop enjoys good visibility. A coffee shop that is visible to the public tends to enjoy good footfall. The location of your coffee shop should also allow people to access it with ease. They should not be expected to go out of their way to reach your business. Your coffee shop must be accessible to them on their way to work or in the middle of a shopping excursion.

You will also need to ascertain how much space you will require to start your coffee shop. It is wise to start small however you must also consider the potential of the spot to expand in the future if there is plenty of demand. If you pick a spot which does not have the potential for expansion you can miss out on business which will then go to your competition.

The most important aspect of picking a location for your coffee shop will be the cost. You need to ensure that the place you plan on renting fits within your budget. Exorbitant rents will not only dent your budget but will also add to your monthly operational cost.

These days you can also explore the idea of a coffee shop on wheels. This will provide mobility as well as save the cost for leasing out a shop in the long term. In fact, a coffee truck is a brilliant and effective idea for a new coffee startup.



EQUIPMENT AND INGREDIENTS



There is certain essential equipment you will require to start your coffee shop regardless of whether you rent a shop or run a coffee truck. Ensuring you can procure the equipment at an affordable rate will help you stay within the budget.

Here is a list of equipment you will need for your coffee shop:

Coffee grinder

The quality of coffee made by your espresso machine depends on the coffee grinder. A coffee grinder grinds the coffee beans thus increasing the surface area and exposing the oils and soluble material within a coffee bean. Espresso machines work best with fine ground coffee. A coffee grinder will help you consistently produce grinds that will create quality coffee.

Coffee brewer

A coffee brewer helps you produce good coffee quickly thus helping you to serve your customers in time.

Espresso machine

You won't need an explanation as to what an espresso machine can do. An espresso machine is the equipment that is used the most in any coffee shop.

Water filter

Water makes up a major part of any coffee and thus you need to ensure the water you use is of good quality and free of any minerals.

Refrigerator

A refrigerator is used to store ingredients required for cold coffee at low temperature.

Oven

If you will be cooking your own pastries and cakes to go with the coffee then you would need an oven.

Credit card machine/ Cash register

You can lease a credit card machine or use credit card reading machines sold by PayPal and Square which connect to your smartphone. You can also have a cash register which offers functionality for people to make their payments wirelessly using the NFC feature on their smartphones.

Now that you have your setup ready we will look at a few best practices and tips which will help you draw customers and increase sales at your new coffee shop.



QUALITY



Always maintain quality and consistency as the cornerstone of your business no matter what you do. Use the best ingredients and provide the same experience to the customer every time they visit you. Coffee is something that tastes unique to everyone. Once you find a place with the best brew people will go out of their way to make a stop at your coffee shop.

It wouldn't be wrong to say that coffee is addictive and triggers feelings of happiness in people when they consume it. It is the perfect pick me up for someone before day begins or even after it has ended. Once you provide the best brew people will be hooked to your product and will just ignore your competitors. You can also command a good price for your brew once you have established the market.

All of this might sound like music to the ears of a business owner however it requires dedication and persistence. You must ensure that every coffee you brew is the best you can. It will certainly pay off in the long run.

Customer Care

People come to a coffee shop to unwind and relax. It is a place they flock to recharge their batteries. As such the ambience and experience you provide is crucial. You can create a unique theme going for your coffee shop which will help it differentiate itself from the competition. If your shop is in an area with a lot of startups you can cater your services to them. As their business grows alongside yours they will remember the early days and will prefer your coffee shop over others in the neighborhood. Create a loyalty program where customers who frequent your shop are adequately rewarded for their loyalty to your brand.

The tone you use with your customers should always be warm, understanding, welcoming and accommodating. Even a hint of annoyance can be easily detected by your customers and will turn them off. The customer may not always be right however at times it is best to leave it at agreeing to disagree. Sometimes customers are rude and pushy, that does not mean you give them a taste of their own medicine. You do not know what the day has put them through. You are the one providing a service so always strive to provide the best service.

Layout

The layout of the coffee shop should make entry and exit easy for the customers. Besides this the workstations for your employees should also be ergonomic. A barista should be able to brew coffee without moving around too much because he needs to be efficient to meet the high demand. Running from one end to the other will only exhaust him and cause delay in service.

Brand

You need to create a unique brand for your business which will help identify your business to new customers. Creating and maintaining a brand requires dedication and hard work. Your brand should be positioned in a way that it appeals to your target market. It should not only reflect your business values but also portray an image that is loved by the people. Creating a unique brand is crucial in the coffee shop business. Once you have created your brand you must also be able to maintain the image.

Start Small

Many new business owners love to dream big and although there is nothing wrong with dreaming big, going all out can hurt a new business. It is wise to begin with a cautious approach when you are setting up your business. If you go overboard you can blow up your budget and be left with very little to sustain your business during lean period. Remember no business ever begins with an instant boom, every business must crawl before they corner their market share. Starting small will ensure you can set aside money for daily operations in the beginning as well as take on less risk to begin with.

These tips can help you jumpstart your business and work effectively towards the growth of your coffee shop. Coffee is something we all love and to some point need in our daily life. By picking this business you have made a good choice because the demand for coffee shop certainly exists. All that is left is for you is to take required steps to rise as a business and take your place as the Czar of Coffee Brewing in your city.

I hope that you enjoyed this quick start guide on how to start your coffee shop. If you found this quick start guide helpful and are thinking of taking the next step may I recommend our coffee shop resource website www.StartMyCoffeeShop.com

Thank You and I wish you much success in your coffee shop venture,

Shawn Chun

Start My Coffee Shop

www.StartMyCoffeeShop.com



