The French Press Research Plan

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The French Press Research Plan

**Overview and Research Objective**

**Research Objective**

Ms. Martel discovered that over the past couple of years, The French Press has been experiencing a decline in sales, which has affected the overall profitability. She also noticed that the customer base has changed since The French Press first opened 10 years ago. The research objective to help resolve these issues is to identify the causes of the declining sales and make recommendations to try to increase sales and attract new customers.

**Benefits of Market Research**

The French Press’ menu was created to cater mostly to tourists because that is what supported Honeysuckle’s economy when the coffee shop first opened. This worked great for a long time, however recently the region that The French Press is located has seen explosive growth in their economy. Several large businesses have moved into town, bringing in more jobs, more money, and a new demographic. This means that the target market for The French Press has changed from tourists to permanent residents with higher income levels than the permanent residents before. This means that The French Press can greatly benefit from market research aimed at understanding the purchasing behaviors of the new customer base.

Another factor that influences Ms. Martel’s need for market research is the fact that new competition has moved into town. This competition includes Starbucks and new fast-food-style coffee that uses drive-throughs to serve their customers. Understanding their competition and why customers may have moved from The French Press to Starbucks could help determine what needs to be changed or improved to make The French Press more appealing to these customers. Market research can help determine why customers shop at the competition and determine what The French Press does better or worse.

A third factor that increases the need for market research is that the tastes and preferences of the customer base are changing. They are changing because the region is growing with new residents bringing new cultural norms and experiences. To determine these new tastes and preferences The French Press must use market research to learn what changes must be made to the menu to cater to these new customers.

**Research Population**

The target research population for The French Press is people older than 20, making over $25,000 per year, and both the White and Hispanic populations. The target research population would be people over 20 years old for a couple of reasons. The first is that 76.5% of the population is over 20 years old, and the second is that people younger than 20 are less likely to buy things from a coffee shop since it would usually be their parents buying them something. The study would focus on people making over $25,000 per year because this includes 91% of the population and the people making less than this would not likely be able to afford to buy things from The French Press as often. Finally, the study would focus on the White and Hispanic portions of the population because a majority of the population is white (80.7%), and the Hispanic population has been rapidly growing over the past couple of years and will likely continue to grow.

**Research Questions**

The first research question is “Why is The French Press seeing a decline in cookie, sweet puff pastry, sweet scone, and cheesecake sales?” This will support the research objective because they are the biggest source of a decline in sales over the past two years since they are the only ones that have had fewer sales this year than last year. The second research question is “Why are some customers choosing to go to the competition over The French Press?” This will support the research objective by helping determine what the competition does better than The French Press and help find changes that can attract new customers. The third research question is “Why have bran muffins, mochas, and cappuccinos seen so much higher of an increase in sales compared to other items sold at The French Press?” This would help determine what The French Press does well and make sure the recommendations include preserving what is working and what is popular. The fourth research question is “What item would customers like to see added to The French Press’ menu?” This would help determine the direction that customers would like to see the menu move toward. For example, the menu does not have any breakfast sandwiches or many healthy options. It could be missing items like this that are causing the decline in sales.

**Research Methodology**

The best research methodology to use for this situation is primary qualitative research. It must be primary because there is not any secondary research that would be able to accurately answer all the research questions. The reason for qualitative research over quantitative is because of the limited funding of $5,000. To get accurate quantitative research, there must be a significant amount of data. To get enough data, it would likely take more than the $5,000 budget. Qualitative is also beneficial because you can get into the details of why a customer likes or dislikes certain things. These details could provide insights into things beyond the set research questions that can help achieve the research objective of increasing sales and attracting new customers. Since there are only slight variations in the demographics across the 10 locations for The French Press, having in-depth one-on-one interviews with both customers and permanent residents that are potential customers would be able to answer all of our research questions.