



THE WORLD OF **COFFEE** AND MORE

COFFEE SHOP ANALYSIS



Introduction

Our coffee shops comprise three franchises, each situated in prime locations. With a diverse selection of offerings and flavours, this creates for a tasty analysis.

This analysis has brought to light several strengths of the coffee shop while also providing insights into areas where improvements can be made.



Locations and offerings

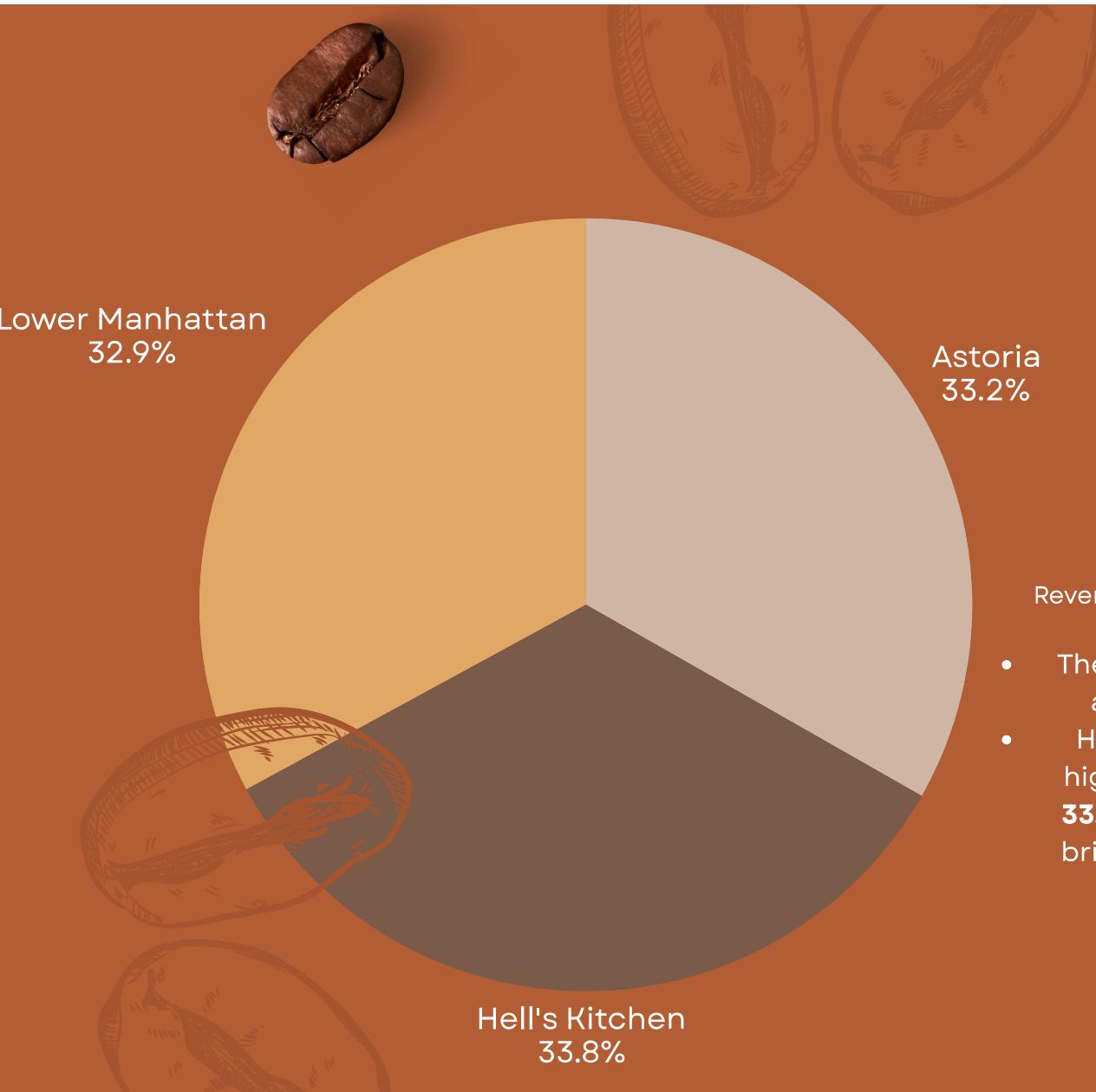
The coffee shops are comprise of three locations: Lower Manhattan, Hell's Kitchen, and Astoria.

The available product categories include:

- Bakery
- Branded
- Coffee
- Coffee Beans
- Drinking Chocolate
- Flavours
- Loose Tea
- Packaged Chocolate
- Tea



Revenue per Location

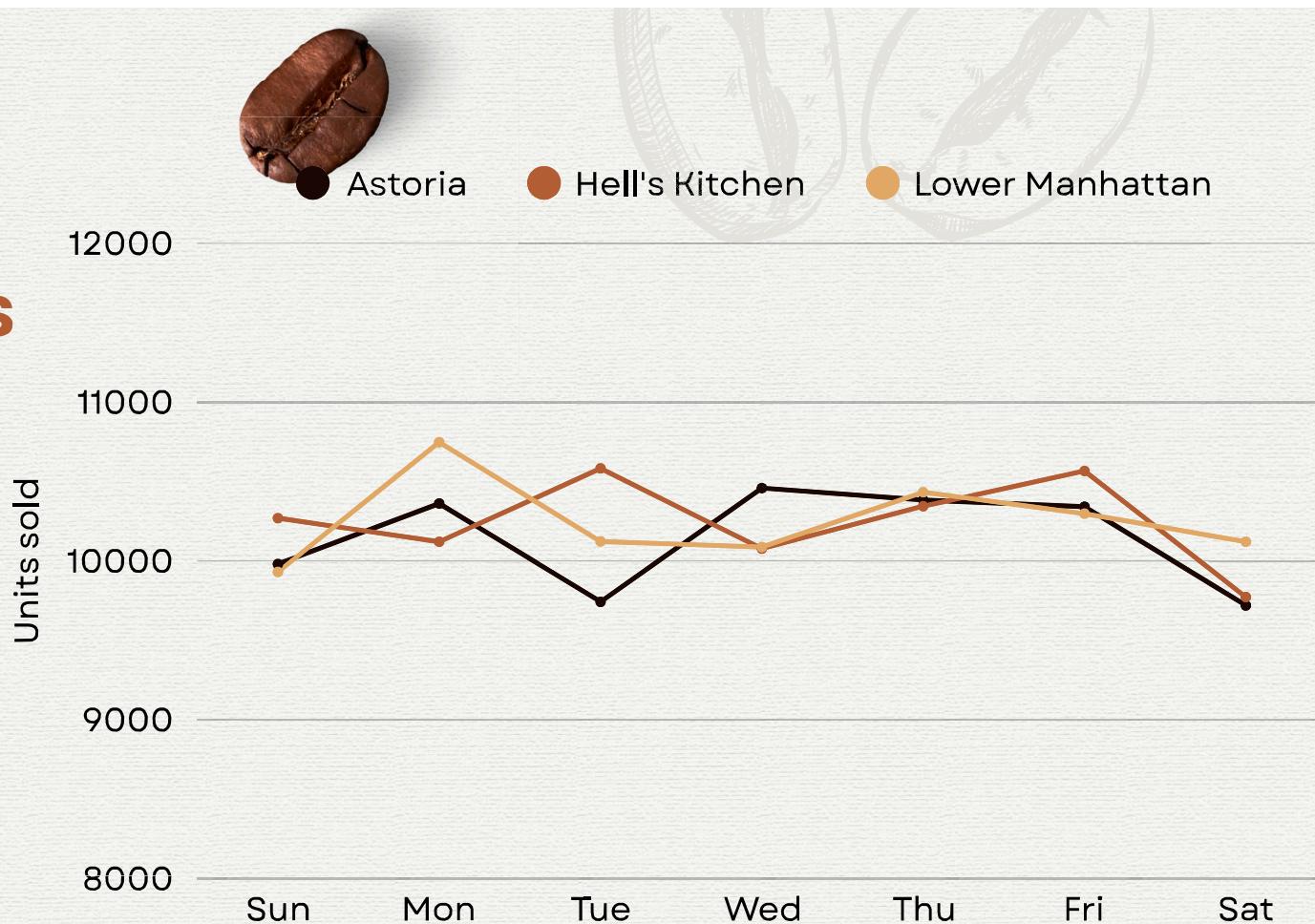


Revenue Distribution Across Three Locations:

- The revenue is fairly consistent across all three locations.
- Hell's Kitchen generates the highest revenue, contributing **33.8%**, while Lower Manhattan brings in the least, with **32.9%**.



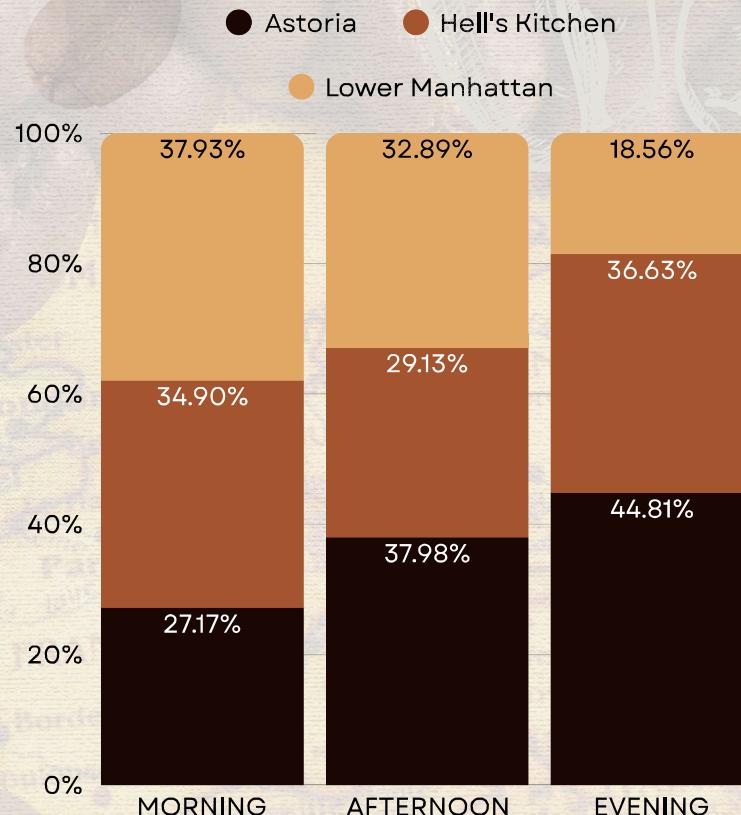
Busy Days



- The overall trend among the three shops indicates strong performance during the weekdays, while weekends see a decline.
- It may be beneficial for the coffee shops to explore diversifying their product offerings and to introduce specials on weekends.
- Perhaps we may also re-asses the trading hours on weekends.



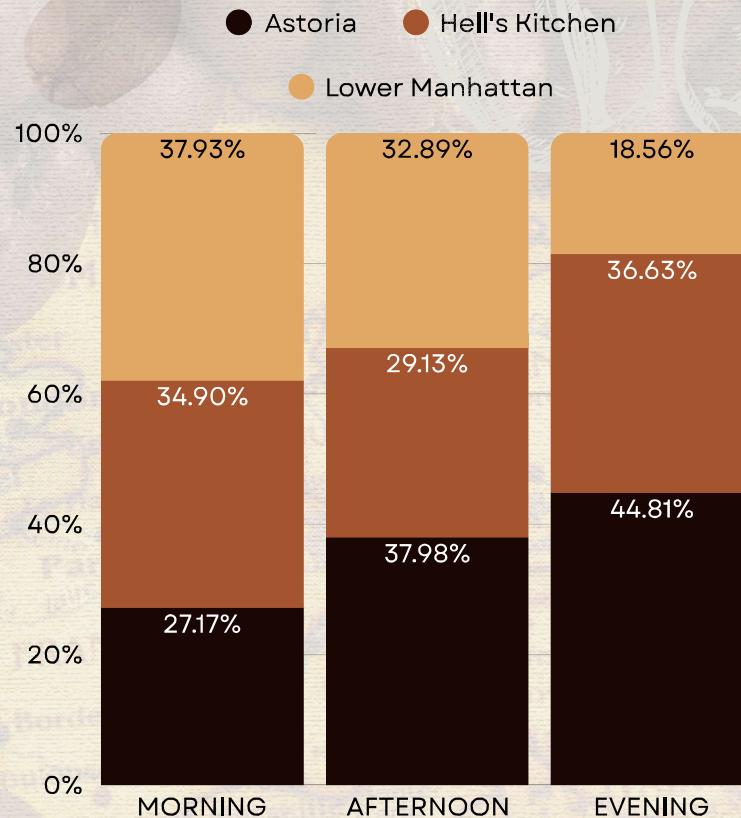
Location sales per Daylight category



- The graph above offers insights into the busiest and quietest periods for each location throughout the day.
- Among the three locations, only Hell's Kitchen demonstrates consistent sales across the entire day.
- Lower Manhattan shows a particularly low evening output of just 18%, making it the weakest performer during any time of day among the three locations.
- As mentioned earlier, several factors could contribute to this issue, such as its positioning in a business district that becomes quiet in the evenings or its proximity to a less secure area.
- Possible **solutions** may include introducing **delivery services**, **launching promotions during off-peak hours**, **revamping the menu to better suit the local market during off-peak hours**, or **reassessing evening trading hours**.



Units sold per daylight category



- From the above, we notice that Lower Manhattan seems to be the busiest on mornings, while Astoria is the busiest on afternoons and evenings.
- Sales in the mornings and afternoons are evenly spread between the 27% and 37% mark
- However, the evening sales are skewed, with Astoria accounting for 44% of the sales, while Lower Manhattan accounting for barely 20% of the evening sales.
- This could be the reason for Lower Manhattan being the lowest contributor to Total Revenue.



Growth Patterns

● Astoria ● Hell's Kitchen
● Lower Manhattan



Year to date growth %

- Revenue from the three locations has been steadily increasing.
- This growth could be attributed to several factors, including weather conditions, market expansion, and the timing of new product launches.
- The coffee shops have experienced growth of over 100% in 6 months, which is remarkable.



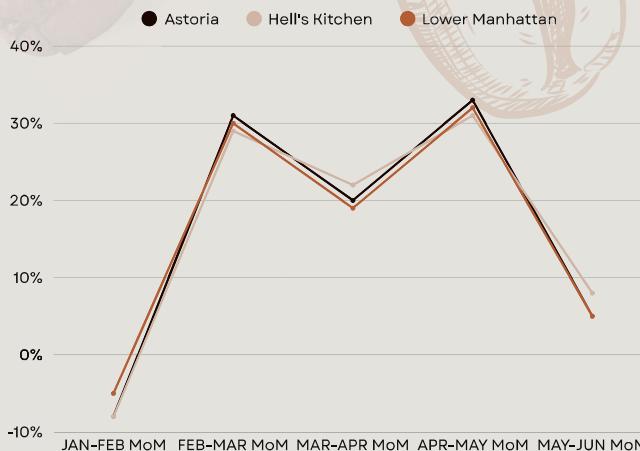
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Month on Month (MoM) growth %

- Over the past six months, the three locations have witnessed remarkable month-to-month growth.
- The typical growth target for coffee shops comparable to ours is approximately 5% per month.
- Our coffee shop has achieved month-to-month growth rates reaching as high as 33%, significantly surpassing market expectations.
- While the month-to-month growth rates are impressive, the coffee shop should anticipate stabilization, similar to the trend observed from May to June, at around 5%.



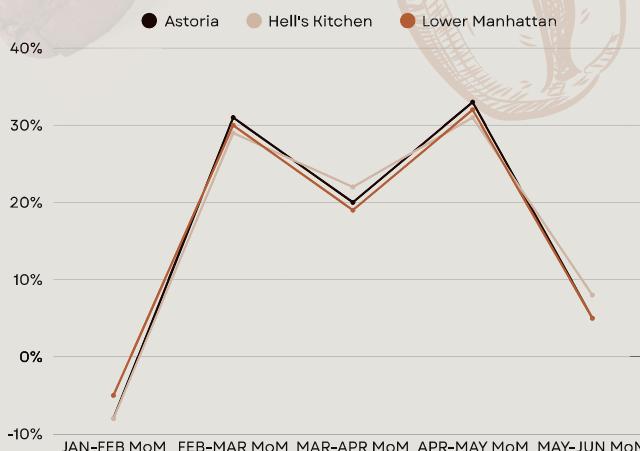
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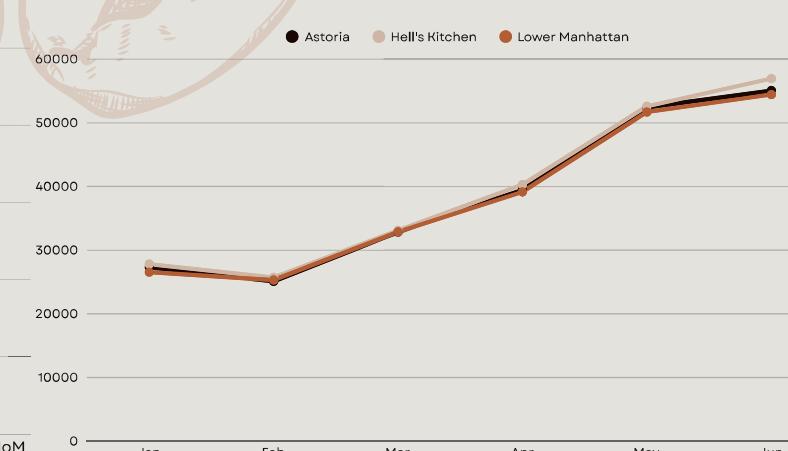
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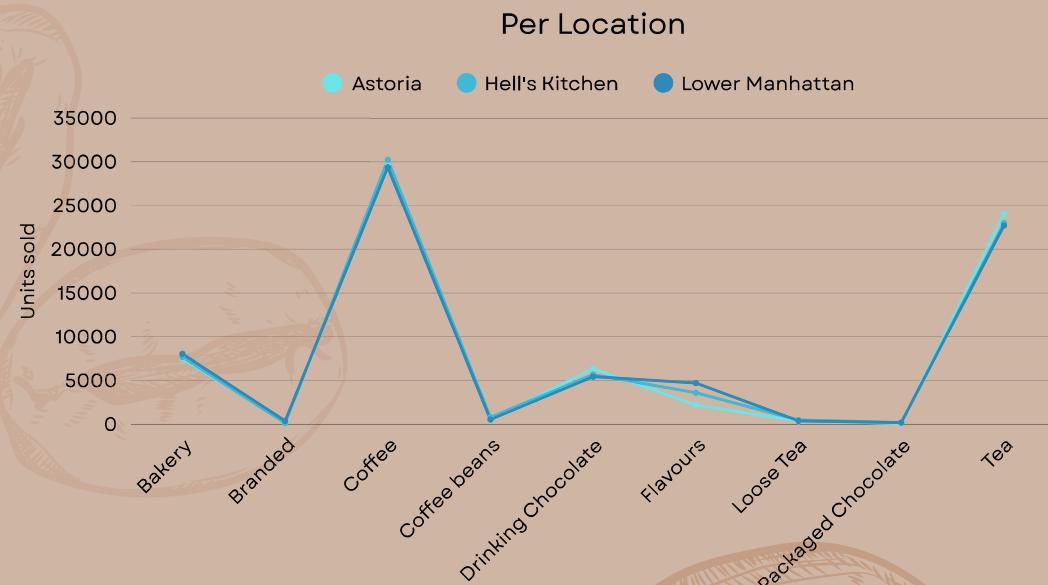
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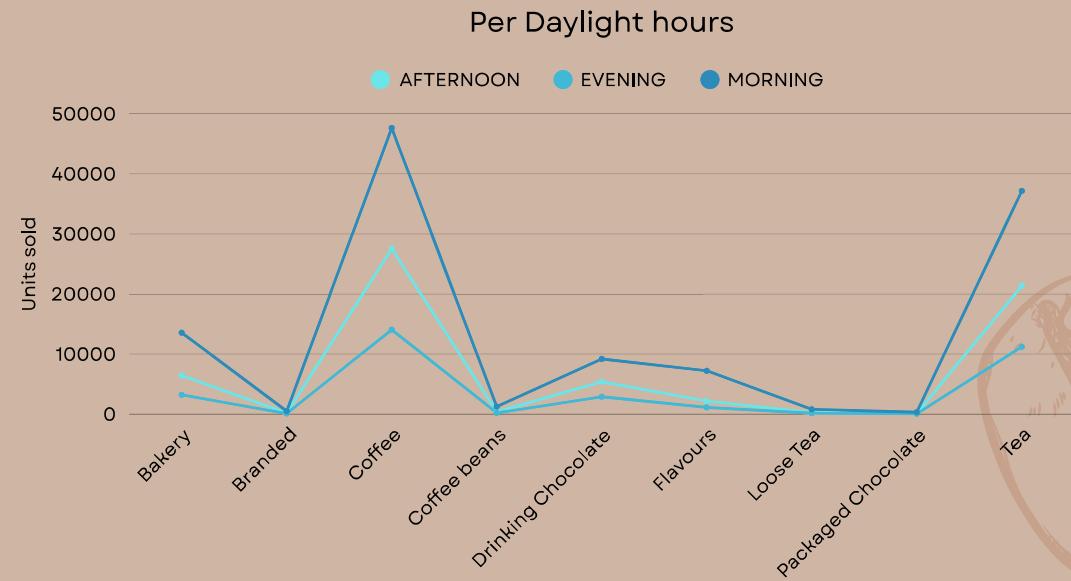
Aggregate Monthly Growth

- All three coffee shops experienced a decline in sales from January to February.
- However, each shop observed a strong increase in units sold over the following five months.
- It's crucial to highlight that **weather conditions may have significantly influenced the sales patterns**.
- In Manhattan and Astoria, winter typically lasts from December to February.
- This indicates that these areas had shorter daylight hours compared to the subsequent five months.
- Less daylight hours usually translates to less consumer traffic, resulting in less sales**

Product Categories



- The product category performance per store displays consistent results across all three locations.
- Our top-selling categories are clearly Coffee, with Tea following closely behind.
- Additionally, our Bakery category is also performing well.
- Conversely, our lowest-selling categories include coffee beans, loose tea, branded items, and packaged chocolates.
- However, there's no need for concern, as these products appear to serve as inputs for our main offerings.



- The distribution of product categories across time buckets mirrors that of product categories by location.
- Our key offerings—coffee, tea, and baked goods—consistently rank as top sellers, no matter the hour.
- However, coffee shops shouldn't be disheartened by lower sales in other categories, as their main role is to support the sales of tea and coffee.
- It might be beneficial for the coffee shop to consider running promotions on these products.
- Additionally, the coffee shop could explore the option of commercializing these input products, similar to Nando's approach with their sauce.



THANK YOU.