

# ***Should We Lease Space or Open A Stand-Alone Ice Cream Shop?***

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## **Executive Summary**

We have recently run into a new demand, after realizing a simple product was nowhere to be found. This turns out to be the demand for ice cream on campus, with overwhelming support. After a recent survey we have taken on the responsibility of reviewing and summarizing the information collected. We are currently in the middle of a decision to either rent space in the student center here on campus or open a stand-alone shop on the outskirts of campus. We recently surveyed over 400 college students to identify preferences, favorite flavors, and to make sure there was enough of a demand to support this initiative. In this executive summary I will be describing and interoperating the data collected from this recent survey. Furthermore, I will be presenting the market demand, key findings, recommendations, and a conclusion for this survey.

At a glance the data from the survey of 400 college students seems to show us quite a bit about preferences and wants in an ice cream shop. Initially it shows us how often consumers would purchase ice cream, preferences in taste, toppings preferred, and even how they like there ice cream prepared.

- » How often customers were willing to buy ice cream.
- » How they like there ice cream prepared.
- » Types of toppings that were preferred.
- » Number of scoops they usually purchased.
- » Also, how much each was willing to spend per scoop.

## **Introduction to New Ice Cream Shop**

Since the beginning of 2019, the members of our school's business and marketing program have brainstormed the idea of opening an ice cream shop here on campus. As a result of currently not having an ice cream stand within three miles of campus we have decided to take it upon ourselves to see if this need could become a reality. At the beginning of the year we took an initiative as a group to create a survey for a portion of the student population. This survey contains many practical business questions regarding the demands, interest, frequency, atmosphere that buyers would want in a store. Since the survey results have come back, we have been in the process of reviewing where we could open a location. We are currently in the middle of deciding between either a stand-alone shop on the outskirts of campus or renting space in the student center.

## **Market Demand and Key Findings for an Ice Cream Shop**

We can conclude in large part from the data that the overwhelming majority would purchase ice cream at least once per month. Showing that 46% of customers are willing to buy one scoop and another 38% of the population would be willing to purchase two or more scoops per month. This comes out to be 336 customers or 84% out of the 400 surveyed who would purchase at-least one scoop every month. From the data we can also conclude customers are likely to want options regarding how their ice cream is served. They are almost evenly split between wanting a cone, cup, sundae, or milkshake. Another area where choice was almost evenly split was in preference for toppings with slightly more in favor for syrup and candy. The data continues to tell us that over 61% prefer ice cream. This leaves us with an unaccounted 157 customers who were left either wanting frozen yogurt or sherbet. This to me shows we must be ready to meet the customer's demands and to have options available for toppings, styles, and preparation.

- » Toppings for ice cream came in close, with a slight preference for candy and syrup.
- » 61% wanted regular Ice Cream leaving 39% or 157 customers wanting either frozen yogurt or sherbet.
- » Almost evenly split response in how ice cream is prepared, sundae (24%), Cone (22%), Cup (32%), and Milkshake (23%).
- » 84% would purchase ice cream at least once per month, 38% would buy 2 or more scoops per month.

## **Recommendations for The Ice Cream Shop**

My initial recommendations would be to choose the space in the student center, or an area that sees the heaviest foot traffic. This would be in attempt to try and maximize the number of students who will encounter our business and product. This could be accomplished by talking with school officials or those in charge of student center services. The next step would be electing someone to manage and take responsibility for everyday operations. Then lastly another key takeaway from the data would be to offer plenty of options, this seems beneficial to capturing the greatest percent of buyers. Furthermore, when offering toppings there should be plenty of options for the consumer to choose from.

- » Choosing a space in the student center with high foot traffic.
- » Finding someone to take responsibility of store.
- » Advertising with posters, emails, and word of mouth around campus.
- » Offering toppings, cones, sundaes at an additional fee with plenty of items available.

## **Conclusions for Opening Ice Cream Shop**

I would say this is an idea that should be pursued and given more thought since there are no other options for ice cream on campus and there seems to be majority support. With that majority coming in at around 84% this makes forecasting relatively simple and makes our odds at success that much greater. With proper thought, planning, preparation and teamwork I don't see any reason why we couldn't serve this ever-present demand for ice cream.