



GRABCOFFEE

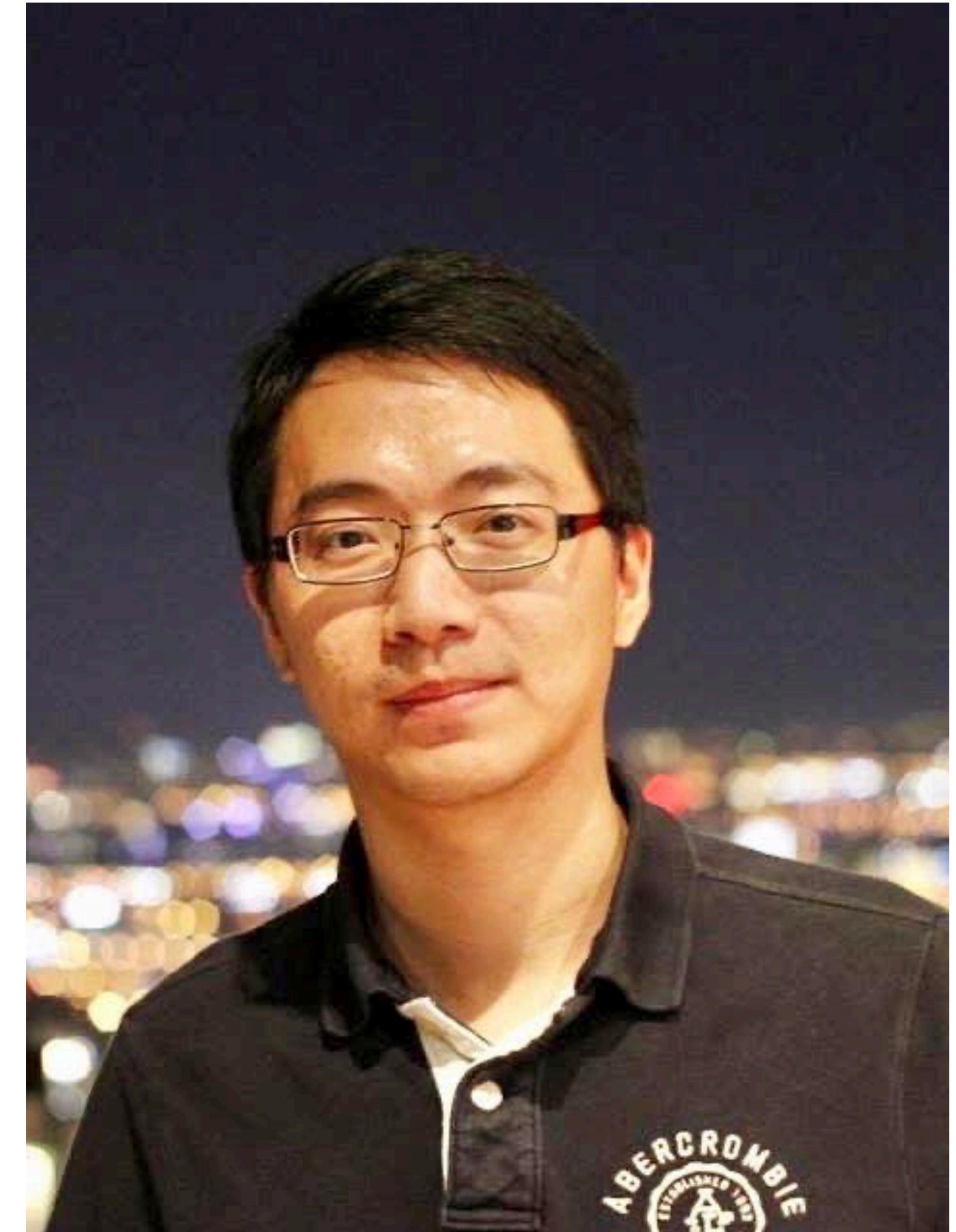
AN APP THAT CREATES A PLATFORM FOR
RESERVING TABLES AT COFFEE SHOPS

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PRESENTATION LINK

<https://youtu.be/Qo1rNQ2Zr9U>

DSCI-556 UXStrategy Portfolio Fall 2020





PROBLEM STATEMENT

Los Angeles young professionals have a hard time finding tables at crowded coffee shops.

INITIAL VALUE PROPOSITION

An app that creates a platform for reserving tables at coffee shops.

VALIDATED PERSONA



DESCRIPTION

20s to 30s

Lives in Los Angeles

College grad

Some of them work remotely

Makes a decent salary

BEHAVIOR

Internet and social media savvy

Likes working at the same cafés
likes working alone

It's okay not to have privacy when
doing things at a café

Values high efficiency- will try
tools that will simplify his/her life

NEEDS & GOALS

Wants to stay in the same place to work for hours

Wants a cozy place

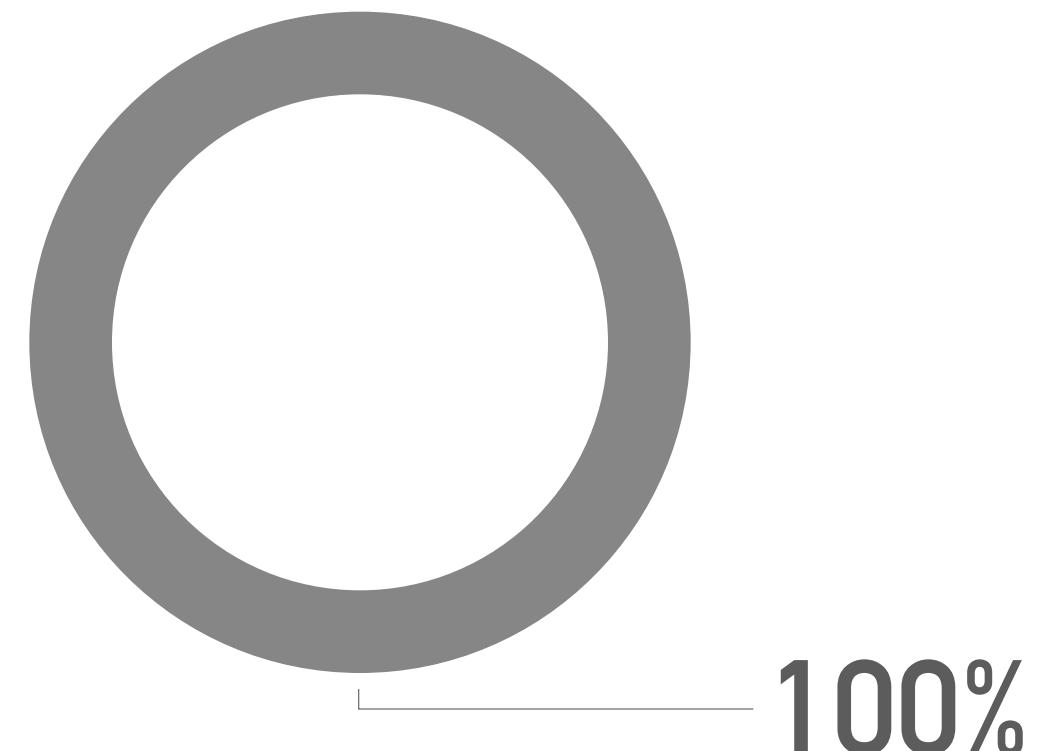
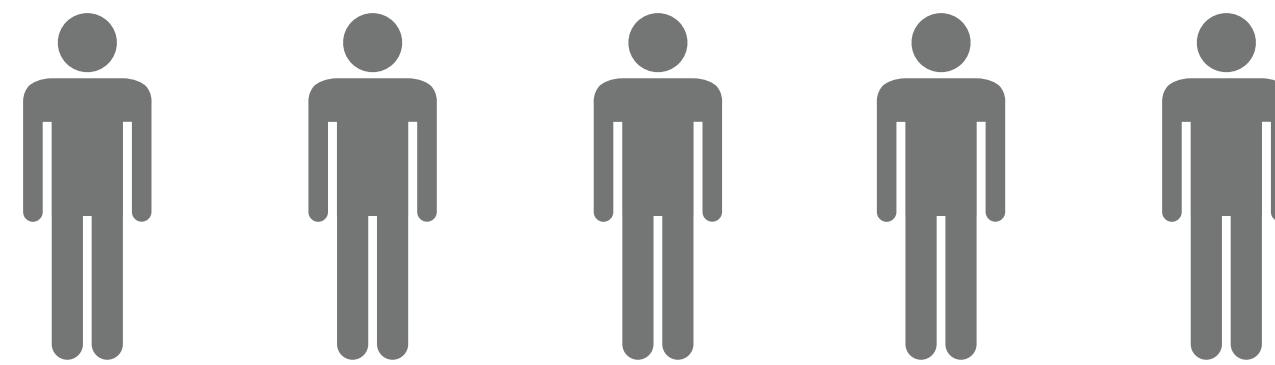
Wants a stable Wi-Fi signal

Needs to have a variety of drinks

Needs to have a table during rush hours

CUSTOMER DISCOVERY FINDINGS

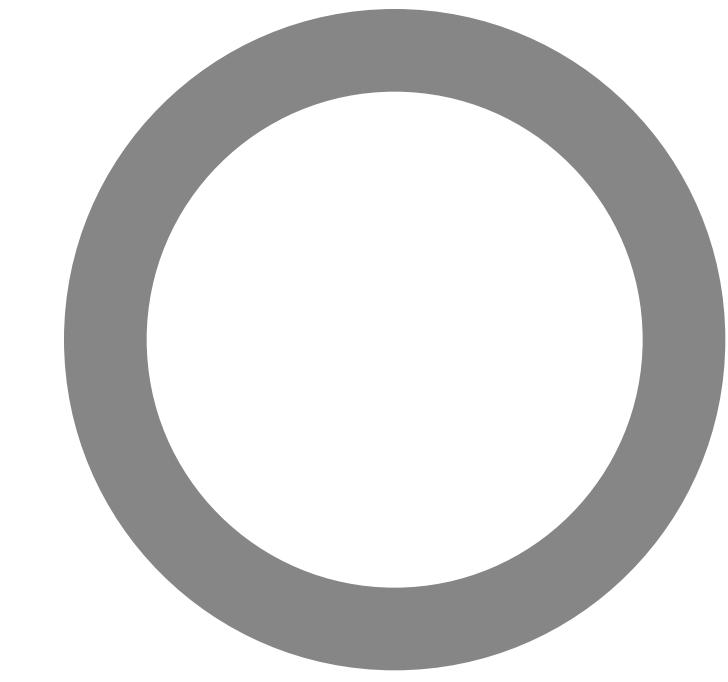
VALIDATED!



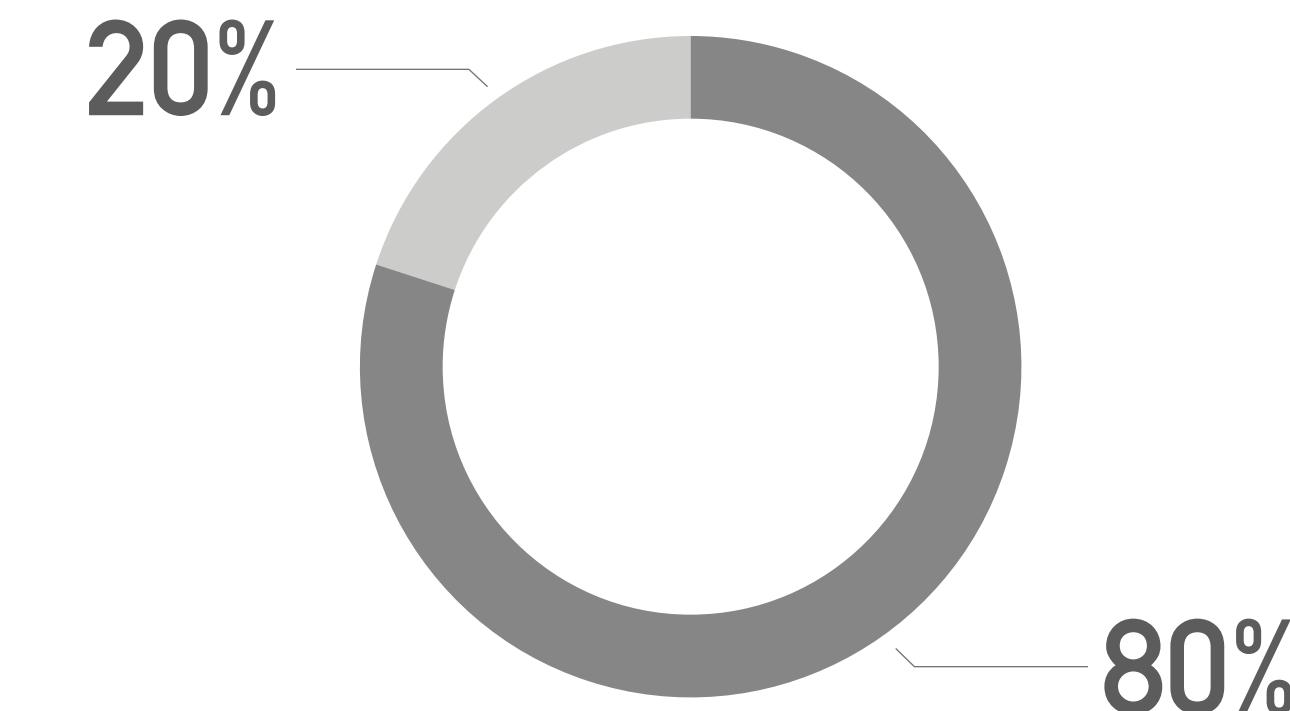
5 of 5 (100%) of my hypothesized customers all experienced the problem of finding tables at crowded coffee shops.

They usually stay around 2 hours at coffee shops, from 10 AM-12 PM, 2 PM-4 PM.

They like to work alone and usually use social media to connect with friends.



100% of them would like to use an app that can reserve tables at coffee shops.



80% of them would like to pay a reservation fee

COMPETITIVE ANALYSIS



OpenTable is the direct competitor that was the first mover into the online and mobile restaurant reservation space and is still the industry leader.



Croissant is an indirect competitor that lets its members try out different co-working spaces in their city for an affordable monthly fee, starting at \$29. You can try it out for free for 7 days.

< Back



STK - Los Angeles

★★★★★ 844 reviews \$50 and over

Steak

Seating: Outdoor Standard

930 Hilgard Avenue, W Hotel, Los Angeles, CA 90024

82 · 7:00 PM Tonight

+ Booked 85 times today

BOOK A TABLE

6:30 PM	6:45 PM	7:00 PM	7:15 PM	7:30
1,000pt	+1,000pt	+1,000pt	+1,000pt	+1,000pt

Additional seating options

Find future availability

Special note for Sep 23

We have a 15 minute grace period. Please call us if you are running later than 15 minutes after your reservation time.

Special note for Sep 23

To our loyal STK Guests- We look forward to being able to serve you during this time and providing a safe and enjoyable experience for guests and for our staff!

We allow parties up to 6 people and can not offer split tables as an option to host groups at this time. Masks must be worn in the



Home



Search



Saved



Reservations



Notifications

DIRECT COMPETITOR: • OpenTable™

Value Proposition

OpenTable is the leading provider of free, real-time online reservations for diners and reservation/guest management solutions for restaurants.

Pros

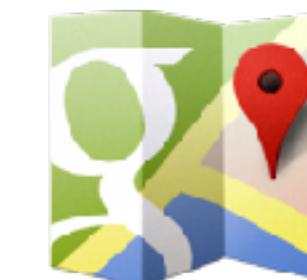
- Add, edit, review, and bookmark restaurants
- Detailed information about each restaurant
- Points earned through certain reservations are accumulated and associated with your OpenTable account and can be redeemed in a variety of rewards

Cons

- The font size is very small
- Too much content for a mobile device
- OpenTable system is relatively expensive for smaller restaurants (coffee shops)



\$48M
3 rounds



15
LA listings



\$4.1M
Monthly site visits

OPPORTUNITIES & RECOMMENDATIONS



Estimated cost: \$2M

Based on OpenTable's 1st round funding, for running a team and software/hardware

Potential customers: 45,833 people in Los Angeles

2.5M market size x 22% ratio of indie coffee shops (data from Market research firm

Allegra's World Coffee Portal) / 12 monthly reservations per person = 45,833 people

Target revenue: \$2.5M per year

$45,833 \times 0.8 (\text{because of 80/20 rule}) \times \$2 \text{ per order} \times 12 \text{ monthly orders} = \$0.88M$

$45,833 \times 0.2 (\text{because of 80/20 rule}) \times \$15 \text{ monthly fee} \times 12 \text{ months} = \$1.65M$

$\$0.88M + \$1.65M = \$2.53M = \$2.5M$

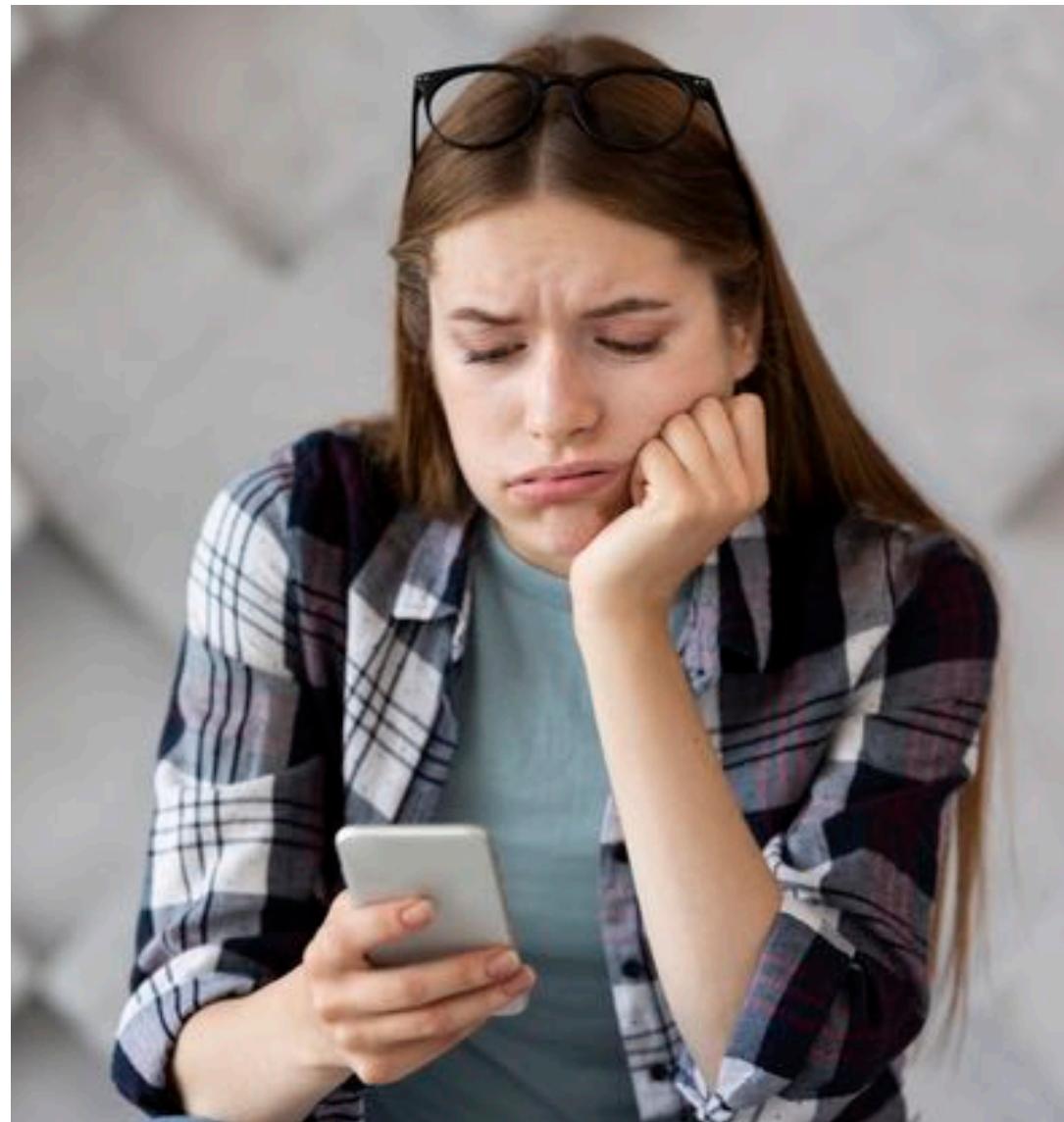
Initially, we thought the coffee shop reservation app would be a great idea for our startup. However, after doing the competitive analysis, we found that if our competitors such as **OpenTable**, or even Starbucks start to provide coffee shop reservations for customers, we will not have competitive advantages. We also found the **table management system for some small and independent coffee shop is quite expensive**. For example, OpenTable has a **one-time fee of \$1295** and a **\$199 monthly fee**, with an **optional fee of \$99/month** to be featured in the OpenTable Dining Guide. For online reservations, there isn't a monthly subscription fee. Instead, OpenTable charges a pay-per-performance fee of **\$1.00 per cover booked on OpenTable.com** or **\$0.25 per cover booked via the restaurant's table booking website**.

Therefore, we decide to change our target audience to **small and independent coffee shops**, not coffee chains such as Starbucks. We will provide an affordable table management system and use our customer network to help these business owners to get more customers. Our business model is to make profits from users, not from restaurants.

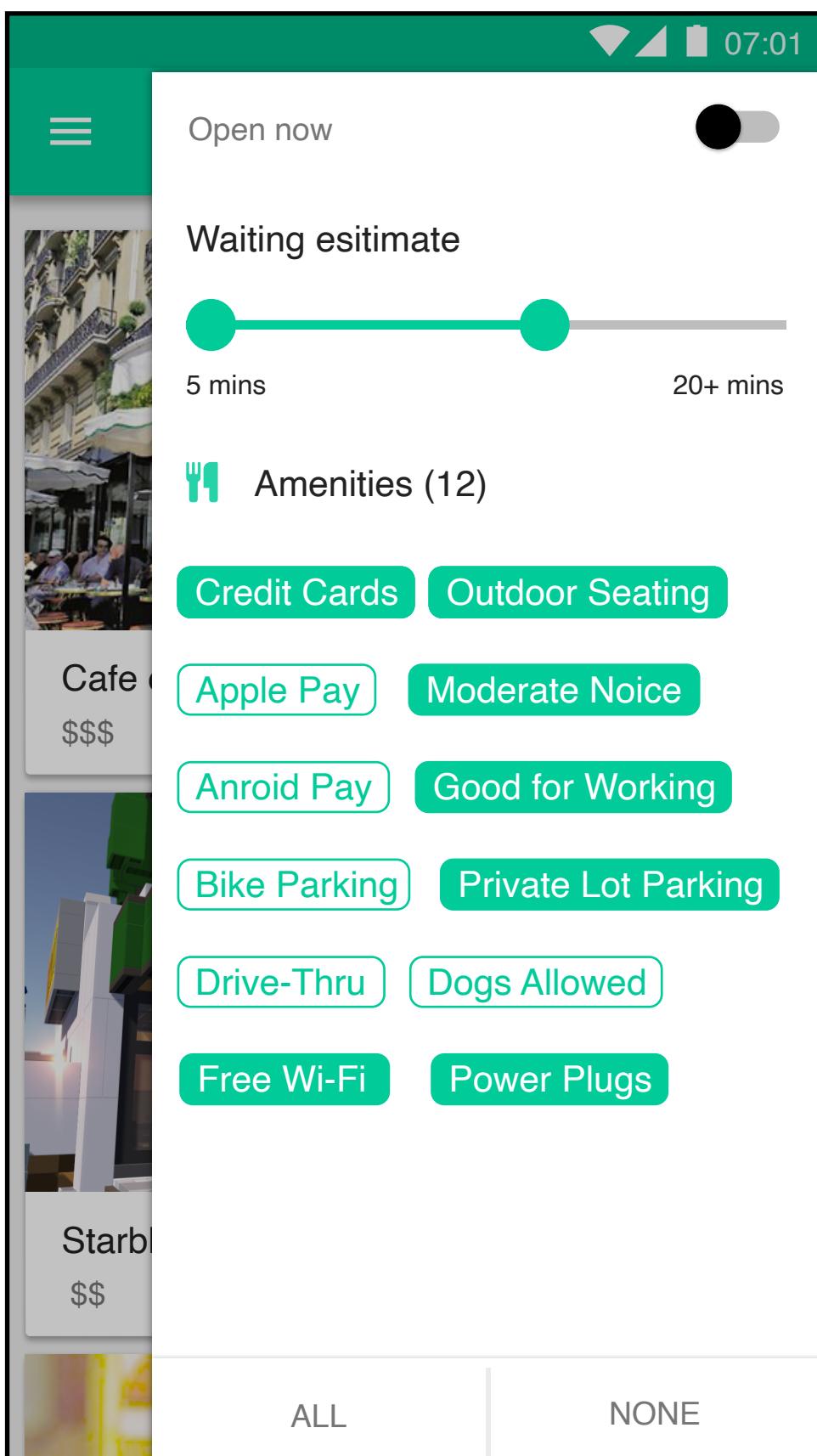
For our validated persona, we will charge them just **\$2 per person for a single reservation** (for acquiring customers sooner) and an upgrade option of our premium plan: **\$10 - \$20 monthly fee for unlimited reservations, reward points, and beverage upgrade**.

STORYBOARDS

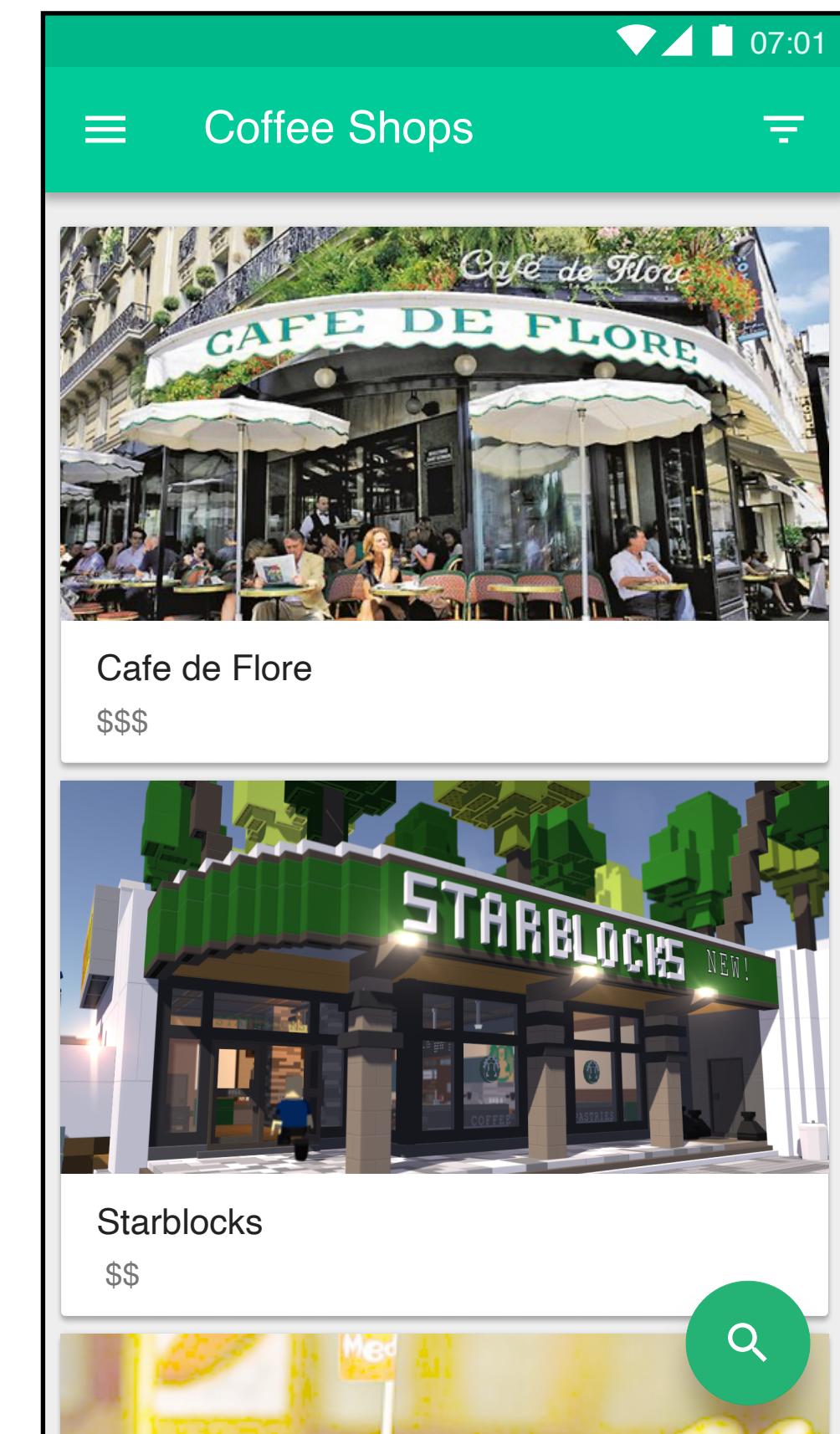
1



2



3



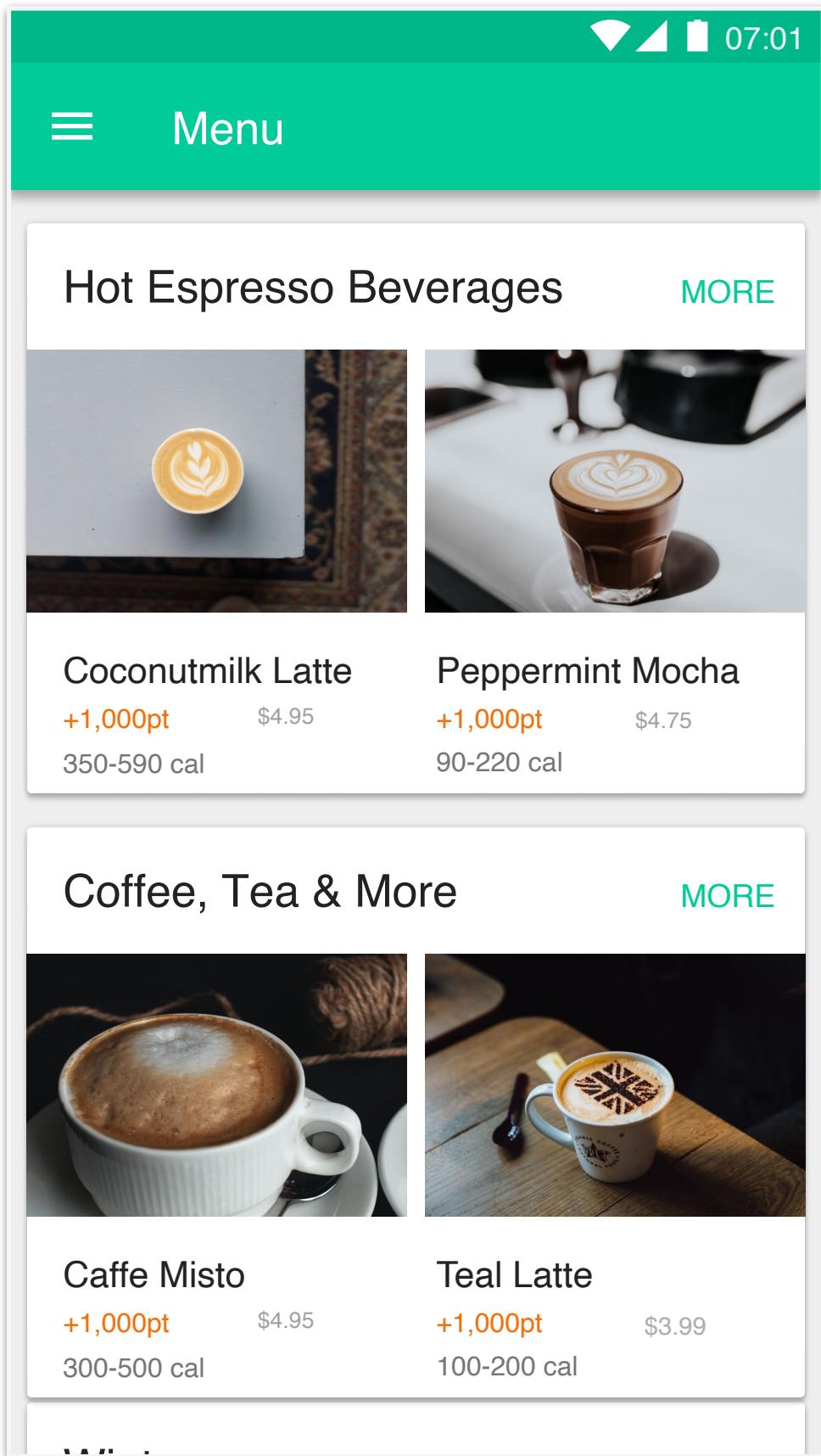
Joyce struggles with getting tables at crowded coffee shops.

Joyce opens the app, select the filters, and find nearby coffee shops.

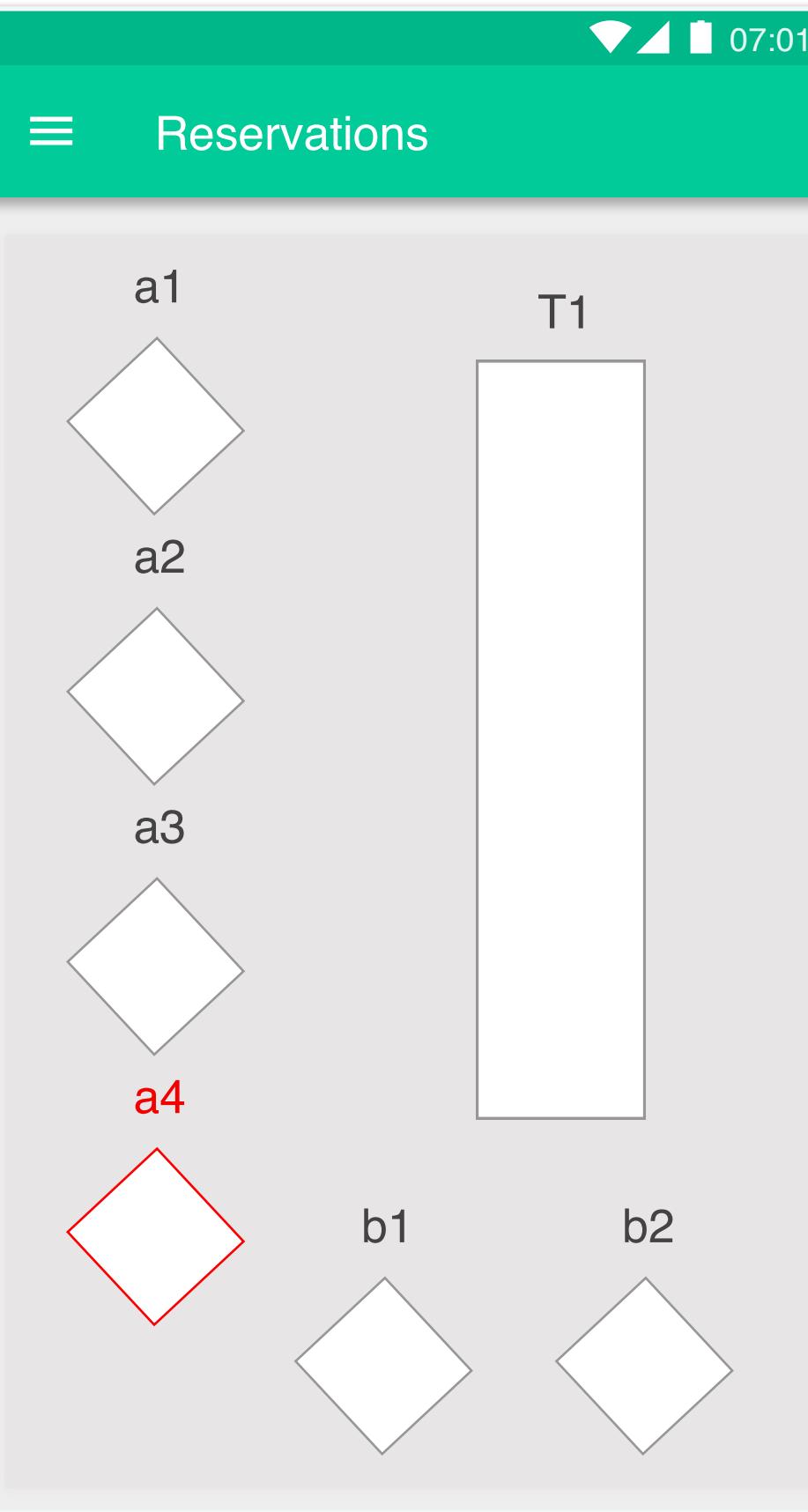
Joyce sees a result set of coffee shops are available and picks one looks cozy.

STORYBOARDS

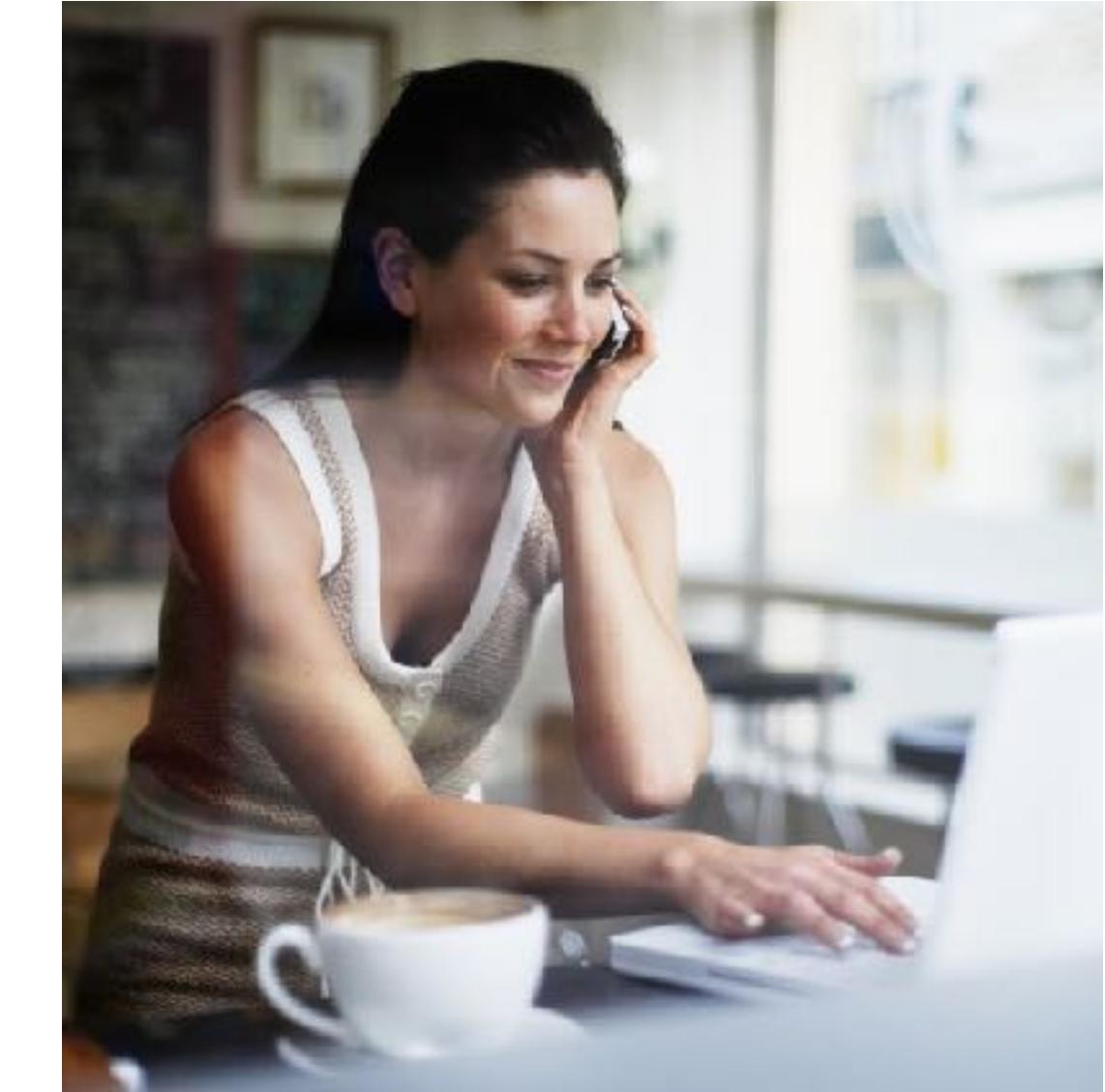
4



5



6



Joyce orders a latte and pays ahead of time so she can avoid the line. She also earns some reward points!

Then Joyce selects a quiet table next to the window and books it.

The coffee shop meets her expectation. She enjoys her good afternoon.

SOLUTION PROTOTYPE SCREENS

Search Page

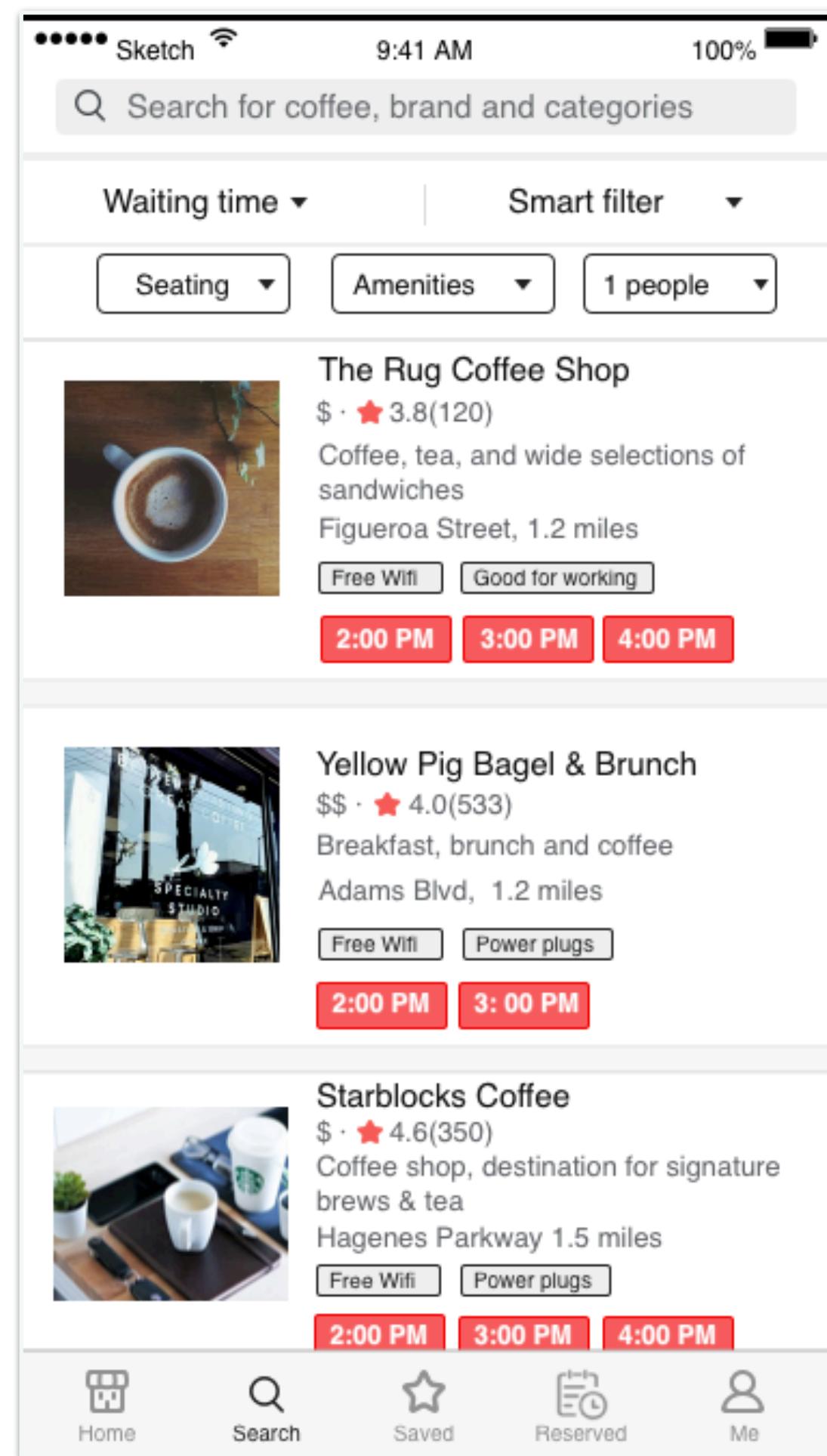
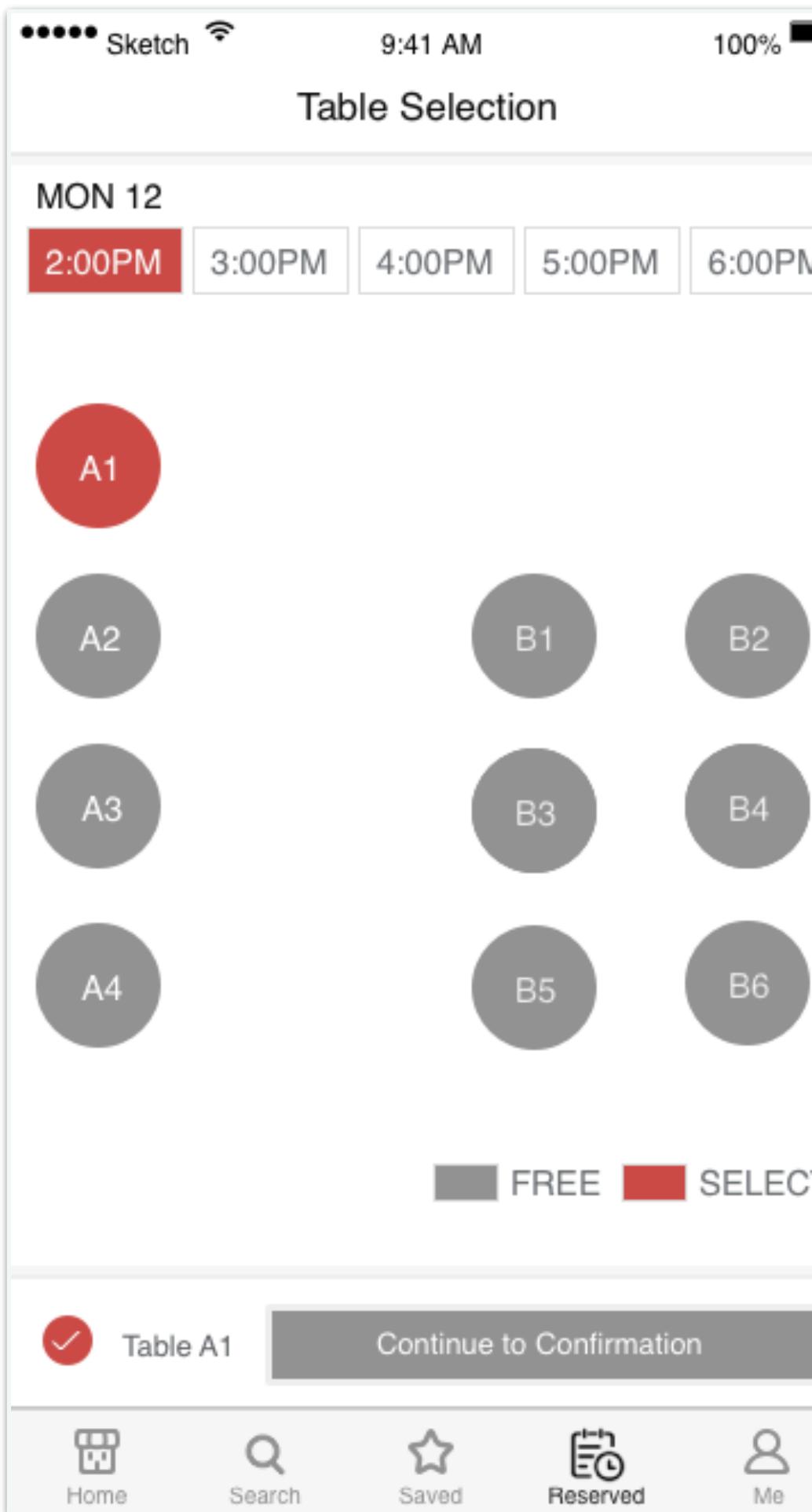
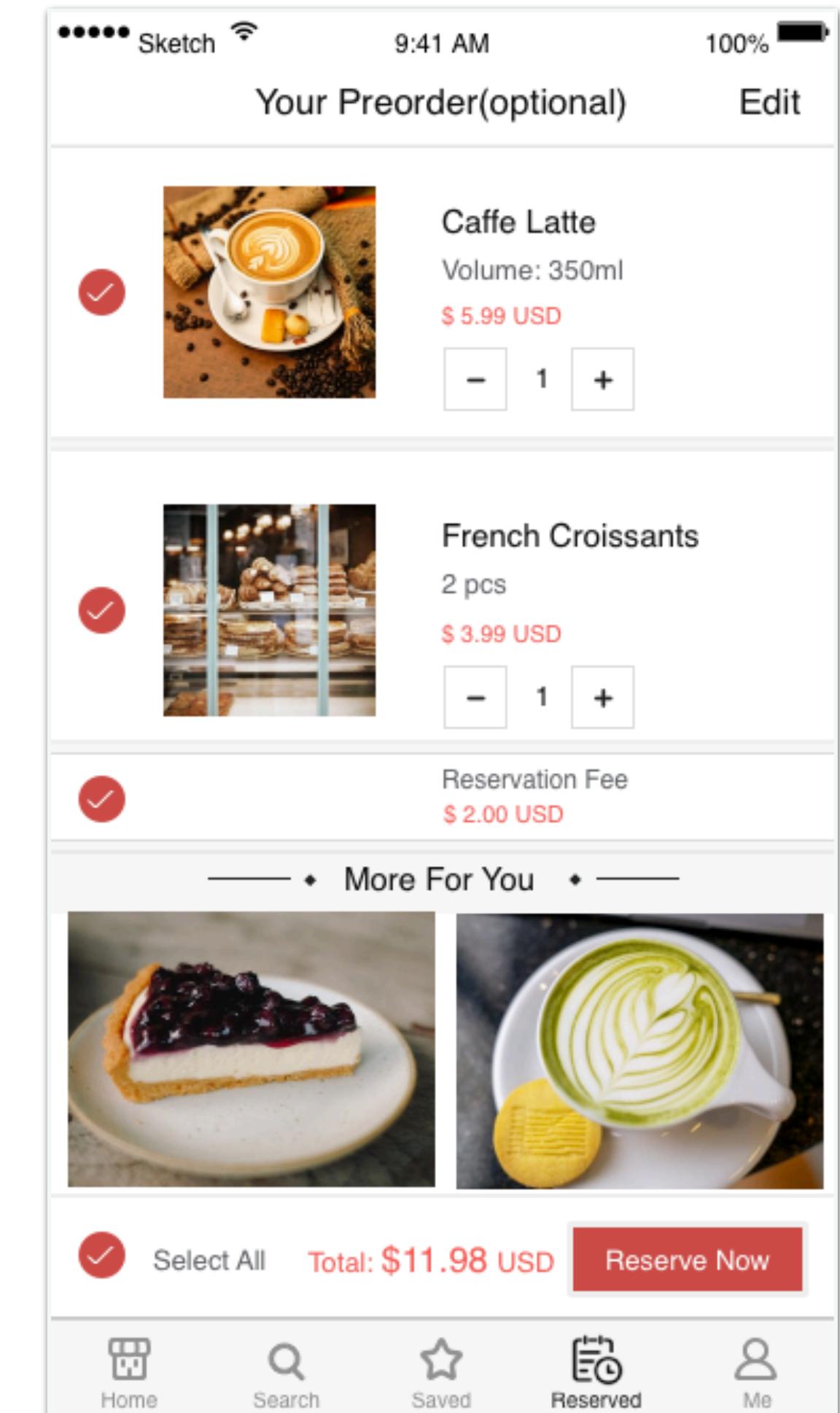


Table Selection Page



Preorder Page



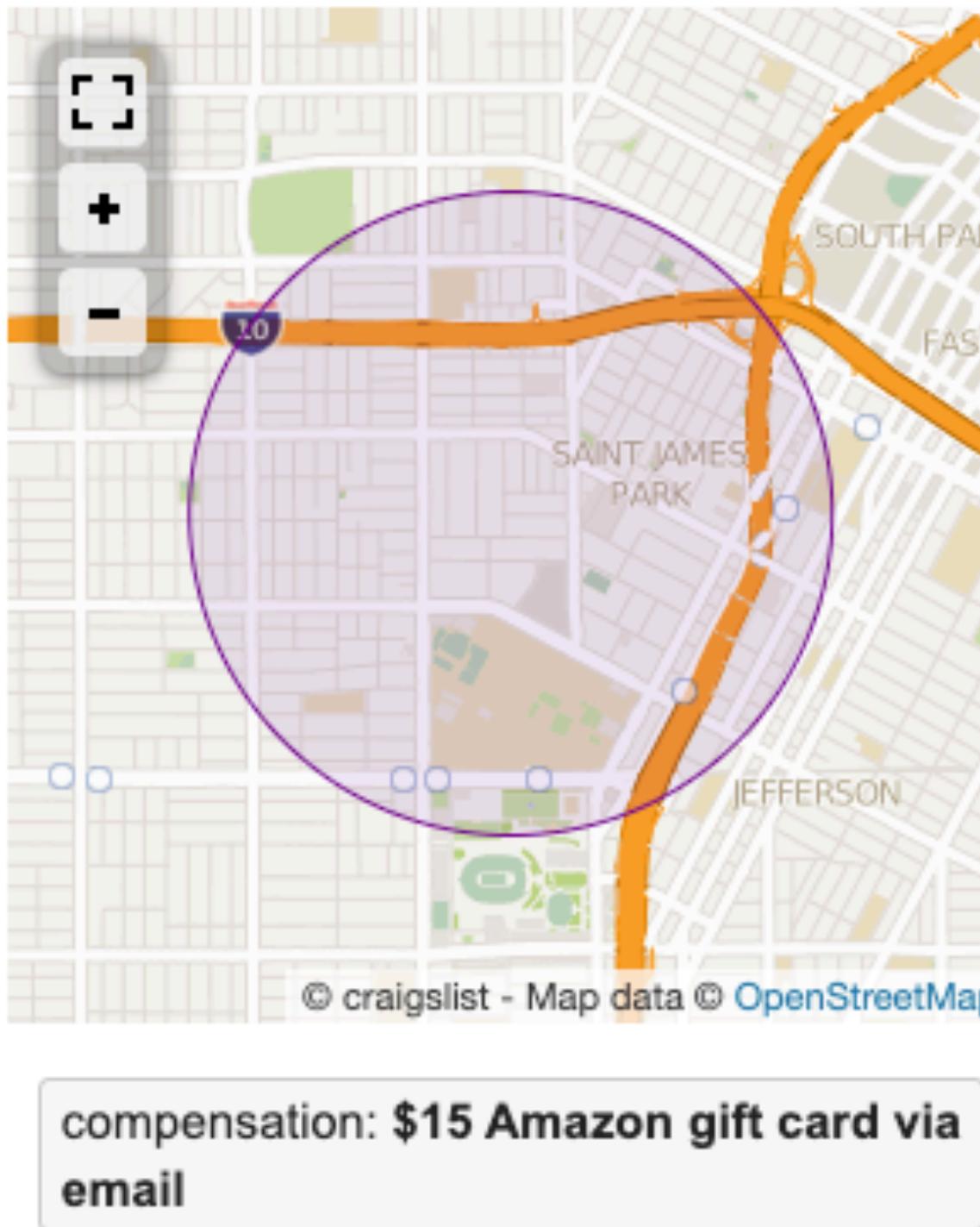
ONLINE USER RESEARCH STUDY

Craigslist Ad

Looking for people to give feedback on a new table booking app (PAID) (Los Angeles)

Hi, I am Johnny. I am a graduate student at University of Southern California in Los Angeles and my team is developing a mobile app that allows individuals to reserve tables at coffee shops. We are looking for Los Angeles residents (20-39 years old) to interview online about the product and get your honest feedback and test a prototype. The interviews will be conducted on Oct 23(FRI)- Oct 25(SUN) between 9 AM to 9 PM.

The 20 minutes interview will be conducted by video conference using Zoom, Skype or Google Hangouts. Your computer must have a webcam and a decent internet connection. Participants will receive a \$15 Amazon gift card via email for compensation upon completion of the interview. If you are interested, please reply with your phone number, email and a good time to reach you to discuss this opportunity further.



Recruiting

All of my participants were sourced from Craigslist

I paid \$10 to put my ad under the “Computer Gigs” section

29 participants responded to my ad in 24 hours

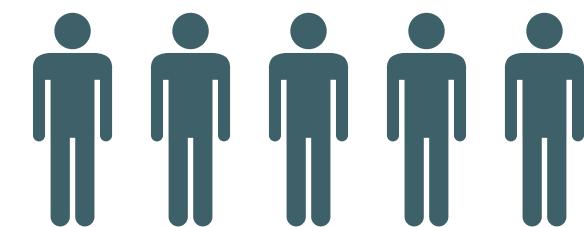
I called 10 respondents to ask them my screener questions

Emailed my interviewees a calendly link

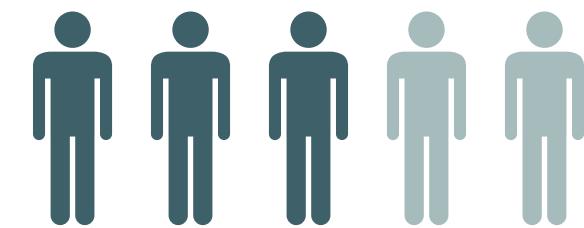
Platforms for recruiting, scheduling, conferencing, and compensation



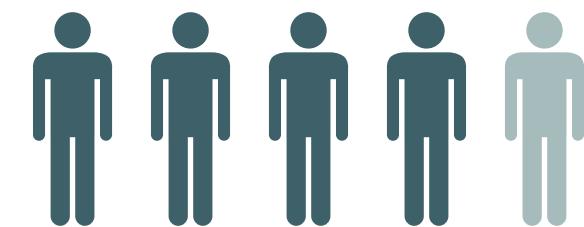
ONLINE USER RESEARCH STUDY INSIGHTS



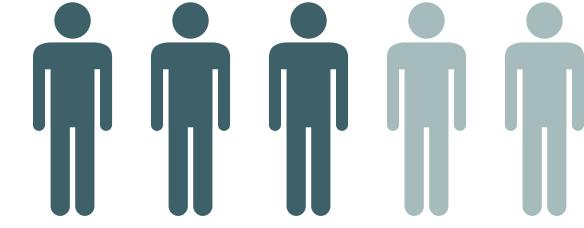
5/5 (100%) of participants said they really like my idea.



3/5 (60%) of participants could not easily get tables at cafés on the weekend.



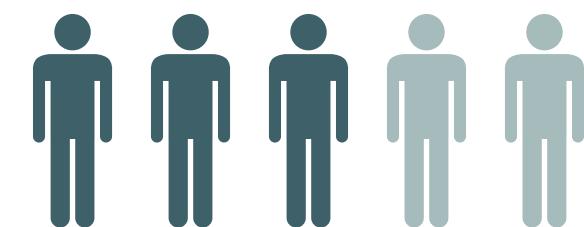
4/5 (80%) of participants also work or study at libraries.



3/5 (60%) of participants would like to see reviews and menus on the café's detailed pages.



5/5 (100%) of participants said the UX was easy to understand



3/5 (60%) of participants suggested that the monthly subscription should not be more than \$10.

ONLINE USER RESEARCH STUDY FINDINGS

Value Proposition **Validated**

100% (5 out of 5) of interviewees said they would like to book a table at a coffee shop at least once a month because they need to secure a space to work or study.

Business Model **Validated**

80% (4 out of 5) of interviewees approved they will pay at least \$2 for a reservation, only one said he prefers not to pay.

Key Experience 1 **Validated**

100% (5 out of 5) of interviewees said they would like to have many filter options when finding coffee shops.

Key Experience 2 **Validated**

100% (5 out of 5) of interviewees said they would like to order beverages ahead of time to avoid the line.

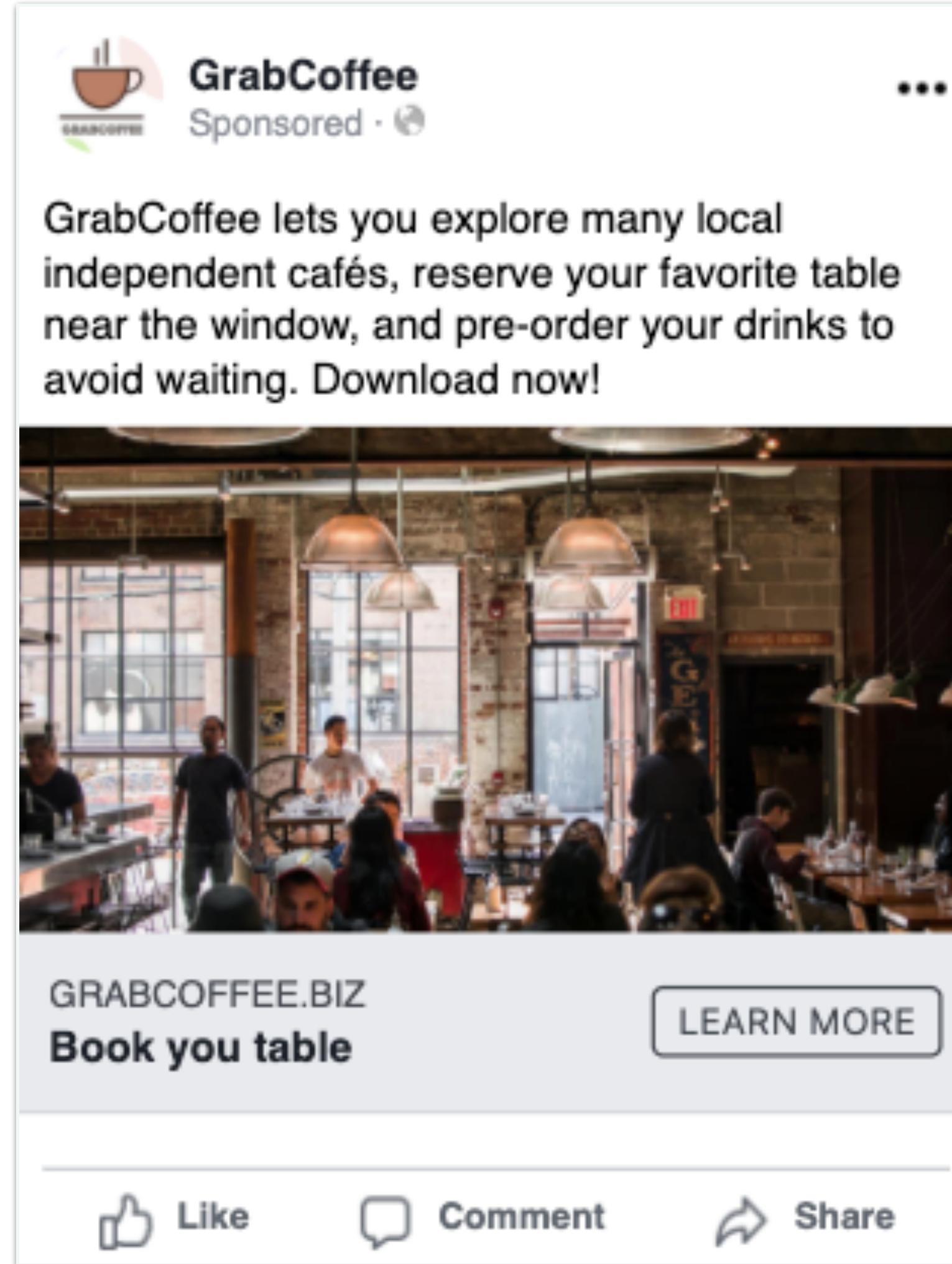
Key Experience 3 **Validated**

100% (5 out of 5) of interviewees said they would like to select a specific table

PERSEVERE!

Based on these findings, I plan to

EXPERIMENT DESCRIPTION



Start/End date:

Tuesday November 17, 2020 through Wednesday November 18, 2020

Experiment Details:

Running one ad on Facebook at two different audiences. Each ad campaign will have a \$5 budget and will start on the same date. Compare the outcomes of the ad campaigns and the landing pages.

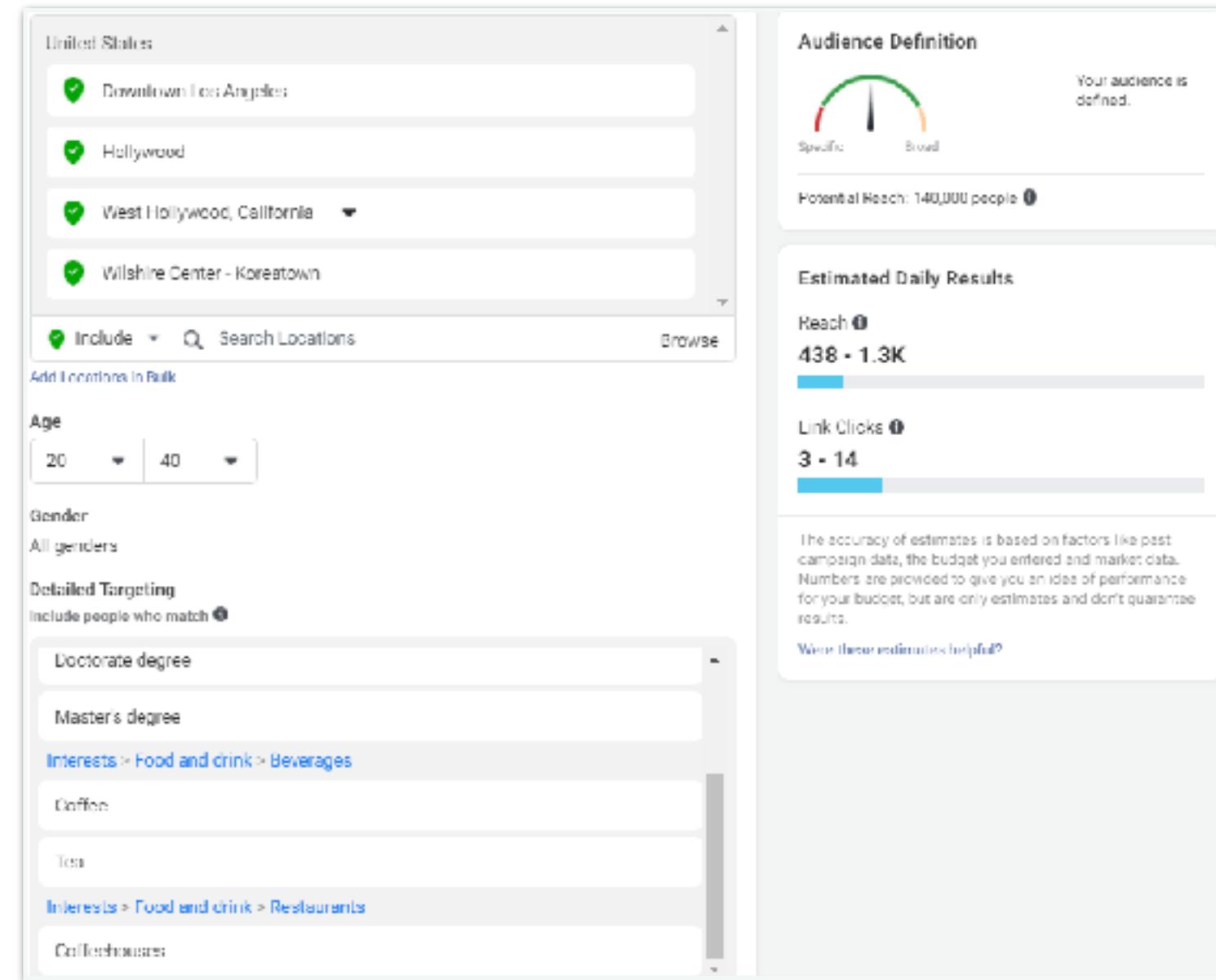
Hypothesis:

People in downtown Los Angeles are likely to want this service more than people in suburban areas.

Validation Method

Run one Facebook ad at two different geographical customer segments in Los Angeles. Send the click-throughs for each audience to identical versions of the landing page and compare the conversion rates and the CAC.

ONLINE ADVERTISING CAMPAIGN



Los Angeles, Urban area

Location

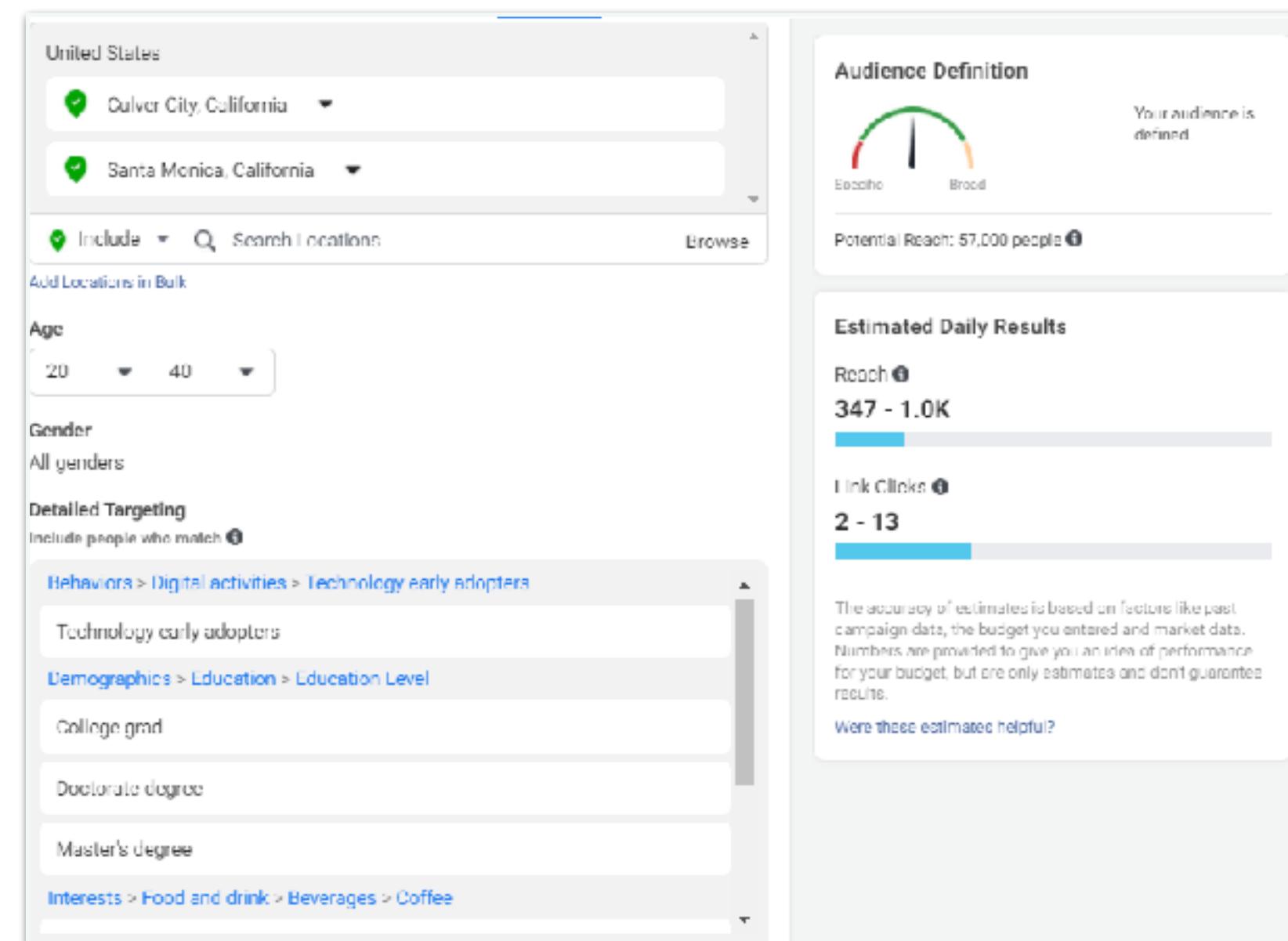
Downtown Los Angeles, Hollywood, Wilshire Center - Koreatown

Age

20-40

People Who Match:

Technology early adopters, College grad, Master's degree, Doctorate degree, Coffee, tea, Coffeehouses



Los Angeles, Suburban area

Location

Santa Monica, Culver City

Age

20-40

People Who Match:

Technology early adopters, College grad, Master's degree, Doctorate degree, Coffee, tea, Coffeehouses

LANDING PAGE

The image is a composite of three parts. The left side shows the interior of a modern cafe with wooden tables, chairs, and a menu board. The center is a smartphone displaying a booking application for 'Starblocks Coffee'. The right side shows a person working at a desk in a library or study area.

GRABCOFFEE

Book a table in your favorite café

Find your café, select your table, pre-order your drinks.

Download on the App Store | GET IT ON Google Play

Starblocks Coffee
4.6 (350 reviews) \$5 to \$20
Open hours: 10:00 - 21:00
2:00 PM 3:00 PM 4:00 PM

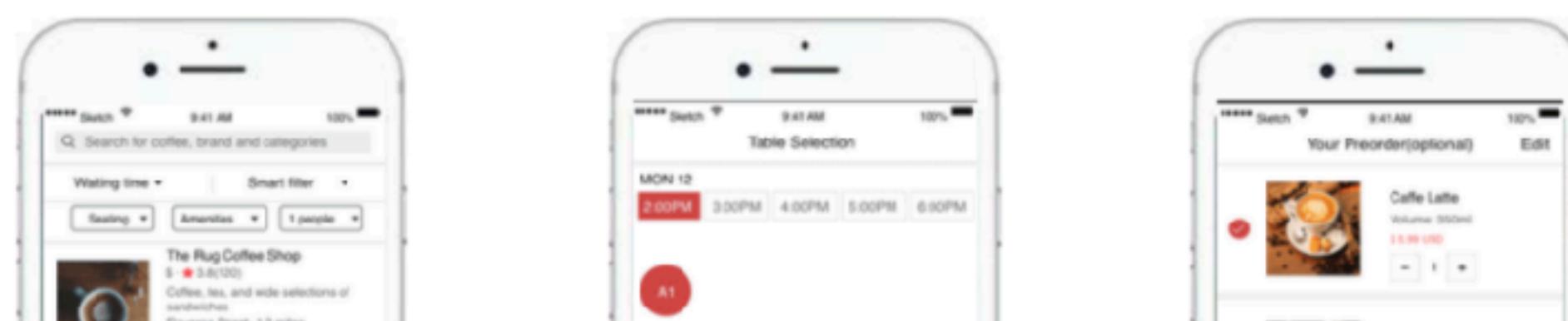
About the coffee shop Show Detail
Full Menu ▶

Small, minimalist coffee bar with artisanal drinks & tea plus a small selection of baked goods.

Parking Mobile Pay Free WiFi

87 Hagenes Parkway, Los Angeles, CA
1.5 miles

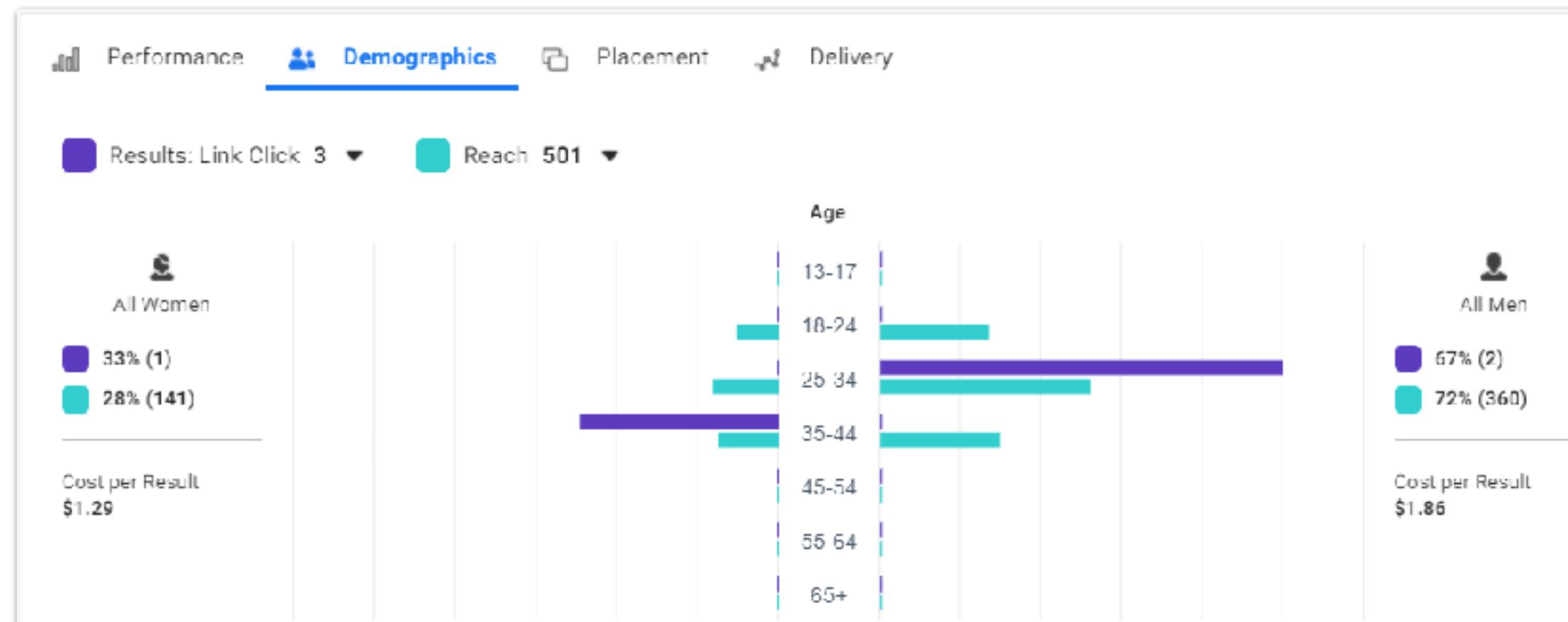
What we offer



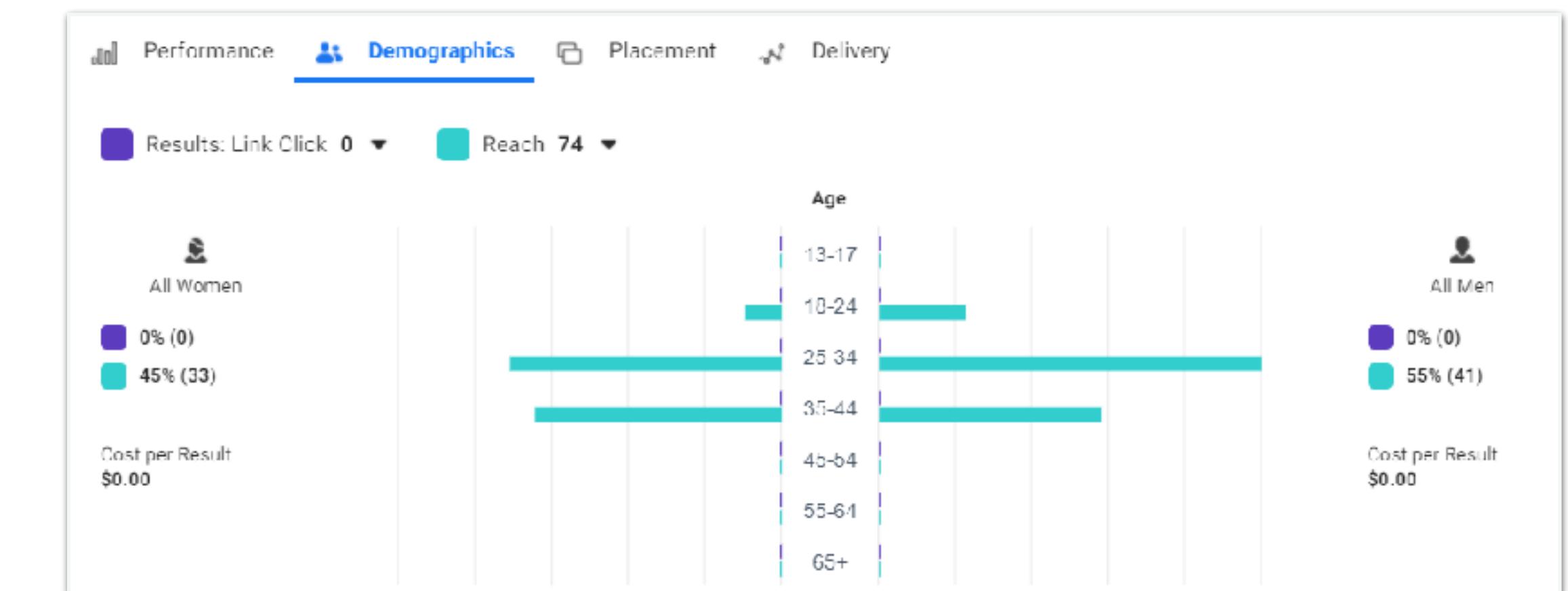
ADVERTISING CAMPAIGN RESULTS

GrabCoffee_Urban get.grabcoffee.biz/	A/B Testing			5 visitors	1 conversions	20.00% conversion rate	...
GrabCoffee_Suburban get.grabcoffee.biz/coming_soon/	A/B Testing			0 visitors	0 conversions	0.00% conversion rate	...
Campaign Name ↓							
GrabCoffee_Urban	Delivery	Bid Strategy	Budget	Results	Reach	Impressions	Cost per Result
Off	Using ad set bid...	Using ad set bu...		3 Link Clicks	501	537	\$1.67 Per Link Click
GrabCoffee_Suburban	Off	Using ad set bid...	Using ad set bu...	— Link Click	451	537	— Per Link Click
➤ Results from 2 campaigns ⓘ Excludes deleted items				3 Link Clicks	951 People	1,074 Total	\$3.33 Per Link Click
							\$10.00 Total Spent

Los Angeles, Urban area



Los Angeles, Suburban area



NEXT STEPS

What we are doing

Build a website

Utilize social media platforms

Find potential customers



What we will do

Jan 2021

Hire engineering team: develop Android/iOS applications + table management system + backend(cloud-based)

Work remotely

July 2021

Launch Beta version

Hire a marketing team: social media marketing platforms, influencer marketing, search engine optimization(SEO) marketing

Find independent cafés

Consult with lawyer, accountant and financial advisor

Jan 2022

The official launch

THANK YOU

GRABCOFFEE