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Unit 22 Market Research

Learning Aim B - Plan and implement a market research activity to meet a specific marketing objective

Learning Aim C - Analyse and present market research findings and recommend process improvements

REPORT

To:
From:
Date: 25 / 2 / 2021
Terms of reference:

Learning Aim B

P2 - Undertake secondary research for a selected marketing objective

Secondary research: internet

There are multiple different types of secondary research that a business is able to use to their advantage and collect data from, this can be data about different / many things, this could be about the customers, the competitors, what is trending and a lot more. Secondary research is one of the main types of market research for that reason and is considered extremely important to a business when a business is conducting research, therefore a business should always make sure that they have secondary research as it is very vital to the business due to the knowledge that you are able to obtain.

One of the types of secondary research is the internet. The internet is accessible by almost everyone today, therefore nearly all businesses should also use it because of how useful it is, the internet can contain tons of information about different things including businesses, people's interests etc. For a coffee shop business, this will be extremely important as a coffee shop would definitely need to know the information that is available for them on the internet. First of all, there are many tips and guides out there on the internet, many people etc may have posted different tips and guides about businesses that may become useful to business owners and businesses if they ever need them, therefore if a business has the time to be able to look at some of the guides then they might have a chance at learning something new that may help them in the future.

Another reason for why the internet is extremely useful to businesses is that you have access to people's interests / what's trending etc, when making a business this is vital, the business will need to know what people like and don't like so the business will be able to attract the customers to the business and then satisfy them with their product. For a coffee shop, they will need to find out what type of coffee people will like and enjoy, what type of flavour they like, when do they drink coffee, why do they drink coffee and many other reasons. It would be quite important for a coffee shop to look at the internet as there is a lot of information on those questions. The reason for why people drink coffee is because it is really enjoyable and addictive, and also because of the high caffeine that keeps them energised.

Furthermore, by looking at the internet you will also be able to see what is trending, if there is a new flavour of coffee that is blowing up over the internet, then most coffee shops would try and sell that flavour to the customers so they would be able to attract more customers and gain more revenue, a lot of customers would be drawn to trending things and therefore it is quite important.

Not only that, but it will also help the business to be able to stand out from competition in different ways, one way is that it will give the business a solid business plan, it will help the business owners to have a strategic focus which will be useful to them, as a coffee shop is relatively small, by them having a business plan will allow the coffee shop to focus more on the special identities. A good example of how this will be able to help a coffee shop business is, if a coffee shop business is struggling to find a good location where they know that they will get a good amount of customers, another coffee shop might release a new flavour/coffee before the coffee shop business and therefore they would be at a disadvantage as more of the customers would go to the other business, therefore with a strong business plan, the coffee shop will be able to get a suitable location and be able to release new flavours if needed so.

As said before, there are multiple ways that a business will be able to stand out from the competition, by giving customers satisfaction for the products they buy, a business will be able to stand out from its competitors and other businesses, by using the internet, they will easily be able to find out what their specific target customers likes and dislikes, by using that information they will be able to make coffee that will definitely satisfy them, with more customers that are satisfied with the coffee, the more they would want to come back to the coffee shop for more. They would also be able to help the customers by asking them themselves if they enjoy the coffee or not/ if they are satisfied with the product, if they are not then they would be able to get more feedback on what they should do to improve the coffee.

Furthermore, there are also many other ways to stand out from the competition, one of the different ways is with good customer service, if a business has good customer service then the customers would want to come back to that business as they would feel satisfied with how the business works, however if the customer service is bad then it would lead the customers to not return to that business again, this would be quite bad

for the business as they would be losing customers and therefore would be losing revenue. If a business has better customer service than another business then most of the customers would go to the business that has good customer service.

In addition to this, by having good products, your business will also be able to stand out from the competition, a coffee shop doesn't always have to sell coffee, they are also able to sell doughnuts, cakes, and even different sandwiches that the customer likes, by having a variety of different foods the customers would enjoy the coffee shop and would return to the business to try some of the other products that the business has to offer, however, the coffee shop should make sure that the quality of the product they sell is worth the money that the customers are paying for it, if not then the customers wouldn't feel satisfied with their purchase and wouldn't return to the business. Therefore a business must make sure that the customers are satisfied with their purchase so they can stay on top of other businesses.

Moreover, by having motivated staff, the business will also be able to stand out from other businesses. If a business doesn't have motivated staff then they won't be able to succeed as much, this is because motivated staff will lead to better customer service, better quality products which will all lead to increase in customers and sales that the business will make, however if there isn't any motivated staff then the customer rate will most likely decrease as there wouldn't be any good customer service and the quality of the products will be quite low, therefore customers wouldn't return to the business.

Secondary research: competitor report (starbucks)

Another type of secondary research is a competitor report, this can be extremely useful to a business as it cover what the competitors are doing and might even give your own businesses a few ideas of your own, the competitor report will go over in detail everything that the business has done to make them successful, it will go over all the mistakes and good choices that the business has made for it to become successful which will help your own business, as you wont make the same mistakes as their business was making and will do all the good choices that will make them successful.

There are a few aims and objectives which starbucks coffee shop would want to m=do right now, as starbucks is one of the biggest coffee companies out there it is quite clear that the business knows and understands what they should do in order for them to become successful, if they had not known what they should've done then the would not have become successful as they are right now. Some of their goals which they want to complete are that they aim to increase the amount of stores that they have by 12000 by the end of 2021, this will increase the business by a lot as they would then have about 37000 stores globally which is quite a lot of stores, by them doing this they will be able to attract a lot of customers to their business which is important, furthermore, the more customers they have the more revenue they will be able to make which will benefit the business a lot. Furthermore, within Starbucks there are high value opportunities which the business will be able to have in places such as China. Opportunities are quite

important to the business as it allows the business to do more, therefore this can be quite beneficial to the business and will help it to succeed. In order for the goals of this business to be realistic it must be possible for the business to achieve them, as a result, due to how big and well known Starbucks is it will definitely be possible for the business to succeed these goals which would therefore mean that the goals of the business are definitely realistic.

Starbucks should have its own aims and its own objectives, a realistic goal for the business is to be able to increase the amount of stores / coffee shops they have in the world. This would be an important yet realistic goal for the business as the amount of customers which the business has would definitely increase as they would have spread a lot of stores around the world. Another aim for the business is to have invented a new product, by inventing a new product more customers would be drawn into the business / attracted to the business as they would be innovative, an idea for this / an example of a new idea for the coffee shop business would be a new flavour which they can add, this can be a flavour which is very interesting that no one has had before, this can then attract more customers as they would have wanted to try those flavours, furthermore a cup that is not able to fall is also another good idea for the coffee shop business, although these cups already exist, they aren't used as much in coffee shops which is bad as there are a lot of times where customers are accidentally knocking over their drinks, therefore having this idea would definitely benefit them. If the coffee shop business is able to become more organically produced then it will also benefit them, the reason for this is because, the customers want to buy products that can help save the environment, therefore if the business sells more of its products that are able to help save the environment then more customers would be drawn into that business, as a result this would be important that the business learns from this as then they are able to attract more customers and make more revenue.

Moreover there are different strategies which the Starbucks will be able to use for their business, they would be using these strategies in order to help improve their business and ensure that it gets a lot more popular etc. for them to be able to do this they should open different stores in the US (express stores), the reason for this is so they will be able to improve the business's store penetration, the store penetration is a measure of how much a certain product / service would be used by the customers, this can be used by the business to find out what they need to improve on and also what they need to change in the business. Mobile coffee shops are also another type of strategy which the business will be able to use, instead of customers having to spend money traveling just to buy products, by the business traveling to the customers more customers will be able to try the product out, furthermore, they won't have to spend any money traveling and so they won't feel unsatisfied with their product. This will provide a good opportunity for the Starbucks business to attract more customers to their business.

Starbucks will be able to make another strategy to try and get customers to buy more of their beverages, the way in which they will be able to do this/ the way which they are doing this is that they are selling their beverage (nitro cold brew) in more of their stores, about 500, this way, any customer which visits their store (Starbucks) will see the

beverage and would be tempted to try it out, therefore this would be an excellent idea for other businesses or other coffee shop businesses to try the same, they would be able to sell other things like cakes, snacks or anything they would sell in a coffee shop to try and encourage / tempt customers into buying them, this may also even work for new products which get introduced to the business. Therefore this may be an effective / efficient way of ensuring that the customers will be able to try your new product or a product that is not selling as much to try to get customers into buying it. Another way which Starbucks is able to use is by driving home coffee share and occasions, Starbucks is making its efforts to try to expand its ready to drink segment which is forecasted to grow at about 10% a year on year in the next 5 years. A coffee shop will be able to use this to its advantage by partnering up with other coffee brands that are available, for example, the big coffee. If the coffee shop partners up with the big coffee then there will be a much higher chance that they will succeed and become successful.

An advantage for Starbucks is that they are able to open in some of America's poor regions, not so developed regions, this can be seen as an advantage for Starbucks as it will create more jobs for them, people in those regions would be looking for jobs and Starbucks will be able to hire them which will allow more employees to work for Starbucks. Therefore this can influence other coffee shops out there and also new ones to help them start to grow. If they can open in regions in places that aren't that developed then they will have a higher chance of getting more employees and may also have some customers visiting the shop. Businesses that are just opening up can be able to do the same and buy vans or coffee carts in their business to make deliveries etc. a typical delivery van would cost the business around \$29 500, however this may vary depending on what model you are trying to get, the 3 500 model would typically cost around \$36 000, this is important for a business as if they want to make deliveries and use fast transport etc, a delivery van would be necessary, there would also be running costs as well for fuel for the van which may cost the business a bit.

Starbucks has a lot of variety when it comes to the amount of products they sell in their business, some examples of their products which they sell is iced coffee, iced tea, hot chocolate, espresso drinks, and a lot more, this is without saying the beverages and the snacks which they sell at Starbucks, due to the amount of their products which they sell, more customers will be attracted to their business as they have something for every customer in the business, if there's something a customer doesn't like then they could choose something else which they would like. Therefore other businesses / coffee shop businesses will be able to learn from this and have an increased amount of variety in their business which will be able to attract more customers.

A strength of Starbucks is that they have a strong brand image, this is incredibly important to a business as when a customer would buy from your business they are buying what your brand stands for, it is really important as it is what helps the company and attract other customers. The only weakness for Starbucks is that in terms of product and cafe ambiance the product may be imitable which can be a disadvantage for the company.

There are multiple different target markets for starbucks, starbucks customers are both male and female, the age group between ages 25 - 40 would typically make up for about nearly half of the businesses customer population (about 49%), due to the age group of 13 - 17 not really being into coffee as they are much younger, they would only make up a small percentage of the business's customer population (about 2%), whereas ages 18 - 24 would drink a lot more coffee and therefore would have a much higher percentage than the ages 13 - 17 as they don't usually drink coffee. The customers ages 18 - 24 would take up around 40% of the businesses customer population. Therefore with the information given, the business would be able to use this information and make products that would suit those age groups and would also be able to figure out how to promote their business using this information.

The biggest threat to starbucks right now is that many people have copied their product and have succeeded in doing so, therefore they would be able to sell similar products as to what starbucks sell for a cheaper price than what starbucks may be charging, if they do this they will be able to steal a lot of the customer from starbucks which will cause starbucks to lose a lot of money. Therefore they would need to find multiple ways in which starbucks will be able to prevent this from happening and find different security types to prevent people from stealing their recipe and coffee ideas etc.

Secondary research : costa

With costa, they are quite a big company which sells coffee similar to starbucks, this would be a competitor to the coffee shop business. A competitor report for a specific business (costa) goes over any of the strengths and also any of the weaknesses that the business has which is quite important for the coffee shop business as it can give them information on what costa are doing both right and wrong with their business, by using this the coffee shop business will be able to improve their own business using the strengths of costa and also learn from costas weaknesses of what not to do with their business, by doing this they the coffee shop business would be able to succeed their competitors and gain a lot of customers and revenue.

Some of the strengths of costa coffee is that they have a wide range / variety of products which they sell, this can always be an advantage for a business, if there is a lot of things which a business can sell then it can attract a lot more customers as if a business would only sell cappuccinos then customers which only like cappuccinos would go to that business, there are many other potential customers the business could have if they sold a lot more, therefore having a good variety of products would always be good for the business. However the business would have to be careful, although a business may have a good quantity of products, they may not have good quality products, this may still be a negative with the business, if customers would try their products and don't like them then they won't return back to the business, therefore it is really important that the business keep the quality high with their products as well as the quantity as the customers will then be able to enjoy a wide variety of products which they can choose from.

Another strength with the business is that they have an excellent reputation and brand name, this is important as, if there are customers which look at costa they would know that it is a famous, good coffee shop, this is important as it would persuade customers to go to that shop if they want coffee as they would know that they make good coffee, if a business is not well known then people would prefer to go to a much more known business as they would have already known and tried coffee from that business so they would already like it, if they try coffee from a business which isn't that well known then they wouldn't really be sure whether the coffee would be good or not.

Lastly another strength of the costa coffee shop business is that they have excellent brand name and visibility, this is very important that they have a good brand name for their business, the reason for this is because it is typically the first thing which customers see with your business, therefore it would be better if the name is something short, catchy and memorable, costa has all these and its name is always associated with their product / coffee. This is important as businesses would want their name or their business name to be associated with their product. A strong brand name should always resonate with their target audience and a strong brand name is always important to establish a strong brand name.

However there are some weaknesses with costa, one of those weaknesses is that they don't have a good marketing strategy, unlike their main competitor who is starbucks, starbucks marketing strategy is better than that of costa, despite that costa has a wider product variety / range than starbucks. This is important as it allows the business to come up with a plan for them to improve their business and stop there being weaknesses in the business. Furthermore with creating an organisational plan it will allow the business to look at the customers needs and put it into the business, if the business caters the customers needs often then they would be a lot more successful.

Another weakness from the business is that they have a few number of stores when compared to their competitor, starbucks, their stores are only available in a limited number of countries, this is a big weakness as lots of customers won't be able to buy from the business which is a big disadvantage for the business as they can be losing out on a lot of revenue, lots of customers won't be able to buy from the business as there might not be that many stores in their countries, therefore this may result in those customers going to other coffee stores and will result in a loss of potential customers for the business. If the business is able to have lots of stores around the globe then they will be able to get more and more customers to enter and buy from their business which will give the business a lot more revenue. As a result a coffee shop business would need to open multiple stores if it would want to compete with businesses like these and make a lot of revenue and customers to go into the business.

Therefore there may be some opportunities for costa, one opportunity for costa is that they would be able to expand their business and release for make more stores in different places which they haven't been in yet, this will allow the business to gain a lot more customers and a lot more potential customers which is important in making a lot

more revenue. With more revenue they would be able to improve the business and expand even further where they would be able to surpass their competitors.

Another opportunity for Costa coffee shops is that they would be able to make an alliance with another coffee shop business where they will be able to collaborate and become even bigger, this will allow the employers ideas to combine and make new things which businesses would have thought of before. If the businesses were able to collaborate then they would be able to reach their goals and their targets much easier and better than they would have by themselves, this is important as they would then be able to make bigger goals which they would be able to achieve.

Some threats of the business would be that there is intense pricing competition, this means that multiple coffee shop businesses might be lowering the prices in order to draw in more customers, therefore the Costa business would then have to place their price at a point where they would think it is acceptable, they would have to be earning enough money for what they sell and to keep up whilst also attracting more customers to the business. However if prices continuously drop with other coffee shop businesses, then this might pose a threat to Costa's business as they would need the money and customers would be attracted to other businesses other than Costa.

Costa may also have some marketing strategies which they may be using in order to improve their business. One of those marketing strategies is the distribution strategy, this strategy aims to expand the distribution of Costa. Costa operates in around 31 countries with almost 3300 different outlets, there are places such as India where the amount of stores is not limited however it is still growing. The coffee which Costa sells are typically aimed at upper or middle class people which may give an explanation to why they only have some stores in a limited number of countries.

Costa would also have an advertising strategy which they can use as well. This strategy is that, they get the word of mouth publicity from its customers, they wouldn't typically do advertisements from TV or other things but instead they would much rather give out free samples to their customers to let them try it, as the brand is not just about the coffee but it is also about the experience which the customers experience.

In order for a business (any coffee shop business) to set up a coffee shop in an area, the cost of the shop may vary. The coffee shop itself can cost anywhere between \$200 000 to \$375 000 to set up. This wouldn't include the running costs as they are constantly paid throughout the years. It would sum up the cost of the equipment, the premises, etc. however some coffee shops would also have a drive through in them which customers can access and buy coffee that way, this can typically cost around \$80 000 to \$200 000 for a large drive through. Kiosk can also be bought within a coffee shop for their customers to access, these are like an open fronted cubicle that can offer the customers who access them different things such as newspapers, refreshments etc. a kiosk for a coffee shop business can typically cost around \$25 000 to \$75 000 which can be quite expensive for a coffee shop business. A business would have to buy all these things to set up a coffee shop business / an average coffee shop business, furthermore they

would also have to buy a delivery van which would have its own running costs and the costs would vary depending on what model of van a business would buy. A typical delivery van would cost the business around \$29 500, however this may vary depending on what model you are trying to get, the 3 500 model would typically cost around \$36 000.

P3 - Undertake pilot primary market research and collect sample data

A questionnaire on coffee

1. What type of coffee do you normally drink / buy?
 - Latte
 - Cappuccino
 - Espresso
 - Doppio
 - Americano

2. Why do you drink coffee?
 - To give more energy
 - To relax and enjoy it
 - To keep you awake
 - For a break

3. How much do you spend in a coffee shop?
 - Less than £5
 - £5-£10
 - £10-£15
 - More than £15

4. What else do you normally buy with your coffee?
 - You don't buy anything else
 - Doughnut
 - Cake
 - sandwich

5. When do you normally drink coffee?
 - Never
 - Sometimes
 - All the time
 - occasionally

6. What do you care most about when buying coffee?
 - The quality
 - The brand
 - The price
 - You don't really care about anything

7. Where do you normally drink coffee?
 - At home
 - In restaurants
 - In a coffee shop
 - In the workplace

8. Would you pay more for a better tasting cup of coffee?
 - Yes
 - no

9. When in the day would you drink coffee?
 - Morning
 - Afternoon
 - Evening
 - night

10. How many cups of coffee would you typically drink a day?
 - 1-3
 - 1-5
 - Over 5 cups of coffee

Above is an example of the questionnaire that I had used when conducting my primary research. I had asked 10 close-ended questions so it was quite simple and easy to finish, and I had sent it to 20 people. My results from the questionnaire were quite good however I did end up with a few errors that will need to be improved.

For the first question 11 people had preferred a latte, 5 people preferred a cappuccino and 4 people had preferred an espresso. For the second question I had asked why people would drink coffee, 14 people said they drank it to enjoy it/ to relax and 6 people said they drank it for energy for the day. For the third question I asked how much people would spend in a coffee shop, 5 people said less than £5, 10 said £5-£10 and the remaining 5 said more than £15. My fourth question was what do people have with their coffee, the answers that I got from that was, 5 people said that they don't buy anything else with their coffee, 3 people said that they buy sandwiches with the coffee, 7 people said that they buy doughnuts with their coffee, and the remaining 5 said that they buy a cake. My fifth question, I asked when you normally drink coffee, 4 people said occasionally, 14 people said all the time and 2 people said sometimes. My sixth question, I asked what do you care most about when buying coffee? 13 people said the price of the coffee and the remaining 7 said that they care about the quality of the coffee. My seventh question I asked was where do you normally drink coffee? 11 people said at a coffee shop, 3 people said at work and the rest did not complete the question. My eighth question I asked whether they would pay more for a better tasting coffee and 6 people had replied with yes, 7 had replied with no and the rest didn't answer. My ninth question I asked was when do you drink your coffee? 15 people said

at night, 3 people said in the morning, and 2 people said afternoon. My last question I asked how many cups would you drink a day, 17 people said 1-3 and 3 people said 1-5.

A coffee shop business will be able to use those results to their advantage to be able to make their business better, by looking at what people buy most of and little of they will be able to see what things people like and don't like, furthermore they will be able to see what they need to improve and what they will need to change. Now the business knows that the latte is the best coffee they have as most people are buying it, therefore they would know that they will need to improve the other things as well to get more people to buy it. However I also had a few errors when conducting the research as for some questions people didn't answer them, this might be because the questionnaire was not engaging enough so they couldn't be bothered to fill it out, therefore next time you should make the questionnaire a bit more engaging to persuade people to fill it out.

P4 - Undertake the final market research activity using a detailed sampling plan to obtain a range of secondary and primary data.

Although I had given my questionnaire to only 20 people last time, this time I had given the questionnaire to 50 people as it is a much more improved and better questionnaire, this time I had given the questionnaire to people in shopping centres rather than last time which I gave people the questionnaire in the local area.

Questionnaire on a coffee shop

1. Do you drink coffee?
 - Yes
 - No

2. What type of coffee do you normally drink/buy?
 - Latte
 - Cappuccino
 - Espresso
 - Doppio
 - Americano
 - Other (please specify)

3. Why do you drink coffee?
 - To give more energy
 - To relax and enjoy it
 - To keep you awake
 - For a break

4. How much do you spend in a coffee shop?
 - Less than £5
 - £5-£10

- £10-£15
 - More than £15
5. What else do you normally buy with your coffee?
- You don't buy anything else
 - Doughnut
 - Cake
 - Sandwich
 - Other (specify)
6. When do you normally drink coffee?
- Never
 - Sometimes
 - All the time
 - occasionally
7. What do you care most about when buying coffee?
- The quality
 - The brand
 - The price
 - You don't really care about anything
8. Where do you normally drink coffee?
- At home
 - In restaurants
 - In a coffee shop
 - In the workplace
9. Would you pay more for a better tasting cup of coffee?
- Yes
 - No
 - maybe
10. When in the day would you drink coffee?
- Morning
 - Afternoon
 - Evening
 - night
11. How many cups of coffee would you typically drink a day?
- 1-3
 - 1-5
 - Over 5 cups of coffee
12. Would you be interested in trying a new flavour?
- Yes

- No
- maybe

13. Would you be interested in trying a sample coffee?

- Yes
- No
- maybe

14. What flavour do you like in a coffee?

- Cherry
- Orange
- Vanilla
- Pear
- Mint
- Other (specify)

15. Where do you normally buy your coffee from?

- Corner shops
- Supermarkets
- Online
- Wholesale
- Other (specify)

My new questionnaire is much better than the previous questionnaire that I had conducted, this is because of numerous reasons. Firstly there are more better and specific questions on this questionnaire, this will therefore improve my research and will allow me to be able to get much better results than before. My previous questionnaire I had only got about 10 questions which wouldn't really be enough to get the most out of my primary research, furthermore, some people had also left some questions blank, therefore in order for me to be able to make the most out of the questionnaire I had to make 15 questions which would cover up more stuff, by doing more questions I will be able to find out more things about my customers which will help the coffee shop business as then the business will know what to do in order to satisfy the customers.

Furthermore, another improvement that was made was the area that I had conducted the research in, in the first questionnaire, it was limited to only the local area, whereas now I had given the questionnaire to 50 people that were either in coffee shops or by the supermarkets etc. The reason for this is because now I will be able to get results from more people, and most of the people are in coffee shops so it would be better as it shows that they like coffee and will give a good reply/feedback for the business in order to make improvements. If we get feedback from a normal person who doesn't like coffee then you wouldn't really be able to make improvements as they don't really drink coffee, however if we get feedback from people who enjoy coffee then that feedback would be useful

and good to a business as they will be able to use that to make the business much better.

Another good improvement that I had made to my questionnaire is that I had included an 'other' option. In my previous questionnaire, I had no 'other' option and therefore the people who had filled in the questionnaire had to make a choice, this is bad as it isn't their actual opinion on what they like etc, for an example, if I asked a question about what flavour they like the most about coffee, but they didn't have the favourite flavour on the list and there was no other option then that feedback would be quite useless, however now that I had added an other option im able to get all the peoples favourite flavour, this can be quite useful to the business as then we would be able to make more coffee of that flavour so we can attract more customers. This may be why people didn't answer in the first questionnaire as well, as there was no other option and didnt feel like they needed to answer.

The results that I got from my improved questionnaire was: 43 people said that they drink coffee whereas 7 people said that they didn't. For the second question, 20 people said latte, 20 people said cappuccino and the remaining 10 said espresso. For the third question, 37 people said that they drink coffee for energy and the remaining people said that they drink coffee to relax/ for enjoyment. For my fourth question, 25 people said less than £5, 5 people said £5-£10 and the remaining said more than £15. For my fifth question, 15 people bought a cake with their coffee, 13 people said another, 2 people said sandwich and the remaining said that they ordered a doughnut with their coffee. For my sixth question, 29 people said that they drink coffee all the time, 1 person said they never drink coffee and the remaining people all said that they drink coffee sometimes. For my seventh question, 34 people said that they care about the quality of the coffee, 2 people said that they care about the brand and the remaining said that they care about the price.

For my eighth question, 30 people said they drink coffee at coffee shops, 10 people said they drink coffee at home and the remaining said they drink coffee at the workplace. For my ninth question, 34 people had said yes whilst the rest said no. For my tenth question, 30 people said that they drink coffee in the morning and the rest said that they drink coffee at night. For my eleventh question, 35 people drink 1-3 cups of coffee a day and the remaining people said they drink 1-5 cups a day. For my twelfth question, all 50 people said they would try a new flavour. For my thirteenth question, 44 people said yes whereas the remaining people said no. For my fourteenth question 25 people said cherry and 25 people said other. For my last question, 30 people said they buy online and the rest said in supermarkets.

By using the results from the improved questionnaire I am able to make the coffee shop business a lot more successful, I am now able to do this as I will have good results from people who drink coffee, some people who had answered

'other', I will be able to take their consideration and improve the business even more. As a result, my second questionnaire had many more improvements when compared to the first questionnaire that I had conducted.

M2 - Analyse the reasons for choosing particular research methods, the type of data to be collected and the sampling plan.

I had firstly used the first questionnaire as a test to see how it would turn out, I had done it in the local area and with 20 people, therefore it is not as big as the second questionnaire, I had done this to get an idea of what people would like, how they would react etc. I had chose 20 people to find out if people liked coffee or not, I then changed it to 50 people in my second questionnaire to finally conduct my primary research, there are many reasons for this, I would be able to get better results from my primary research, as there are more people, I would be able to get more opinions on what coffee people like, where they drink it etc. furthermore, I had also improved my questionnaire to make the results gained from it much better, I had made it upto 15 questions to get more information from the customers, I had also put an 'other option' so if the people's choice was not on the questionnaire then they will be able to tick other and give the business their opinion.

The location of the second questionnaire was also in coffee shops and supermarkets so I was able to target customers who liked coffee. The sample size had to be increased from 20 to 50 to prevent it from being biased, and therefore I will be able to use the data collected as it is much more reliable and useful to the business. The more I increase the sample size the better the results I will get as I will get opinions from a lot of people rather than just a couple. By increasing the sample size I will be able to detect differences. As a result By using information gained from the primary research that is being conducted, the business will be able to improve and get better the more research that is carried out.

D2 - Evaluate the effectiveness of the pilot research recommending changes that should be made to the final market research activity.

When making a questionnaire it would be extremely useful to use a pilot questionnaire beforehand, a pilot questionnaire is a questionnaire that is tested on a small sample compared to the actual planned sample. For my first pilot questionnaire I had only tested it on 20 people rather than the 50 people in the actual questionnaire, there are multiple benefits and some negatives to this, one major benefit is that you would be able to test the how good / appropriate the questions are and whether they suit the topic or not, you will be able to see whether or not the questionnaire is good or not, you will need to see if your questionnaire will give you good information or not, furthermore, it will allow you to make any improvements to the questionnaire if you need to, this is important as if this is not done and the questionnaire's questions are not that good then it won't attract customers to the business as they wouldn't like what the questions are asking them in the questionnaire. Another advantage that the pilot questionnaire will

give you is that by using the pilot questionnaire it may even provide you with more ideas and other benefits for your actual questionnaire, by doing this you would be able to get better and more useful information from the questionnaire about your business. There are many other advantages as well such as any financial issues / problems, the pilot questionnaire saves your businesses money, furthermore you would also be able to identify any problems or any negatives that your questionnaire may have, therefore you would be able to stop those negatives and make more benefits with the questionnaire.

However, there are quite a few disadvantages that may come with the pilot questionnaire, first of all it may be quite time consuming, the reason for this is because you will have to conduct two questionnaires instead of one whilst also trying to make the questionnaire better, therefore it will take up a lot more time, there are a lot of negatives to having something which is time consuming, they can take up a lot of the businesses time which may prevent them from doing other things to improve the business, furthermore due to it being a pilot questionnaire, it may not even be worth it in the end as it is not an actual questionnaire which the business would be using. With the pilot questionnaire there may be multiple disadvantages faced, there may be lots of delays and the customers may not also be bothered to answer the questionnaire which may put the business at a disadvantage as they won't have that much feedback or information that they will be able to work with, with a lack of information, the business won't be able to do a lot of things / won't have as much guidance as if they had a lot more feedback.

There are also changes that I would make to the final market research, one thing that I would change is that in the final market research activity you should ask people that are in coffee shops or near supermarkets, the reason for this is because people in coffee shops would be more likely to keep returning to coffee shops and would have the better information, ideas and opinions to give to the business about the coffee, whereas if you ask just your local area some people may not answer as they won't be interested in a questionnaire about coffee, furthermore the information won't be as reliable and useful to the business. Moreover, another change is the time gap, as the consumers/customers taste and preferences are changing, along with trends, there should be a short while before the next questionnaire is made and sent out to customers, by doing this you will be able to get better results for your business and improve the effectiveness of the questionnaire.

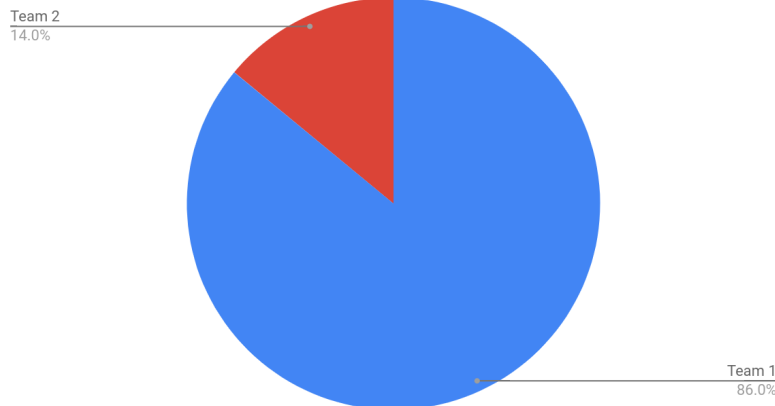
Another change that would be necessary in the final market research is that different age groups should be asked, the reason for this is because the different age groups may have different preferences or different taste in what they like etc, so for a coffee shop business it would be good to have the multiple age groups preferences in the coffee shop in order to gain more popularity and more customers. Furthermore, one last thing that I would change is that the questionnaire should be given to people in different areas, this is for nearly the same reason mentioned above, people in one same area may have the same preferences as each other, therefore to make the most out of the questionnaire it would be good to have multiple questionnaires sent out to different areas, eg. handsworth, solihull etc. By doing all these changes a coffee shop business

would be able to make the most out of the questionnaire and obtain the best information possible.

Learning Aim C

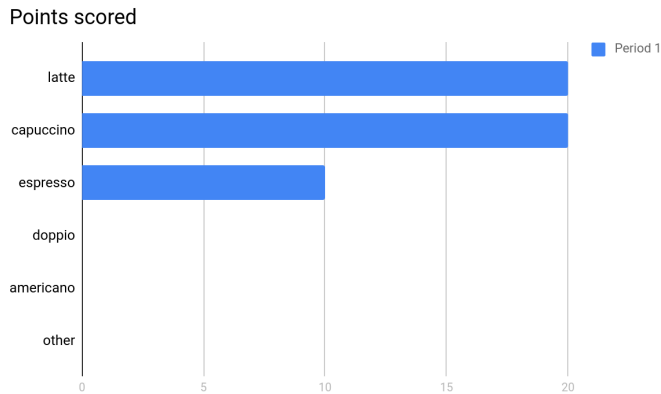
P5 - Interpret findings from the market research undertaken, presenting them in a range of different formats

Points scored



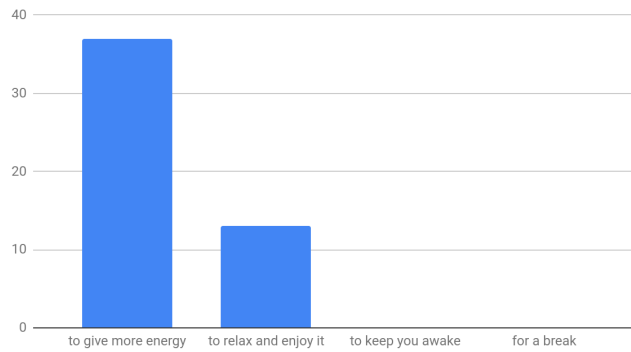
This pie chart above tells us whether people drink coffee or not. This pie chart shows that 43 out of the 50 people that I sent out the questionnaire did drink coffee, whereas the remaining 7 people that

answered the questionnaire didn't drink coffee. This shows that my sample coffee is preferable and enjoyable as other coffee shop owners like starbucks, costa etc. furthermore, it also shows that a lot of the information in the questionnaire should be useful as a lot of the people usually drink coffee and would be able to give good opinions about how the coffee is in the coffee shop business, the 7 people that don't drink coffee could be new people to the business if they enjoy the coffee from the business, it shows that the samples that the coffee shop business has given out could draw in new customers that have never tried coffee before. The questionnaire could have also been handed out to loyal customers from other businesses like costa or starbucks, therefore the questionnaire could attract more customers to the business as other loyal customers could find interest in this business if it is interesting to them. If the questionnaire doesn't seem interesting to the other customers who haven't tried coffee yet then it could result in the business losing them as potential customers, the business must try to gather information from the customers that had done the questionnaire in order to make the business better otherwise it would have been a waste of time.



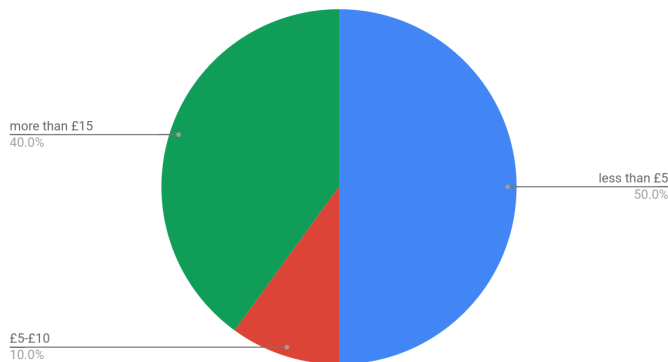
Above is a bar chart of my second question which was what type of coffee do people normally buy. As seen in the graph, majority of the people voted for a latte, cappuccino and espresso, however no one had said other, doppio or americano, therefore this could possibly mean that we would have to improve those products or it could mean that some of the customers don't really like those products in general. This could mean that most people prefer a latte, espresso and cappuccino which is why they had voted for it. If no people really vote for other types then the business would have to do something about it, they could remove them from the menu entirely and introduce other things that people may or may not enjoy, however this may also have some drawbacks as if a business does this then there might be quite a few people who may have enjoyed that type of coffee who won't return to the business anymore as the flavour / type of coffee is gone, if they try to improve the quality of the coffee, then some people may not like how the quality turned out, and it may be a waste of time and money if the business decides to do this. There are multiple things a business can do in this situation, however improving the quality of the coffee would be the best option as if people don't like the flavour they can go back to how they usually do it, furthermore, samples can be given out so the business will be able to see if the customers are satisfied with the product that the business has produced, if they are then they would be attracted to the business, however if they are not satisfied then they will be able to give the business their honest opinion so the business will be able to improve.

Period 1 and Period 2



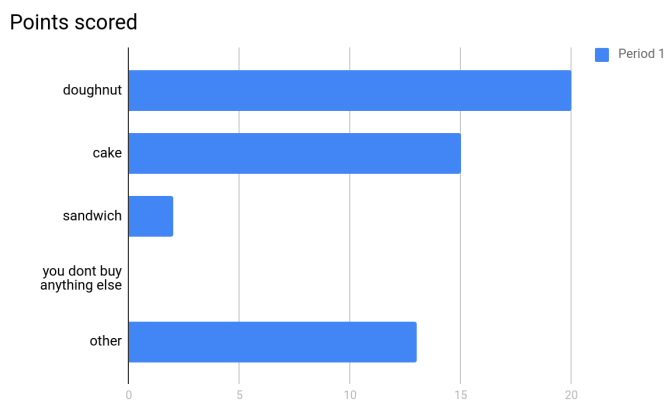
The chart above shows my results that I had gained from the third question, majority of the people have voted for that they drink coffee to relax or that they drink coffee for energy, this is probably because they will need energy throughout the day or because they need to stay awake, however no one had voted for the other options. The business will be able to use this to their advantage and make sure that the business is open at specific times where they would be able to get a lot more customers. If the customers would drink coffee for energy for the day, this could mean that they have a lot of work, therefore opening the coffee shop business early in the morning would be a good idea as more customers would enter the business as they would want coffee for the day, some people also use coffee to stay awake, this could be due to the late night shifts that they might have, or because they have a lot of work that they need to do, however leaving a coffee shop business open at night wouldn't be the best idea as no customers would really be around, it would be more populated in the morning and early afternoon, if people want coffee at night, most people would typically make it at home rather than go to a coffee shop.

Points scored

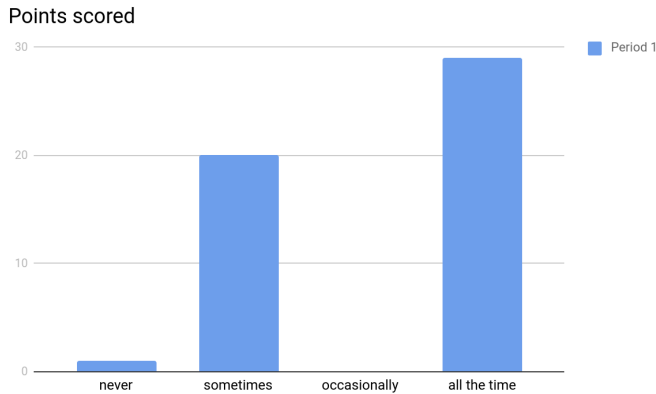


Above is the chart for my fourth question, in that question I had asked people how much they would spend in a coffee shop, the results show that some people spend a lot of

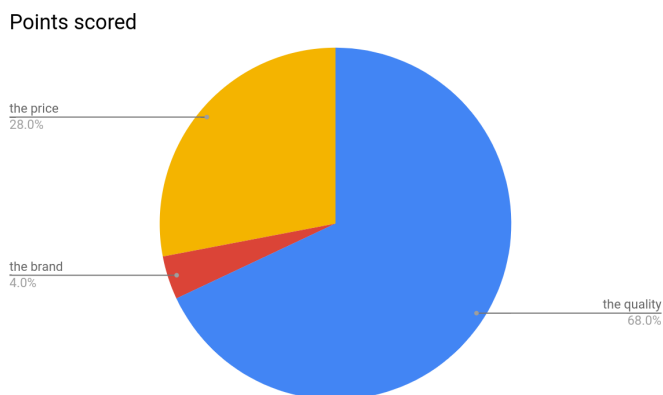
money, possibly because they buy a lot of food with their coffee, whereas quite a few only spend under £5 which might be because they only buy their coffee. By using this information it will be much easier for the business to predict how much a customer will spend when they go into the coffee shop, therefore the business will be able to use this to their advantage. This would mean that because people have a coffee with other food, they could be using the coffee shop for breakfast, therefore it would be a good idea for the business to open their business in the morning because that's when people would normally want to enter the business for coffee and food for their breakfast, therefore that's when the business would be making the most money.



Above is the graph for my fifth question where I had asked what food do the customers buy with their products, no one had voted for 'you don't buy anything else', a few only voted for a sandwich and the majority had voted for either other, a cake or a doughnut. As everyone had picked something and not 'you don't buy anything else' shows that everyone at least buys one thing which they would enjoy, therefore it would be upto the business whether they would want to make the product better or add more food. The chart may show that the customers would mostly buy cakes or a doughnut, however there could be numerous reasons why, one reason is that the doughnuts / cakes are the best food there and that the other things on the menu need to get better, the business can conduct other surveys in order to find out why and why the customers prefer the cake or the doughnut over the other product that the business is offering. This is important as if none of the customers are buying the product then it would be a waste of supplies for the business, there would be no point having the product in the business as noone is buying them.

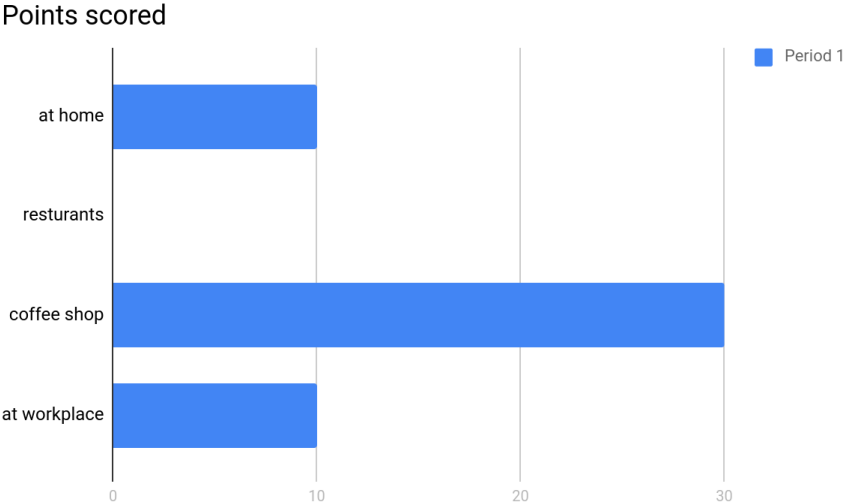


Above is a chart for my sixth question, this is where I had asked people when they drink coffee. As shown in the graph, the majority of the people had voted either sometimes or all the time, only a few people didn't really drink coffee. The people who have voted all the time may be the people who come into a coffee shop everyday to get some energy, the people who have voted sometimes may only come to a coffee shop every now and then, by using this information the business will be able to know who is likely to go to their shop at what time. As more people have voted that they drink coffee, the business can expect to see people entering their business, due to the previous questions they will be able to know what time they would most likely come in, therefore the business will be able to prepare for the customers with products that the customers can buy. The people who had voted sometimes, may also be potential customers for the business, as they don't usually drink coffee, if they are interested / satisfied with the business then they could return to the business as a customer, however if they don't like it, they could still give their opinion which can help the business with attracting new customers to the business.

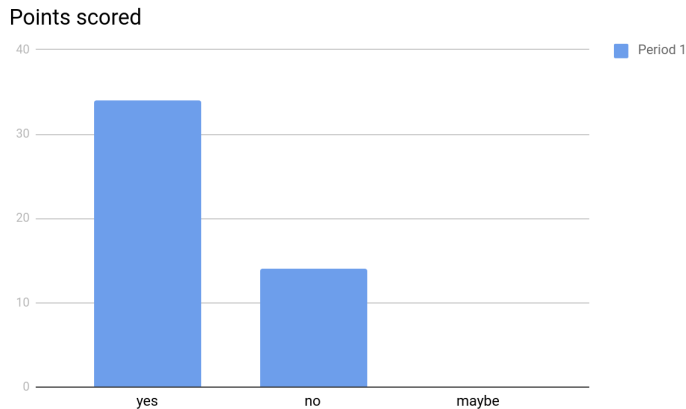


Above is a pie chart showing the results of my seventh question which I had asked what people cared most about when they buy coffee. More than a percentage of people had said that they care more about the quality of the product, some people had said price and few had said that they care about the brand. However no one had voted for 'you

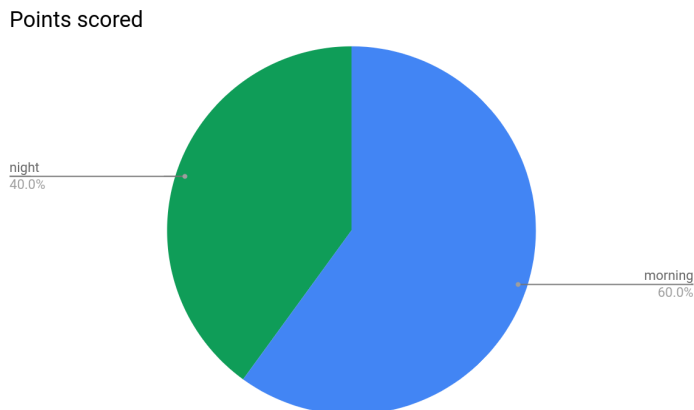
don't really care about anything. This tells us that more people would return to a business if the quality of that product is good, therefore if the quality of the coffee shop business is good then they will be able to get more returning customers as more customers will be satisfied with the product. As some people had voted, they care about the price, the business may have to lower prices that they set as more people care about the price, if the prices are too expensive then the customers would be interested in the product and then wouldn't really buy the product, however if the price is much lower then more customers would buy the product as it might be cheaper than other coffee shops.



Above is the bar chart for my eighth question where I had asked where the customers would normally drink their coffee, most of the people had replied with either at home, in a coffee shop or in the workplace the majority of people drink coffee in a coffee shop and no one really drinks coffee in restaurants. This tells us that the coffee shop should be open more often as a lot more people would drink coffee in the coffee shop, by doing this the business will be able to get more revenue as they would be getting more customers, furthermore, they could also start selling their product in workplaces to get more customers from work buying their products. The coffee shop should be open in the morning as that is when most people would go to coffee shops to drink coffee, however at night, due to most shops being closed, more people would drink coffee at home rather than go out to drink or eat at a shop, the people who had voted to drink coffee at home, would probably be drinking coffee mostly at night due to most of the shops being closed, therefore the coffee shop business will be able to use this to their advantage.

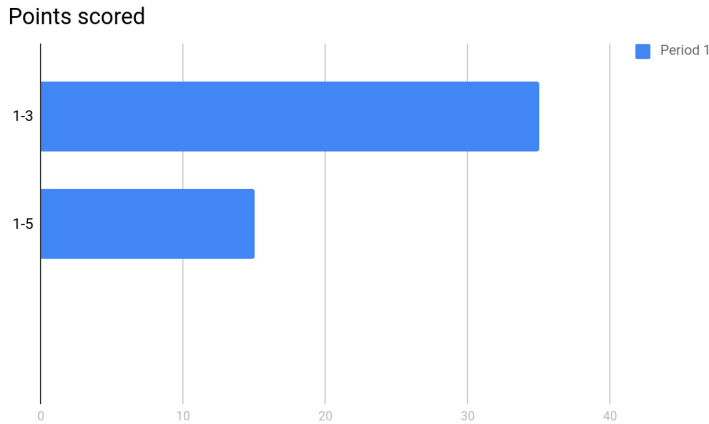


Above is a chart that shows the results of my ninth question which asks whether or not people would spend more money on a better tasting coffee, although no one had voted for maybe, the votes are between yes and no, where the votes for yes are higher than no. This shows that people would be willing to spend more money for better quality coffee, therefore if the quality of the business coffee is good, they will be able to use this to their advantage and place the prices a bit higher than they would so they would be able to make more revenue. However the previous question in the survey had stated that people would care about how much they spend / they care about the prices, therefore the business would not be allowed to make the prices too overpriced as it won't attract many customers and no one will buy from the business, therefore the business will have to make sure that they set the product at the right price so people will be buying their product and they will be able to make a lot of money from their business.

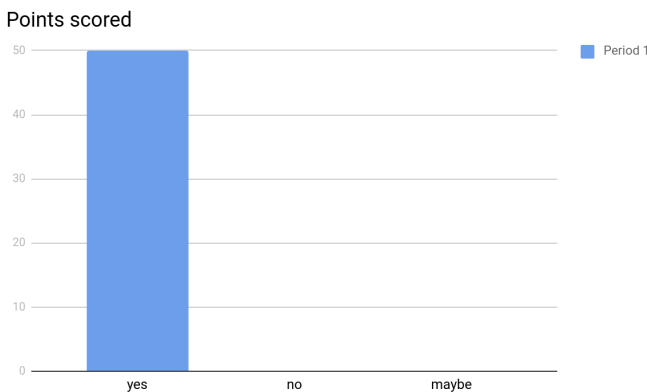


The pie chart above shows the results for my tenth question where I had asked when do people drink their coffee at what time of day, more people drink coffee in the morning, however some people also drink coffee in the night, this might be because the people might need energy throughout the day or energy to stay awake at night. By using this information the business will be able to open their shop at the specific times where they know customers will come to their business, the best possible time for the coffee shop business to open the business would be in the morning, as it is one of the times where

people would be entering coffee shops the most, this will be where they will be making the most amount of money, although the chart states that people also drink coffee at night, this could be because they drink coffee at home, the business may be able to experiment and see which times would be the best for them to open so they will be able to make money.

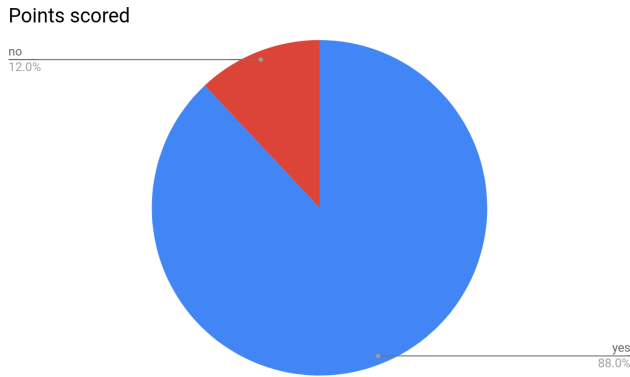


The chart above shows how many people drink how many cups of coffee a day, the results show that no one drinks over 5 cups of coffee, and a lot of people only drink about 1-3 cups a day, furthermore, it also shows that some people have 1-5 cups of coffee a day. This shows that there are barely any people who always drink coffee and the people who do drink coffee may be people who want to stay awake or would want more energy throughout the day. Therefore the business will be able to use this information to be able to make the business better. They will be able to predict what the customers would buy when they go to a coffee shop so they will be able to prepare for it, if they prepare for it then they will be able to succeed and make more money as more customers would buy their product.

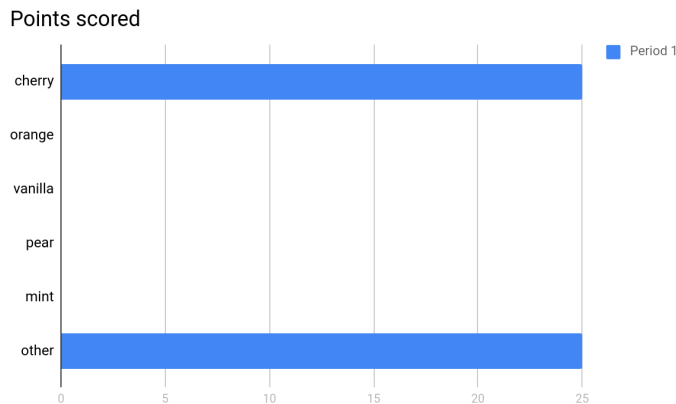


The chart above shows the results for my twelfth question which says whether people would be interested in trying a new flavour of coffee or not, as the results show, everyone who the questionnaire was given to was willing to try a new flavour of coffee, this might be because they are bored of old flavours or are interested in what the new

flavour is. By using this information, the business may have to be innovative and make a new flavour people have not yet seen which will draw their attention, or they could get an existing popular flavour which will also help the business as it will make more people want to buy that flavour.

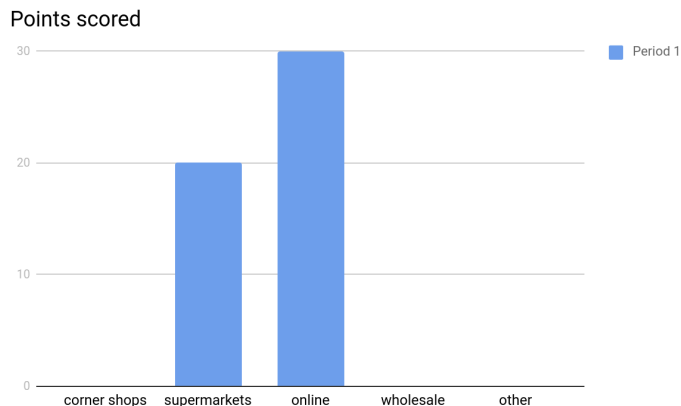


This pie chart shows whether people are willing to try a sample coffee, the results show that nearly all the people who received the questionnaire wanted to try a sample coffee, therefore the business can use that and send out samples as customers would be willing to try them and give feedback. There will be numerous benefits using this data, as the business knows that majority of the people will be willing to try a sample coffee, it gives the business an opportunity to test what they have to offer and will also give the customers the opportunity to see if they like what the business has to offer for them to buy.



The results that I had gained from this bar chart shows what flavour most people are interested in, it shows that half the people liked either cherry or other, this could mean that another flavour like chocolate etc people may also like those instead of the current flavours. With these results I will be able to find out what flavours of coffee people enjoy the most, by doing this the business will be able to see what they need to change out of the business or what to improve on, otherwise the business will keep wasting their

money on useless supplies as no one will be buying the product, by looking at the graph the business will be able to see what flavours don't really need to change and what flavours will definitely need to change.



For my last question of my questionnaire I had asked where people would normally buy their coffee from, the majority of the people would normally buy their coffee from online, and the rest of the people would also normally buy their coffee from shops / supermarkets. By using this information, the business will be able to set up a website where people will be able to buy more coffee related things from the business, by doing this revenue should be able to increase a lot due to the amount of people that shop online rather than to go out to coffee shops or supermarkets to purchase them by hand. Due to there being a lot of people that shop online, there should be a very good amount of products that are available on the website for people to buy.

M3 - Analyse the findings of the market research using a wide range of statistical techniques and comment on confidence levels.

I have found multiple findings from my market research, these findings from the research can show both positive and negative effects that my business may have, by using this type of data I will be able to find out all the things that my business is doing wrong as well as finding out what areas in my business / what product the business will need to improve on in order to make the business much more successful. The data that I have collected through this questionnaire / graphs will allow the business to easily analyse the data / research that has been produced, this is really effective at being able to analyse, my different bar charts are able to clearly show the difference between each result. My business is able to look at those graphs and find out which product the business will have to improve in order to make it more successful. For an example in one of my questions I had asked what flavour the customers like at our business and the majority had picked either cherry or other, this may tell us that we would need to make the flavours of the coffee much more enjoyable and worth the price the customers

would have to pay for it, this will as a result improve the customer satisfactory and will help gain more customers as customers would enjoy the product.

Moreover, with the data that we had collected, we will also be able to calculate the mean, mode and median of the data that we had obtained, this can be quite useful to the company as they will be able to find the average of all their data, furthermore they will also be able to find the most recurring numbers etc which will greatly enhance our businesses ability to be able to analyse data and information from the questionnaire. As a result, my business would feel extremely confident as being able to analyse the data collected effectively would be able to help the business a lot, you would be able to find out exactly what is making your business fail whilst also highlighting the positives of the business and any negatives that it may have, this way they will be able to make the business better by improving any negatives that the business may have and making the positives even better with the customers feedback. Furthermore, being able to find the mode, median and mean of their data will help improve the business a lot. By being able to analyse the graphs the business will know what the business should keep as a product and what product to remove for another better product. If the customers' problems are gone then they would most likely come back to the business as they wouldn't have the same problems with the business as they once did. Most of the customers which we had given the customers drank coffee, they would typically drink around 1 - 3 cups of coffee a day, they mostly would get coffee at either night or in the morning, most people would drink a latte, more people would pay more for a better tasting coffee.

One of the questions which was asked to the people who took the questionnaire was 'where do they normally drink coffee' the results gathered from this would be that, 10 people had replied with at home, no one had said at a restaurant, 30 people had said at a coffee shop, and 10 people had said at the workplace. The data gathered here can be used to interpret what the mode, median and the mean is out of the results, the mode (most) would be at a coffee shop as there are 30 people who have voted for that. In order to find out the mean you would have to add all the numbers there and then divide them by how many there are. Therefore $30 + 10 + 10 + 0 = 50$, then $50/4 = 12.5$ which is the mean. The median will also be able to be calculated using this data as well, the median of this data would be 10 given there are 4 options in that question, in order to find out the range for this question, the smallest number would have to take away the biggest number, $0 - 30 = 30$, 30 would be the range number from this question. As a result the median, mode and also mean can be calculated for all of the questions and can help the business with figuring out these things.

By using all the data that has been collected, both I and the business will be able to feel confident in making the customers satisfied with their product, as the customers would have left their feedback on the questionnaire, by being able to analyse it well, we will be able to give the customers exactly what they want which will no doubt attract them into the business and make them buy some of the businesses products. Furthermore, by using the customers opinions etc, the business will be able to be much more confident in making coffee as we will be giving the customers what they want. By using the mode,

median and mean in the graphs, the business will feel more confident as the business will be able to analyse the results in the graph properly, by doing this they will be able to provide the customers with what they want. By using the graphs / results gained from the questionnaire, the business will be able to know what product/service the customers enjoy/like more than other products, by using this information, the business will be able to improve their products that are not particularly doing so well, or they will also be able to find out how they will be able to improve that specific product by searching online or making another questionnaire on how to improve that product.

D3 - Assess the limitations of the data collected and justify research planning process improvements in light of the work undertaken.

Although there may have been quite a few advantages and benefits with the data collected there has also been quite a few limitations that might have come with the research that was conducted. One limitation is that the questionnaire was given to people inside coffee shops and supermarkets, therefore it could have been quite biased and may have produced unreliable and inefficient results, in order to help prevent this in the future, I should use appropriate statistical methods, although this won't completely reduced how biased the results will be, it will help reduce it down so the data and information is more reliable. Another limitation that the business may have had is that we could've used more questions in the questionnaire which would have helped the business, if we had added more questions then more negatives in the business would be easier to identify and much easier to take care of, it could even be a specific question to help the business if it needs help on one particular thing, as we didnt do this the business it may hold our business down as we wont know some of the problems that our business may have. If the business includes more questions then more of their problems would be solved, furthermore, they will also be able to get more of the customers opinions about the business, what would also be quite good is that the questionnaire should also include a section where the customers can give their opinion on anything the questionnaire doesn't talk about, by doing this the business will be able get more information/opinions from the customers about how to make the business better.

Moreover, another limitation that we may have had is money wise, due to the expenses of the research that was carried out, it may have held our business back a little. The cost of both the primary research and the specialist marketing agency may have been a bit too much for the business, therefore it may have sent the business back a little bit, in order to stop this in the future you could use an external source of finance or even a loan to cover the expenses that the business will have t pay, if you pay with a loan then you would eventually have to pay the money, however it would be much easier to use a loan rather than pay for the costs. Furthermore another limitation that the business may have had is that the customers that the questionnaire was given out to may have not answered the questions properly, this would make the results much more inaccurate and would give false information to the business, not only that, but also the handwriting may have also been too difficult for the business to read which may also limit the

business. In order to stop this in the future, the business should send out online copies instead of paper, that way it would be much easier to read and analyse, you would be saving more paper and would be much more effective in general, online copies may have their own benefits that a paper copy may not have, if a customer has made a mistake they will be able to easily remove/ delete the error that they had made whereas on paper that would've been much harder to do, furthermore it will be much easier to fill out as they will be able to take time with the questions etc, the handwriting of the customers won't be an issue anymore, and will be cheaper for the business to produce, therefore online copies will be much better than paper copies.

Another limitation is that the results may be inaccurate, the reason for this is because customers / human tend to act differently when they know that their results / their actions are being recorded or observed by someone, therefore they would try to act differently to avoid anything going wrong, therefore because of this some of the data that was collected may have been inaccurate and wrong, this as a result will not benefit the business and will just become another limitation to the business. Furthermore the process of the questionnaire was also very time consuming to do, the time that was used could have been used on other things that may have been more important. As a result, by having more people part of the questionnaire you will be able to counter this as there will be a much better chance that the information given by the customer will benefit the business rather than the customers lying, as there are more people, more people will give their honest opinion.

Another limitation is that, the results of the limitation may not always be good / beneficial to the business, even if the improvements are added to the business there is still a chance that the business won't be successful, a good example of that is the coca cola recipe, after the recipe was 'improved' many people had disliked it and therefore the business had began to go down, as a result coca cola had resorted back to its original recipe where it had started doing much better than the 'improved' recipe. Therefore the same situation may occur to the coffee shop business, people may hate the new taste of coffee or the new improvements that have been made which may result in the business having to back to its original style, therefore this could also be another limitation as it would just be a waste of money and time spent, as there has been quite a long time spent conducting the research and quite a large amount of money spent on the research only for it to go down the drain, therefore it will be extremely important for the coffee shop business to always have a backup plan just in case anything goes wrong or anything bad happens to the business, because then the business won't be as badly affected as they would have been. Or the business can also do what the coca cola business has also done and released a drink called coca cola classic where it has the original taste, if the coffee shop is able to do this then both people who are interested in the old and new taste can buy the drinks, furthermore it also adds a lot more variety to the coffee shop business.

Lastly another limitation that I may have had with the questionnaire is that the sample size of the questionnaire may not have been enough to get a lot of information, the sample size that was used in the second questionnaire was 50, this simply may not

have been enough to get all the information the business needs in order to make the business better with the improvements, with a bigger sample size the more responses and the more information there will be for the business to analyse, furthermore there will also be more opinions, in order for the business to improve on this next time, there should be a bigger sample size, about 100-200 as you would be able to get a lot more information that way, if your sample size is only 50 then you would only be able to get about half the amount of information as you could possibly get. As a result there are many limitations that may have come with the research, therefore solutions would have been made for the future to stop these problems/limitations from happening again. By having a better/bigger sample size for your business questionnaire, more people will be able to give out their opinion which will be vital for the business, if a questionnaire was given out to 2 people and they both had different opinions on the coffee, then that questionnaire would have just been a waste of time etc, therefore with a wider range of people the better it will be as more people will be able to help the business become better.