STARBUCKS RESERVE ROASTERY RESEARCH REPORT

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Marketing

<u>Jersey City, NJ</u>

History

- Is diverse due to the Underground Railroad and railroads to Ellis Island
- Exchange Place, known as Wall Street West, is one of the largest financial centers in the US
- Has the nations 12-largest downtown





- Starbucks entered in July 2000 in Australia
- 61 current locations
- First in Hyde Park in Sydney. They missed the mark, due to not understanding the coffee culture of Australia.
- They offered sweeter coffees at a higher price than other Australian cafes. They did not offer a flat white, which is an Australian coffee staple.

PESTC Analysis

Jersey City, NJ

- Political: Democratic mayor with a strong mayoral and council system
- Economic: Median household income of \$76K, 15.7% of the population lives below poverty line
- Social: Population is 33.6% white,
 26.9% hispanic/latino, 26.1% asian,
 and 23.1% black/african-american
- Technological: Has a vertical indoor that supplies food to airlines
- Cultural: 42.5% of the population is foreign-born, 52.6% of population speaks language other than English at home

- Political: They have both a constitutional monarchy and a liberal democracy
- Economic: Businesses, like Reddit, are opening offices here
- Social: Australia's population is 25.4 million, while the U.S. is 331.9 million
- Technological: Their goal is to make Australia's tech department contribute \$250 million to their GDP
- Cultural: Older gens prefer pubs, while younger gens prefer discos and trendy bars/restaurants

<u>Jersey City</u>

Marketplace

Coffee Shop	LACKAWANNA COFFEE	Cafe Esme	Bwe kafe	Treehouse coffee chop	Dames Coffee Espresso Bar
Location	140 Bay St	485 Marin Blvd	140 River Dr S	434A West Side Ave	581 Jersey Ave
Number of Locations	2	1	3 and mobile cafe	1	1
Aesthetic	"Simple yet striking," very Tumblr-esque	Colorful, modern, homey	Hip, modern, minimalist	Small, colorful	Cozy, exposed brick, window seats
Type of Cofee	Specialty coffee with a Japanese twist	Typical coffee offerings, juices	Own line of roasted coffee, typical coffee offerings, some seasonal items	Typical coffee offerings, specialty teas, juices	Typical coffee, tea, and kid-friendly offerings
Type of Food	Small array of baked goods	Pastries, breakfast, and paninis	Pastries from local bakeries and pantry items	Pastries, donuts on the weekend	None
Known For	Japanese-style Iced Coffee, Wildflower Honey Latte	Oeufs Benedict, a spin pressed between two pieces of focaccia	Family owned and operated and opened to fund charity	Hole-in-the-wall, iykyk-type of shop	Well-crafted, simple coffee

<u>Melbourne</u>

Marketplace

Coffee Shop	Gloria Jeans	Hudsons Coffee	Starbucks	Small Batch Coffee Roasting Co.	Axil Coffee Roasters
Location	multiple	Elizabeth Street	multiple	3-9 Little Howard St	322 Burwood Rd
Number of Locations	173	45	61	1	18
Aesthetic	Warming, nostalgic, homey	Modern, quick, fresh, minimalist	Classic, minimalist, Starbucks style	Urban, industrial, factory	Fresh, open, maximalist
Type of Cofee	Chillers, over ice, hot	Espresso, latte, cappuccino, flat white, vienna	Batch brew, flat white, americano, cappuccino	Milk coffee,mocha, black espresso, chai latte	Espresso, cold brew, cold drip, batch brew, macchiato
Type of Food	Pastries, sandwiches and donuts	Pastries, frittatas, toasties, sandwiches	Pastries, toasties, salads, macaron, donuts	Pastries, mince pies, quiche, sandwich, salad	Bircher, waffles, eggs, smoked salmon
Known For	Down to Earth vibe, with great chilled drinks and food	Their premium blend and barista's choice	Largest coffee brand worldwide	Small batch coffee grounds	High quality, ethical coffee

Trends and Reasoning

Why Jersey City?

- Google trends indicating interest
- Proximity to NYC
- Strong coffee culture
- Has an arts and financial district that would benefit from it



Why Melbourne?

- Booming coffee capital
- Healthy trends are emerging
- Starbucks needs a redo on the introduction to Australia
- Large tourist attraction

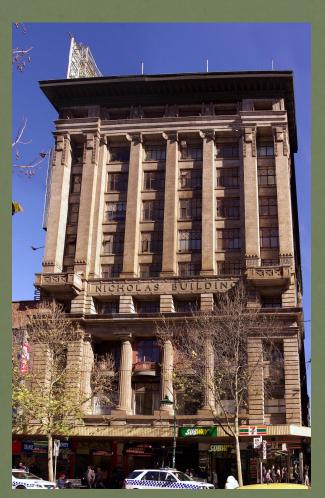


U.S. Location

- 119 Newark Ave, Jersey City, NJ 07302
- Near train station
- Has a mural on the wall behind it
- Starbucks would find current business owner a new location



International Location



- Rooftop of Nicholas
 Building
- 37 Swanston St,
 Melbourne VIC 3000,
 Australia
- This building holds over 200 artists and creatives
- Going to be sold for \$80 million, unless there is a new added revenue



TARGET AUDIENCE

Jersey City, NJ

Gender: All gender expressions	Gender: All gender expressions
Age: 25-40 years old	Age: 20-40 years old
Income: Median to high	Income: Medium
Demographic: Locals craving new experience, travelers	Demographic: Locals that love to be active, tourists, art lovers
Microculture: Specialty coffee fanantics	Microculture: Health and art focused individuals

Jersey City, NJ Mood Board









Services/Amenities Offered

Jersey City, NJ

- On-site coffee roasting on display
- Healthy foods with locally-sourced fresh ingredients
- Herbal and floral-based experimental drinks
- Authentic Italian bakery with cannolis





- Alcoholic drinks and non-alcoholic drinks like Espresso Martinis
- Local coffee grounds in collaboration with Starbucks
- Fairy bread, Tim Tams, Pavlova, Meat Pies, Chicken Parmesan, Toasties



SPECIFIC MESSAGING



"Where you go to get away"









"Grab a coffee and stay a while"



"One for the road"

Jersey City Media Strategy

Media Channels	Instagram	Facebook	Twitter
Types of Content	Posts, stories, reels	Text posts with images	Tweets with pictures and short promotional videos
Content Examples	Specialty drinks and how to order them	Stories from employees and Starbucks insiders	Engaging questions and infographics
Frequency	1x/every 3 days	1x/every 3 days	1x/every 3 days

Melbourne Media Strategy

Media Channels	Instagram	Facebook	Twitter
Types of Content	Posts, reels and stories	Posts with images	Posts with images, discussions
Content Examples	Content on amenities, history of Melbourne and businesses in Nicholas	Posts of our food and drink, reposted photos from our consumers	Answering questions, showing new amenities to our store
Frequency	2x per day	1x per day	3x per day

Advertising Strategy



Jersey City, NJ

Melbourne, AU





STARBUCKS RESERVE **OPENING SOON**



FIRST VISIT 10% OFF



Nicholas Building -- 37 Swanston St





Budget and Timeline

Jersey City, NJ

- Approximately \$1,000,000
- Relocate current owner
- Begin inside and outside renovations
- Purchase everything to stock the store
- Train employees for two weeks prior to opening
- Open!
- This takes about 12 months

- Location-\$20 million
- Renovations to outdoor rooftop store-\$20 million each
- Buy local and other decor-\$5 million
- Outdoor rock wall-\$50,000
- Prep 300 employees-\$30/day
- Open after 15 months
- Total: \$49,154,000

Conclusion

Jersey City, NJ

The goal is to

- Attract the artsy, hipster type that populates the area
- Pique people's interest, leaning into their desire to have creative spaces
- Lean into the specialness of the rich coffee, arts, and culture of Jersey City

Melbourne, Australia

The goal is to

- Invite tourists and locals alike to a fresh version of Starbucks
- While still holding onto the Starbucks aesthetic, we invite all Australian culture

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