

Jersey City, New Jersey and Melbourne, Australia
Starbucks Reserve Roasteries

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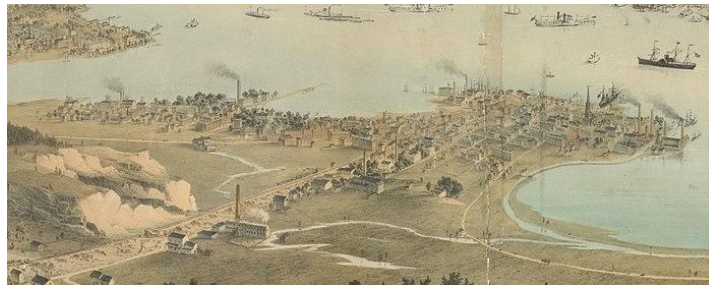
**Part One:
Starbucks Reserve Roastery
Research Report**

History

Jersey City

For the proposed new location of a Starbucks Reserve Roastery in the United States of America, I selected Jersey City, New Jersey. Before offering insight into why I chose Jersey City, I will first provide a brief history of how the city came to be. The land of what is now known as Jersey City was initially inhabited by the Lenape people, a group of Native Americans, later referred to as Delaware Indians or Native Americans. The land was rediscovered in 1609 by Henry Hudson, who was looking for an alternative route to East Asia. While it is reported that Henry Hudson merely surveyed the land and met the Lenape people during his initial visit and that their relationship was mutual and amicable as he later settled in the land, over time relations with the Lenape people deteriorated due to colonialist mismanagement of the land. This led to raids and reprisals and eventually Kieft's war, during which approximately 80 Lenape people were killed by the Dutch. This occurred on February 25th, 1643.

The groundwork for modern Jersey City was laid when Alexander Hamilton helped create the Associates of the Jersey Company around 1804. The city had many notable historical occurrences that contributed to the city's very rich history. During the 19th century, former slaves made their way through Jersey City through one of four Underground Routes, helping diversify the population of the modern land. Jersey City was also diversified as a result of three passenger railway systems that transported millions of people through the city as they made their way to Ellis Island in the 1880s. And for the majority of the 19th and 20th centuries, Jersey City was a dock and manufacturing city with German, Irish, and Italian immigrants finding work at Colgate, Chloro, or Dixon Ticonderoga factories. This took place before WWII. Something that the city of Jersey City was known is political corruption. Because of this, the city experienced a period of urban decline by the 1970s. But as the city built itself up financially, Exchange Place financial district became known as Wall Street West because it is one of the largest financial centers in the U.S. Jersey City also has the nation's 12th-largest downtown and one of its most notable architectural achievements is the Holland Tunnel, which was the longest underwater vehicular tunnel at the time and solved the issue of ventilating a long vehicular tunnel.



Melbourne

When Starbucks first entered the Australian spotlight in July 2000, it was marketed for teens that enjoy a club atmosphere. Already in the coffee category in AU was America's Gloria Jeans, which had unique items such as Arnott's Tim Tam Chocolate Chiller. Other local cafes were set up in the mid-1900s by Greek and Italian immigrants, who focused on espresso lattes. The charm of these local shops was something cherished by consumers and was not seen in Starbucks. When Howard Schultz bought the company and started expanding worldwide, he chose to launch the first Australian Starbucks in Hyde Park in Sydney. However, when they opened in Sydney, they missed the mark. They did not understand the coffee culture in Australia, as 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. Starbucks was thought to have believed that Australia was "westernized enough," so they did not put an effort into differentiating themselves from local cafes (LinkedIn). And with opening more stores that were not successful in the AU, Starbucks had to close 70% of their stores, leaving just 23 open by 2008. They also lost \$105 million within this time frame. Now in 2022, Starbucks has recovered in the coffee market in Australia, owning 61 stores in all of Australia, specifically in Brisbane, Sydney and Melbourne. They achieved this by slowing their creation of stores and catering to tourists and Australians.

Overall, Australia is one of the biggest countries in the coffee market, as they had \$6 billion in total coffee revenue in 2018. It started in 1788, where the first recorded coffee in Australia arrived. It was reported that it could be prepared by boiling it with milk and mustard, eggshells or even dynamite. Later, in the 1930s, coffee shops were introduced by Europeans. Due to the 1956 Olympics, cafes were reinforced as cultural hubs and nightlife for some Australians. As seen from other countries' coffee shops, Australia has made an influence in the café scene. These high-end cafes have local beans and feature healthy and fresh breakfast items that are locally sourced.



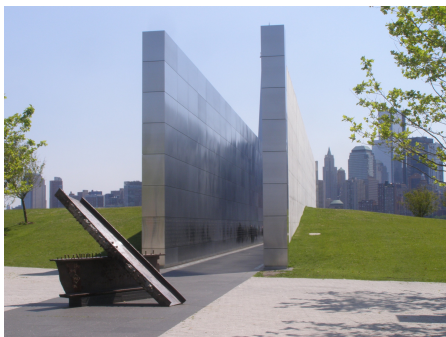
PESTC Analysis

Jersey City

A political, economic, social, technological, and cultural, also known as PESTC, analysis of Jersey City points to it being a rather satisfactory and positive place to live. Politically, Jersey City currently has a Democratic mayor and a strong mayor and city council system. Topics of recent city council meetings include economic development, parking, public works, transportation, cannabis, conservation, and lake management. Although Jersey City's recent political history seems to be positive, in 2015, the city was under investigation to determine if the city needed to undergo a tax reevaluation, which they ended up needing to complete by November 1st, 2017. Another thing that occurred in 2015 was that in July, the Movement Advancement Project described Jersey City, New Jersey as "a city or county that prohibited discrimination in employment on the basis of gender identity via ordinances that apply to public and private employers."

While Jersey City is a safe place to live if you are LGBTQ+, it is also a secure place to live financially. The median income is \$76,444 and 15.7% of the population lives below the poverty level. The median monthly homeowner costs with a mortgage are \$2,735 and the median gross rent is \$1,485. 69.4% of the population is employed, 62% of which are female, and \$612,459,000 is the total of accommodation and food services sales in 2017. The mean travel time to work for these people is 37.2 minutes. The overall population consists of 262,652 people, which is 33.6% white, 26.9% Hispanic/Latino, 26.1% Asian, and 23.1% Black/African-American. Of these people, the high school graduation rate is 88.4%, and the college graduation rate is 49.8%. Technologically, 93.2% of households have a computer and 87.9% of them have a broadband Internet subscription.

Like its history, the culture of Jersey City is also very rich. 42.5% of the population is foreign-born and 52.6% of the population speaks a language other than English at



home. Its rich history has resulted in a lot of landmarks, such as the Empty Sky 9/11 Memorial and the Central Railroad of New Jersey terminal, parks, such as Liberty State Park, and museums like the Afro-American Historical and Cultural Society Museum and the Museum of Russian Art. It has powerful arts districts, the Powerhouse and Riverview art districts, and has its own Mana Contemporary. The Red Bull arena is a notable structure in the city and an important historic and cultural moment that happened in 2020 was that there were protests following the killing of George Floyd.

Melbourne

Australia has a transparent political system. They have both a constitutional monarchy and a liberal democracy. With rule of King Charles III as well as Australian governors and generals, there is dual political rule in Australia. They have two parties, labor and liberal. Australia has a strong tie with the U.S. and is a part of the United Nations. However, Australia has been criticized for poor treatment of refugees, choices of deportation laws, and violating human rights laws. Due to the overall political nature of Australia, many investors seek out locations for businesses here because it is a stable political environment.

As for their economic analysis, Australia's Gross Domestic Product per capita is 65,005.795 U.S. dollars. Its nominal GDP is 1.543 trillion USD as of 2021. This means that as a majority of citizens are working to create this large sum, they are employed and doing financially well. Having people that are working means that there is lower unemployment, less crime, and people are mentally satisfied. Australia is also known to be a good choice for real estate investors, as it has a favorable U.S. currency exchange rate. As well, many big businesses have expanded into Australia, such as Reddit opening an office in Sydney in July 2021 and Google having two offices in Australia, one in Sydney and the other in



Melbourne. As well, Australia's exports include oil, coal, wheat and beef. Imports, which was a total of \$275.13 billion in Australia, include fuel, machinery, mineral oils, pharmaceutical and medical products and plastic.

Australia has less population compared to other countries, as the total population in 2021 was 25.74 million, and the U.S. had 331.9 million. The average life expectancy of males and females in Australia is 80 and 84 years, respectively. The indigenous people of Australia are Aboriginals, as seen on the image to the left. They also have the most multicultural and multi-ethnic society, as after WWII, they welcomed a mass number of immigrants. They

have three social classes, upper, middle and working. While the upper and middle class have financial access to big houses, designer clothes and accessories and luxury cars, the working class has debt to have the same lifestyle set by the prior classes. Australia also has a higher education system, where those in upper and middle classes attend private schools and working class attend government schools.

Australia's digital technology system has grown 79% over the last five years. It is worth \$167 billion Australian dollars in 2021. The government is backing the technological department to contribute A\$250 billion to Australia's GDP by the end of the decade. Australia's technological department offers a thriving tech sector, which has more than 100 companies valued for over \$100 million; world-leading universities and research institutions, which work on "AI and autonomous systems to remote sensors and cyber security," and a "government committed to investing in infrastructure, including the National

Broadband Network, 5G operational bases, cybersecurity, AI and quantum capabilities" (Global Australia).

Australia's culture is known to be very informal and laid back. They say phrases like mate and G'day. As well, they have fashion and entertainment tastes that differ from Europe and North America, and their humour is more sarcastic, ironic and self-deprecating. Aussies enjoy drinking and gambling, with beer being the drink of choice. Wine production is starting to rise as well. While older generations prefer pubs to socialize in, younger generations go to the disco or a trendy bar/restaurant. Their cuisine is a mixture of international trends and contributions from Aboriginal indigenous people. Barbecues, or barbies, are a favorite pastime. Traditional Aboriginal Outback food includes kangaroo, wombat, turtle, eel, emu, snake and witchetty grubs. The latter is the larva of a ghost moth. As well, vegemite is a staple. Italian food is a big part of Australian cuisine as of recent years. Chinese medicine and therapy, like Shiatsu massages, have also been influenced in Australia. They host a variety of festivals, including Sydney Festival in January, the Melbourne Festival in October.



Location Marketplace

Jersey City

Coffee Shop	LACKAWANN A COFFEE	Cafe Esme	bwe kafe	treehouse coffee shop	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 coffee	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	Oeufs Benedict, a spin pressed	Family owned and operated and opened to	Hole-in-the- wall, iykyk-type of shop	Well-crafted, simple coffee

	Honey Latte	between two pieces of focaccia	fund charity		
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Key takeaways:

- Jersey City is home to a lot of locally-owned coffee shops
- The most popular coffee shops have something special that sets them apart, which are a unique aesthetic and social purpose
- The majority of coffee shops have limited food menus consisting of mainly pastries
- Colorful interior design is popular

Melbourne

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 coffee	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

Key takeaways:

- Australia and Melbourne have a lot of coffee shops to choose from
- Gloria Jeans is the most popular, as it has the most amount of locations and is widely loved online
- There are more unique options to choose from in different countries, such as toasties and macarons at coffee shops
- Minimalist interior is most common within these shops

Trends

Jersey City

Jersey City, New Jersey is a city known for its coffee offerings. According to Rent.com, Jersey City is the 14th best city in America for coffee. As of October 2021, the population of Jersey City was 262,075 people, there were 2.13 coffee businesses per square mile of land, and 50.79% of coffee shops were locally owned. Since this is the city I suggested for Starbucks to build a new Reserve Roastery, Starbucks would need to put a lot of emphasis on the products they source locally in order to be successful. Aside from this, while there is not a lot of “official” data about coffee consumption in Jersey City, there is a lot of consumer data that can be related to Starbucks and the coffee industry. According to Mintel “In 2021 Chicago-based Farmer’s Fridge announced a partnership with Dunkin’ to place its healthy vending machines in several neighborhood locations in both Chicago and New Jersey.” This trend indicates an increase in the importance of healthy food options when dining out. It could also indicate that Starbucks Reserve Roastery’s fresh food options would perform well in Jersey City. In addition to locally sourced items, Starbucks would need to put emphasis on the healthy and fresh food menu items it would offer. In a separate report, Mintel stated that “CVS announced in June 2019 that it is expanding its HealthHub store concept beyond its debut market Houston, and will now include Atlanta, Philadelphia/Southern New Jersey, and Tampa.” This is another indication that health is a top priority to



people in New Jersey. And another trend from Mintel that is related to health food trends is that “Flights between Newark Liberty International Airport in New Jersey and Changi Airport will feature in-flight menus that include salad greens that have been grown in a one-acre, indoor vertical farm in Newark.” This is something that Starbucks could also try, by purchasing vegetables from the same indoor farm and using them in their fresh food offerings.

Other trends that would support Starbucks building a new Reserve Roastery in New Jersey are “QuickChek, a convenience store based in New York and New Jersey, also launched a loyalty rewards program available on its mobile app in 2020...In the first week of the rollout, more than 1,000 members visited at least five times, elevating them quickly to the middle “Friends” tier” and “A café in Camden, New Jersey sells everything from coffee and snacks to paternity tests, drug

screening, and financial advice.” These two trends indicate that shoppers in New Jersey have a lot of brand loyalty and they are interested in spending their time in spaces that act as “social hubs,” and that they like grabbing coffee along with other tasks. Starbucks is known for its successful app and loyalty program, which would likely see just as much success with the new Reserve Roastery location. And as the new Starbucks Reserve Roastery gains more loyal customers, it will develop into a popular spot for people to come in and have coffee while they complete work.

Melbourne

Australians have a big love of coffee, as it is embedded in their culture. According to Statista, the domestic consumption of coffee in Australia in 2022 was 2,125 in volume in thousand 60-kg bags, which is a 395 increase from 2017. As well, the number of cafes and restaurants in Australia in 2021 was 50,826. The overall coffee market in Australia is an experience. They befriend their local baristas, and are loyal to the cafes they love. Like other European countries, ordering coffee to go is frowned upon, as instead Australians prefer to enjoy a longer, healthy and delicious breakfast with coffee and talking with friends and family. They love to do this on the weekend, before they go surfing or relax on the beach. Aussies prefer having food in coffee shops, such as toasties, which are toasted sandwiches, as well as

other small pastries. While eating and drinking, Australians love socializing, and sometimes focus more on the people rather than the coffee.

When focusing on the coffee, Aussies prefer simple recipes over complex ones that are common in the United States. They favor espresso coffee, with or without milk, and they do not prefer drip coffee. As well, preparations for the coffee are stronger than North American styles. The most common coffee is



long black (a double espresso with hot water), which is shorter and stronger. The espresso is poured onto hot water to retain the richness. As well, a flat white is very important to Australians as it originated there.

A trend that is popular in Melbourne is Espresso Martinis. A Mintel report from September 2022 stated that Naked Life Spirits' created a non-alcoholic Espresso Martini, which is a ready-to-drink cocktail, paired with seven non-alcoholic premium spirits in a bottle. It is served in-home for cocktail lovers. It is also a great

alternative for in-person restaurants, bars and cafes. Especially during the pandemic, people are less likely to go outside and be social. This helps a very social group continue to enjoy what they are doing. This brand's new line pays homage to Melbourne through the celebration of the city's coffee culture. As well, Australians are found to start focusing on their health by drinking less. This targets this demographic, as well as anyone who is interested in this drink and can't have alcohol. As well, another trend that relates to Espresso Martinis is from Feminae Beverage Co's Violet Crumble Espresso Martini. Mintel reported in November 2022 that this cold drip coffee, flavored with honeycomb, is made in Melbourne. Since it is an alcoholic beverage, unlike the previous trend, it includes premium vodka and Australian cream. There is a deeper connection within this line, as Australian Violet Crumble is Australia's first chocolate bar.



On August 3, 2021, Mintel reported that Mars Wrigley partnered with Undercover Roasters to create the ECLIPSE Mint Mocha. As Australians were found to habitually reach for mints after drinking coffee, Wrigley took this phenomenon and emphasized it. They have two forms, one being a spearmint-infused chocolate orb or a granule packet that baristas stir into coffees.

Before You Speak, an Australian brand, created the first functional pre-workout coffee alternative. For gym-goers who want a healthier alternative to pre-workout, this coffee-based beverage is for them. An overall trend for Australians is that they are looking to have a healthier and active lifestyle and eat healthier. Lastly, from May 2022, there is a drinking demand for ethically produced wines in Australia. Sustainable Winegrowing Australia found that 72% of Australian vineyards and 82% of wineries are prioritizing energy efficiency. Eco-conscious Aussies can also build connections between the wine producers and their communities through this.

Conclusion

Jersey City

In conclusion, Jersey City, New Jersey is a city with a rich history and diverse and equally as rich culture. This is in part due to its proximity to New York and its being a place where freed slaves and immigrants passed through, but is also because of its many accomplishments throughout history. Coffee culture is strong here and health is very important to the consumers here, providing me with a lot of valuable information to base the plan for the new Starbucks Reserve Roastery. Jersey City, New Jersey

will be a good place for a Starbucks Reserve Roastery because of its already existing coffee culture, rises in interest in different ways to experience coffee, and proximity to New York City.

Melbourne

Melbourne is a booming coffee capitol in Australia, where they focus on healthy trends and benefits for themselves through eating right and exercising. After Starbucks originally failed to show interest in Australia and forced their coffee culture onto one that already exists, incorporating a Starbucks Reserve Roastery years later can help to continue to heal this past mistake. By incorporating trends from the micro-culture of coffee in Melbourne into this Reserve, Aussies will hopefully continue their appreciation for Starbucks. While Australians do have a lot of coffee shops to choose from, and are known to be loyal to their favorite brand, hopefully they and Australian tourists will find a Reserve interesting and new to their city.

Part Two:
Starbucks Reserve Roastery
Marketing Strategy Plan

Marketing Strategy Plan

Jersey City

There are many reasons why Jersey City, New Jersey is an ideal location for a new Starbucks Reserve Roastery location. However, I based my initial decision on three Google Trends findings. As of November 27th, 2022, when searching the term “Italian bakery,” New Jersey places 4th on the list of interest by subregion. This is likely because of the popularity of Italian bakeries in New Jersey and Buddy Valastro’s famous Italian bakery, Carlo’s Bakery. This is an interest that Starbucks would be able to cater to through the Italian Bakery it offers at some of its Reserve Roastery locations. When searching the term “Cafe experience” in Google Trends, New Jersey is 3rd on the list of interest by subregion. This indicates that coffee drinkers are no longer only interested in a place to get good coffee, but a space for them to enjoy their coffee in. Starbucks is known for its trendy and ambient cafes, which the Reserve Roastery especially achieves. And the last term I searched on Google Trends that pointed to a Starbucks Reserve roastery finding success in Jersey City is “Starbucks Reserve Roastery” which New Jersey places 4th on the list of interest by subregion. Jersey City is also accessible from New York City, has a prominent already existing coffee culture, and has an art and financial district that would benefit from it. New Jersey consistently displays interest in topics that relate to Starbucks, indicating that a Starbucks Reserve Roastery would thrive here.



The specific location that the new Jersey City Starbucks Reserve Roastery will be located at is 119 Newark Ave, Jersey City, New Jersey 07302. The building has a lot of local and historical charm and is currently inhabited by Grove News Corner Inc. This is a great location because it is within a 5-minute walk from a train station, it has a mural on the wall behind it, and it is located in the heart of Jersey City’s downtown. Since the current business located in the building seems to be a staple in the neighborhood, Starbucks would be ethical and proactive about relocating the current business owner, helping them secure a new location, and assisting with moving fees. It is important that if Starbucks is going to successfully win over a community that supports locally owned businesses they do its best to show the community that they care.

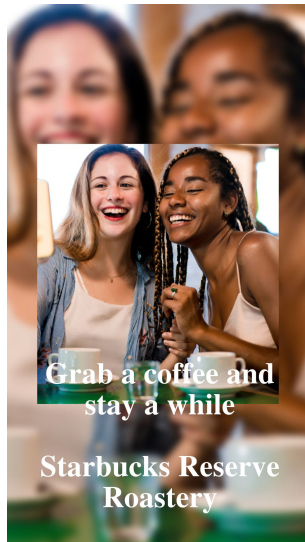
The target audience for this new Starbucks Reserve Roastery location would be people ages 25-40 years old of all gender and sexual expressions. They would have a median to high income, considering the specialty and often expensive items that a Starbucks Reserve Roastery will have on the menu, and they would have a job in nearby districts that would want to use the space to do work. The ideal demographic would also consist of travelers either visiting New Jersey or New York City and locals who are looking for new experiences. The target demographic would be drawn to Starbucks and its specialty drinks due to Jersey City’s already existing specialty coffee microculture.

The goal of the architectural and design elements of the new Starbucks Reserve Roastery would be based in preserving the charm of the historical building it would exist within. The new Starbucks would keep the same architectural design as the current building to pay homage to the neighborhood and culture of the area. Slight changes would be made to the outside of the structure, with the current gold metal being replaced by a more refined and shiny brass material, and where it is red will be



repainted to a slightly darker, earthier shade of burgundy. This design is meant to attract hipsters, creatives, and people who are drawn to unique, artistic, and historical buildings.

The amenities that would be offered within this building are on-site coffee roasting displays, as many people show an interest in how Starbucks does what it does. The menu will offer healthy foods with fresh, locally sourced ingredients since consumer trends in New Jersey show that people are highly interested in healthy foods. An experimental floor of the cafe will offer many specialty drinks that are not offered at other Starbucks' and the flavors can be floral, fruity, and herbal based to cater to consumers' interest in food that comes from the earth. Lastly, the cafe will offer a large Italian to appeal to food and ethnic cultures in the area.



Specific messaging that will be used to draw people into the new Starbucks Reserve Roastery is "Where you go to get away," "Grab a coffee and stay a while," and "Creative coffee for the creative individual." The goal is to appeal to current consumer trends and invite the local creative community into the cafe. This message will be used in graphics across the social media platforms Instagram, Facebook, and Twitter. On Instagram, posts, reels, and stories will be shared about the inside and outside of the new location and of the specialty drinks and how to order them. On Facebook, text posts with pictures will include stories about new employees, why they chose that location, and much more as there is a lot of room for creativity. And on Twitter, tweets with pictures and promotional videos of engaging questions and infographics on coffee culture in Jersey City will be shared. An idea for an advertisement that would be displayed out of home is a diptych of a group of queer friend groups entering the new Starbucks and of them enjoying their various specialty drinks inside with the message "Grab a coffee and stay a while." These ads will primarily be in public transit that connects to the train line that brings you to the new Starbucks Reserve Roastery, both in New Jersey and New York.



The budget to make all of this possible is approximately \$750,000 with the ability to go over if needed. A timeline of this would look like this:

- Reach out to the current location owner, buy them out, and relocate them
- Begin construction on the inside and outside of the building
- On the outside, the replacement of the materials will need to take place and bigger windows will need to be installed
- On the inside, the Starbucks cafe setups will need to take place
- Purchasing everything needed to stock the store
- Stocking the store
- Begin social media and advertising campaigns
- Hire and train employees for two weeks while the finishing touches are taking place
- Open!

In conclusion, the goal of the marketing plan is to attract the hipster, artsy, young people that populate Jersey City and the surrounding areas and are interested in coffee culture. Starbucks will pique consumers' interests, leaning into their desires to have spaces that are creative. Starbucks will lean into the specialness of the coffee, arts, and culture and culture that already exist in Jersey City and build off of it.

Melbourne



I chose the rooftop of the Nicholas Building in Melbourne. The address is 37 Swanston St, Melbourne VIC 3000, Australia. This building is incredibly unique to Australians, as it holds over 200 artists and creatives. It was created in the 1920s. Created by Harry Norris, an architect who also created the Curtin House and Majorca buildings in Melbourne, this building took elements of Chicago architecture to be brought to life. In 2021, the Nicholas was set to be sold for \$80 million. As rent for artists was usually low to support creative lifestyles, this has now seen backlash as the tenants will be possibly put out of jobs if it is sold.

However, in October of this year, it was announced that there is a new creative addition to the Nicholas. There is a plan to add a rooftop element to the building, which would be a lush rooftop pavilion and green space, the Concrete Playground stated. They said that thousands of people donated and petitioned to have the Nicholas not be bought out and to stay as an imperative cultural asset to Melbourne. As the idea for this space is to host cultural events, such as exhibitions, performances, festivals and discussions, I thought that Starbucks could capitalize on this to have a stronger entrance to Australia's coffee scene, as well as show that they care about this landmark in Melbourne by making it a location that can never be torn down.

Starbucks needs a redo on their introduction to Australia, as in their shared history it has been noted that things went south. To combat repeating this, at the Nicholas Building I plan to have Starbucks envelop all of Australia's culture and coffee trends. After all, Australia is a booming coffee capital and Starbucks forced American coffee trends on Aussies the first time.

As well, Australia's tourism rose from \$27,800 in millions to \$35,136 in millions from 2020-21 to 2021-22, according to the Australian Bureau of Statistics. This means that millions of people are visiting Australia currently, and this number is on the rise for years to come. Having a Starbucks Reserve would no doubt aid in Australia's economy and tourism.



Since Melbourne, Australia is a very diverse place, since the creation of the modern Australia has welcomed a variety of people and cultures, I found that the target audience is someone from all gender expressions who is 20-40 years old. The generations that are most likely to follow coffee trends and a dependency for coffee in Melbourne are from the younger generations, which is Australian's Gen Y (Millennials) and Gen X. The Builders generation, or the Silent generation, see coffee as something nice to have during the day. As well, overall one in four Aussies indicate that they can't survive a day without coffee, mccrindle found.

In all of Australia, their Bureau of Statistics found that median weekly earnings of an average employee is 1,209\$A. This equals about 62,000\$A as an average yearly income for an Australian. As a single person's estimated cost of living per month is 1,458.31\$A, and their rent is about 40% lower than Chicago, IL's rent. I stated that their income is medium because even though they are making almost enough to make ends meet, it may be tight for some.

As well, the overall demographic includes individuals that love the outdoors, are active, art lovers as well as tourists. These microcultures are found from the location. Since this Reserve is about 30 mins away from Melbourne's port and beaches, this location is close enough to enjoy a sip of coffee and head right to the beach to surf and hangout. This idea is for both locals and tourists. Australians are also following health trends to become more active and mindful individuals within recent years. Enjoy nature, and drinking a healthy amount of coffee per day, can allow them to do this. I mention that the demographic also includes art lovers because this location is on the rooftop of an iconic art building, where many will stroll around for art and clothes and lead themselves to the Starbucks Reserve upstairs.

As for the mood board, I chose to include designs from a rooftop restaurant, a coffee shop, as well as Nicholas Building and regular Reserve décor. I want to implement all of these designs into one to have an outdoor café that incorporates local and classic Starbucks vibes. I also wanted to include a rock wall on one part of the rooftop, as this would appeal to a variety of health-conscious Aussies. I want to

incorporate the same feel of what originally was supposed to go here, which was a green space, by including a lot of plants and even fresh gardens that we would take ingredients from and make toasties from. Having this be an open and fresh experience, I want customers to have a feeling of a farmer's market inspired coffee shop when they enter, not a true Starbucks feel. This shows that Starbucks is taking in the negative feedback from the first time around and implementing trends that Australians enjoy.



An example of what an experience would be like here is the following: a 35-year-old Melbourne couple, who were just shopping for their daughter's birthday gift at the Nicholas' Vintage Sole – Cathedral Arcade store, decided that they wanted a cup of coffee before heading back home to enjoy a Sunday 'barbie' cookout. They head up to the top floor of the Nicholas, where they are greeted by a person from Starbucks Reserve. They walk up to the counter and order a flat white and a latte. They also want a bite to eat, so they head to the food counter and order a mini meat pie to

share. After they receive their order, they take a seat along the edge of the building to look out at the city. The weather is sunny and 80° during mid-day, and there is an upbeat music playlist going on in the background. While discussing what they are going to cook for the cookout tonight, they watch someone go up and ring the bell at the top of the rock wall.

As mentioned in the example experience, some of the drinks that would be included are classics like the Australian Flat White, cappuccinos and lattes. For non- and health-conscious individuals, espresso martini and non-alcoholic espresso martinis are offered on a cocktail list. I think it would also be important to Starbucks to partner with a local coffee grounds brand, like Axil Coffee Roasters, to create a line that mixes Australian coffee culture with a bigger brand. And overall, the most common and iconic Australian food trends that will be incorporated on the menu include fairy bread, Tim Tams, pavlova, meat pies, chicken parmesan and toasties.

By incorporating Melbourne and Australian culture through the phrases "Aussie, Aussie, Aussie! Oi, Oi, Oi!," "one for the road" and "G'day," I will create social media posts that encapsulate these iconic phrases. I plan to have a separate Melbourne Reserve account that will have updates on the location's progress, and once it's finished, regular posts that have content that includes the history of Melbourne, businesses in the Nicholas, images of our food and drinks, and even answering questions from people online.

These are examples of some advertising strategies that I would have. The vertical ad is an example of what we would post on social media as well as around the city in a step-and-repeat style of posters. The second ad is an example of a billboard ad for the Reserve. Billboards are seen by 83.3% of Australians in 2021, stated by Anchor Digital. They are not the best when it comes to advertising, but I want to include ads for individuals who do not have social media or are taking a break from it for their own mental health reasons, as Australians are focused on this.



Within 15 months, I plan on renovating the outdoor rooftop location, buying and decorating the store with local and Starbucks Reserve décor, building an outdoor rock wall, and prepping 300 employees on the overall history of Melbourne's coffee scene and barista training. I chose a large number for baristas because of this city's lower average income. I want to make sure that no one is missing an opportunity to work, or even have

multiple jobs to make ends meet. As well, since this is an entire rooftop, there will be multiple counters to get food and drinks at, and this requires at least 7 people working at one stop. Since there is no information online as to how expensive the rooftop location is, I chose \$20 million as the pricing point to keep it on brand to the Chicago and Empire State Building's locations, and as a bargaining price to show how important this building is. The renovations would also cost \$20 million, incase there are any structural constructions needed since it is an older building. The décor is \$5 million, the rock wall is \$50,000 and the prep for employees is \$300/day. Overall, it would be \$49,154,000 to create this location.

In conclusion, the goal of this Starbucks Reserve location in Melbourne is to appeal Starbucks to Australians again, coming back stronger this time. We invite tourists and locals alike to a fresh and open version of Starbucks, and appeal to what they want, not what we as a corporation wants. I took this inspiration from not just Melbourne trends, but also how Starbucks created their Shanghai location, with having an emphasis also on tea, which is a trend in China. While still holding true to the Starbucks aesthetic, I also want to make a point in inviting all of Australia's culture,

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