



Business Planning: Keith Bean Restaurant₁

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Introduction

Keith Bean restaurant has been in operation for several years and opened their first business in London in 1991 and the second one in Birmingham in 1992. The company has a variety of food items on their menu where their ice cream has gained popularity across all age groups as well as their whipped cream toppings. The restaurant realised that many customers love the strawberry syrup especially in cakes offered as deserts. Therefore, the restaurant is considering making the syrup and marketing it separately from the restaurant. Apart from the strawberry syrup the restaurant considers including other flavours which include chocolate, raspberry, and orange which are among the most liked by the customers. The average shelf life of the syrups is 180 days and therefore, Keith Bean will be able to manufacture the product in bulk and sell it to the market depending on the demand. The restaurant intends to sell this syrup in branded bottles that have their logo and also the theme colours of each bottle will depend on the content. For instance, the strawberry syrup theme colour of the branding is likely to be red hence it will be easy for the customers to identify the products on the shelves when they go to purchase.

Industry

Business Position Within It

Customer reviews play an essential role in positioning a product in the market. Through reviews it is possible to read the customers minds and design a product which would give them a better experience than what they already have with the brands already in the market (Pop, Hahn, and Radulescu, 2018). There are four parts of positioning which include target market, category, differentiation and the payoff. The target of the flavoured syrups by Keith Bean is the food industry such as confectioneries, restaurants, coffee houses and other businesses dealing with sweetened food items including also household use. The category of the flavoured syrups for Keith bean is placed under food items. The market category plays an essential role for customers when ordering a product

or purchasing it in the retailer shops as they already know where to get it. Proper categorisation of a product helps in saving the time for customers especially who may be in hurry as they have other activities to carry out. What would differentiate the Keith Bean flavoured syrup from other brands is that it will have variety of innovated flavours and also packaged in different sizes hence the customer will purchase the amount they need hence avoid wastage. Customers purchasing for household use may not need a large amount and thus the reason for bring in flavoured syrups in small packages. By purchasing the Keith bean flavoured syrups, the customers will save their money as the packaging will allow them to purchase only what they need. In addition, the innovated flavours will help most confectionery businesses and other food companies to give their customers variety of tastes in their sweetened food items.

Prospects and Trends

The flavoured syrup market has been segmented into herbs, fruits, chocolate, coffee and species. The fruit segment has been having the widest market share and also in 2019 it produced the highest revenue. The chocolate segment is predicted to grow fast CAGR 4.98% during the forecast period 2020 to 2025 due to the growing demand for cold beverages and also confectionary products (Market Data Forecast, 2021). Therefore, with the growing possibility of an increased market for fruit flavoured syrup, it will be easy for Keith Bean fruit syrups to penetrate the market. From the market, the fruit syrups have the widest market followed by chocolate.

State of the Economy

The economy of a country plays an essential role in the growth of a business. When the economy is low, the expenditure is likely to go down hence the sales. Currently, the UK economy is 8.6% smaller (The Guardian, 2021). The slowed economic growth is attributed to the measures put in place to combat the spread of covid-19 hence many people have been left with no means of income which also had led to them decreasing their expenditure. Most companies have seen a downward trend in the number of sales they make in a year due to covid-19. The companies have also chosen to reduce the liabilities to cut down their cost of operation so that they can maximize the profits (Fact. MR,

2021). The situation worsened in 2020 where the GDP fell by 2.2% in the first quarter and plummeted 20.4% in the second quarter (The Guardian, 2021). However, currently, most businesses which had closed down are opening up and again and therefore it is expected that the economy would rise again hence favouring all the business starting up.

Market Opportunities and Trends

The flavoured syrups market in Europe is estimated at £9.6 billion in 2021 and the value is predicted to double by 2026 (Market Data Forecast, 2021). The growth in the market for these syrups is due to the increased call for customized flavours in both industrial and domestic use. Most of the people who prepare most of their desserts at home have grown the urge to have different flavours. The flavoured syrups contain two main ingredients which include sugar and artificial or natural flavours (Market Data Forecast, 2021). Having a restaurant in its chain, Keith Bean understands the various flavours that the customers consider. Therefore, the company has the opportunity to focus more on the flavours which are on demand. Doubling of the flavoured syrup market by 2026 increases the chances that the Keith Bean brand will penetrate the market easily with minimal effort on the side of marketing.

Competitors

Some of the key players in the flavoured syrup market include Hershey, Fuerst Day Lawson and William Fox drinks. Hersey is a multinational company and is known as one of the biggest chocolate and chocolate products manufacturers (Market Data Forecast, 2021). The company recorded a total sale of £5.8Billion in 2020 from a growth of £4.4 billion in 2016 (Fact. MR, 2021). Despite being a US founded company, the company also has a branch in London hence it boasts of a market share of 14% in the UK market. Therefore, many customers would go for its chocolate flavoured syrup as they expect that it will be of good quality compared to that of other upcoming companies. Fuerst Day Lawson in 2018 registered a turnover of £70M and a gross profit of £19M (Fact. MR, 2021). The company has established its markets in various parts of the world including India and the USA. The other competitor is William Fox drinks an artisan syrup manufacturer founded in 2015. William Fox has taken the UK market by storm as the only producer of colourless syrups (Fact. MR, 2021). The

company also have its products sold in amazon UK and thus it is expected to expand faster in compete with other international brands.

Product

What we Do

Keith Bean being a restaurant that has been able to establish itself in some of the major UK markets, there is a possibility that they will be able to ensure that their new product sales in the market. Focusing on manufacturing the fruit flavoured syrups with natural ingredients will ensure that they make the brand unique hence attract more customers (Fact. MR, 2021). Most of the company's manufacturing fruit flavoured syrups often use artificial flavours, however, since most people want to ensure that they consume natural products (Market Data Forecast, 2021). Therefore, the syrups will be made of properly selected and cleaned fruits which would add to its flavour making it unique in the market. Also, various natural supplements will be added to the syrups to ensure that they have a higher nutritional value compared to that of the competitors making it the most preferred product in the market by customers who focus more on their nutrition.

Benefits we Give

Competition in business is a common problem that starters need to deal with in every stage of planning. Companies need to implement strategies that will ensure that they are unique in the market hence placing them in a better position than their competitors (Pop, Hahn and Radulescu, 2018). One way through which a business can gain protection from competition is by creating a unique idea. For instance, the Keith bean naturally flavoured syrup idea is not common in the market as most of the companies consider adding artificial flavours. Therefore, mostly when a naturally flavoured syrup and the artificial one are sold in the market, most of the customers would go for the natural one as they are assured of the numerous nutrients that it contains (Singh et al., 2020). In addition, the natural flavouring, product does not contribute to some of the common health issues that have been linked to the artificial production of consumable products.

Do we have any protection from competitors?

Different businesses have varying ways of protecting themselves from competitors. There are also different reasons why most customers would prefer a certain brand and not another (Chengwu, 2020). Keith Bean in protecting itself from competitors, it plans to offer proper customer service whereby the comments and reviews they provided will be incorporated in their product design. Also, ensuring that the product is well stocked in different retailer shops ensures that the company is protected itself from competition (Munteanu et al., 2020). Keith Bean products would be distributed in all retailer's shops across the country and also sold on amazon to ensure that customers can get them conveniently. Also, ensuring that the packaging of the product is attractive provides some protection for the company in competition. Most people would want to experience the product goodness based on the design of its packaging.

What aspects of the product give us a competitive edge?

One aspect giving the product a competitive edge is that it would be made of natural flavour. Natural fruit flavouring may be expensive, however, customers would consider it since it offers the benefits of the real fruit (Chelladurai et al., 2019). Also, the company would ensure that the syrup contains the nutritive value of an actual fruit and chocolate. Nutritional value is essential for any food product as it would also attract who need specific nutrients to grow a healthy weight. Despite having many calories, other nutrients would be present to help the customers who purchase the product in meeting the daily nutritional value. The product can also be purchased at an affordable price as it will have different sizes in packages. Therefore, even with a few pounds' customers will be able to purchase the small sizes for household use.

Marketing Research

Analysis of Questionnaire

Market research plays an essential role in gathering information for strategic decision making. In addition, getting customers views also helps in developing products that would effectively solve

their needs (McDaniel and Gates, 2020). Some of the responses from customer's questionnaires in the recent market research focused on having a product that is made of natural flavours as most of the companies currently are making syrups using artificial flavours. In addition, the customers also made requests to have the syrups packaged in smaller sizes for household use unlike those currently in the market which are packaged in large bottles. Mostly, customers who need fruit syrups for household use find it difficult to get them in the stores since those already in the market are packaged in bottles of one litre and above. A wide number of customer's responses focused on having the product packaged on a glass bottle. A company should always ensure that customer reviews are integrated in the production process hence help it remain competitive (Chelladurai et al., 2019). Most products react with plastic packages at different temperatures, however, when packaged in a glass bottle, it is viewed to be safe from any form of reaction that may hurt a person once they make use of the product.

Analysis of Market Share

The fruit category in the market share takes the largest percentage of 35.3% globally (Market Data Forecast, 2021). However, it is essential to note that the flavoured syrups market is concentrated across Canada, the UK, Ireland and the United States of America. One way through which the flavoured syrups have been made popular in these countries is through promotion with explanations of the various ways through which they can be used. As the competition is increasing with new manufacturers joining the market, most of the companies have focused on developing combined fruit syrups hence introducing innovative flavours which have also impacted the quality of the product (Chelladurai et al., 2019). Combined flavoured fruit syrups have promoted the use of artificial flavours and thus leaving a market gap in the use of natural flavours (Market Data Forecast, 2021). Keith Bean is seeking to utilize that gap and popularise the manufacturing of innovative natural flavoured fruit syrups hence making it an exceptional producer. Most of the flavoured syrups sold in the market are made of artificial ingredients to give them the taste of fruit or chocolate.

Potential Market Growth

The global market growth for flavoured syrups is likely to register a CAGR of 4.3% by 2027 (Market Data Forecast, 2021). Also, with the growing desire for innovation, the demand for fruit flavours is likely to change as new ones are introduced in the market. The manufacturers are combining different flavours to come up with new ones which help them remain relevant in the market. With the innovation of new flavours in the market, therefore, the market share of the fruit flavours is likely to shift to have those with innovated flavours get the widest market share. Also, it is likely those with naturally innovated flavours to have the largest market share compared to those made of artificial (Chelladurai et al., 2019). The flavoured syrups are used both domestically and commercially. There is a growth in the demand for soft drinks which depend greatly on the flavoured syrups for production. Also, more soft drinks companies are coming up and therefore the need to have them supplied with the desired flavours. Also, restaurants form one of the major markets for flavoured syrups as they use them in making various sweetened products such as cakes and drinks (Market Data Forecast, 2021). Therefore, with increasing innovations and also growth in the consumer market, the demand for flavoured syrups is likely to go up in the coming years hence a better opportunity for Keith Bean to invest.

Monitoring Growth and Penetration

When a market for a particular product is growing, most of the companies producing the particular products are more likely to note an increase in their sales. For instance, when there is growth in the flavoured syrups market, most of the companies that have marketed themselves will be able to make sales, however, the number of sales will greatly depend on how well the brand is known in the market. Companies which have established their brand in the market are more likely to make many sales compared to start-up companies (McDaniel and Gates, 2020). Most companies can monitor their penetration in the market by assessing the popularity of their brand in the market. One of the commonly used systems to monitor product penetration in the market includes online surveys (Fisher and Kordupleski, 2019). In this survey, random people are interviewed on the products they have

purchased or have seen in the market for the previous few months hence help in knowing the company market position.

Anticipated Changes in Demand

Based on the various forecast reports, it is expected that the demand for flavoured syrups will go up and therefore, the producers should focus on ensuring that they are innovative in production and improve the flavours to include a better combination that would stand out in the market (Chelladurai et al., 2019). With the growth in the hospitality industry which the major buyer of flavoured syrups, it is expected that the demand is likely to increase. It is anticipated that the demand for flavoured syrups would double in five years and therefore a great opportunity for Keith Bean to invest. In addition, people are getting more educated on nutrition and are going for products which give them a nutritional value. Therefore, by ensuring that the syrups have a nutritive value will be an opportunity to increase demand for its products.

Marketing Strategy

Pricing

One of the pricing strategies used as a marketing strategy is penetration pricing which is aimed at gaining a market share for the product (Ali and Anwar, 2021). Most of the companies introducing a new product in the market use this strategy to gain a market share for it by ensuring that they offer a quality product at a comparatively lower price than it should be or than what other companies are offering. Keith Bean may use this strategy to create a market for its product. Having a restaurant as its major business, Keith Bean can use the penetration pricing to ensure that they make their brand popular in the market by making it more affordable to everyone before increasing the price gradually. Also, having the syrups packaged in smaller bottles would make them popular among household users. Smaller packages often cost lower and most preferred by household users who need them for single use unlike in commercial where it is a product required for daily use (Chelladurai et al., 2019). Therefore, having packaging ranging from small to big will make the flavoured syrup popular across all target customers as they will be able to purchase based on their needs.

Targeted Customer Groups

At the beginning of the production of the flavoured syrups, Keith Bean will focus on the household users who would wish to go and prepare candy and other confectioneries at home. Also, it will focus on the small scale users of the syrups hence ensure that it makes the product popular among them before scaling up to the large scale users. The idea behind developing the product was raised by customers who are probably small scale users of the product and therefore it would be a great idea to popularising it from them moving up to the large scale users. From the beginning, the packaging will be made for household use before graduating to having larger packages for commercial use.

Benefits going to be Used

One of the benefits that would be applied to increase sales is the application of a discount for any customers who make purchases worth a certain amount that will be decided by the marketing team. The provision of discount helps in pushing the sales as many people when shopping always look for products which have a discounted price (Ali and Anwar, 2021). The other benefit is the syrup will be able to give the customers a nutritional value just like that of fruit since the flavours will be extracted naturally. In addition, the customers who need the syrup for household use will be able to get it in portions whereby they will be assured to use all the product before its expiry dates. For instance, the expiry date for most of the flavoured syrups and drinks is 180 days from the date of manufacturing (Hashem and MacGregor, 2019). Therefore, by ensuring that the customers can purchase based on the amount they need to use at a time will minimise wastage on their side also save money.

Sales Tactics

In ensuring that a product sale out in the market and also creates a market share for the brand, there are various sales tactics commonly applied by companies. Keith Bean can consider applying some of these sales tactics to make their product popular as well as increase the number of sales made in a day. One of the major tactics for making sales is having an attractive package for the product (Kienzler and Kowalkowski, 2017). Most women are involved in making food and other eating products and therefore they are likely to go for the ingredient which has attractive packaging.

Developing a nice packaging for the syrups will play an essential role in driving the sales. The other sales tactic is making use of referrals (Ali and Anwar, 2021). For instance, the company can introduce a strategy whereby once a customer refers a friend to purchase a product they earn some points which once they reach a certain amount they can get a free product.

Warrant Policies

All the flavoured syrups from Keith Bean are well sealed with a branded seal and therefore if a customer finds the seal broken they are entitled to a replacement. A broken seal indicates that the product may have been opened which may be a risk to human health if used (Cavico et al., 2018). Therefore, the warrant policy for flavoured syrups applies if the product is found to have a broken seal. Also, counterfeit products are often sold without a seal and unsuspecting buyers may fall prey (Soon and Manning, 2019). The customers will only be eligible for a replacement if the product is originally produced by Keith Bean.

Advertising Budgets

In ensuring that the product reaches the right audience, different forms of marketing have different forms which include inbound content marketing, display and social media adverts, off-page SEO and influencer marketing and lastly the offline methods of advertising such as the use of billboards (De Pelsmacker, Van Tilburg and Holthof, 2018). The appendix 1 represents the marketing budget for Keith Bean whereby it has focused on using three types of marketing to push the product which includes offline marketing, social media adverts and influencer marketing. Offline marketing strategy involves the use of billboards and other hard copy advertisement methods which also include branding the stores that are selling the product (Trivedi, Trivedi and Goswami, 2018). Social media adverts involve the use of promotional ads on platforms such as Facebook and Instagram. The promoted adverts made on the company page can reach a certain audience and are charged depending on the number of days the advert runs. Influencer marketing involves contracting a well-known person with a large following on social media to communicate the brand to the audience that they have (De Pelsmacker, Van Tilburg and Holthof, 2018). By applying the three marketing strategies, there is a

possibility that many people will get to know about the brand since most of the common brands applied a similar technique to gain the market share that they currently enjoy.

Product Improvements in the Offing

Some of the offing product improvements for Keith Bean include innovating new fruity flavours which can be achieved by combining different flavours. Also, adding new ingredients to the product which make it better compared to those already in the market will be an added advantage (Chelladurai et al., 2019). For instance, in the fruit syrup, Keith Bean may decide to add nutritional value to the syrup making it even a better ingredient for smoothies which people often prepare at home. Having a nutritious smoothie at home can be made better by ensuring that the Keith Bean fruit syrup has most of the essential nutrients that people need to achieve the total body requirement in a day.

This was the first review of the research
In the next part, we will discuss the precise
details and we hope you like it

Thanks