Abstract
In the recent transition from operating as a church mission to becoming their own not-for-profit corporation, Café El Zapote now has vast opportunities to begin growing. They sell ground, one-pound bags at church services along with a small amount of beans sold to a local roaster. The current challenge they are facing is what direction to take in order to grow their market presence at a sustainable rate with their current resource constraints. I provide three recommendations to focus on in the coming year of 2019:

1. To target new green whole bean buyers
2. To implement new forecasting methods
3. To build brand awareness in order to launch an ecommerce platform down the road

Method
• Interviews with two members of the Café El Zapote board and executive committee team
• Secondary research assisted in creating pointed questions in the following step of my study
• In-depth interviews with three professionals in the industry that either own and operate coffee shops themselves or have been a consultant and manager for coffee businesses
• Online journals from which I built out my recommendations

Market Research
Primary
• Secretary, Michael DuPont, indicated a strong lack in record keeping and struggle find information necessary to make business decisions.1
• Owner of Burgies, Andrew Burgason, expressed desire to cross promote to build brand awareness.2

Secondary
• The external industry environment is experiencing 5.8% annual growth and the customization stage of maturity ideal for fostering an emerging start-up.3
• Internally, sustainable growth can be defined as repeatable, ethical, and responsible operations.4
• Repeatable procedures help to maximize resource allocation efficiency.5

Marketing Plan
1. Target New Green Whole Bean Buyers
   • Two main channels: direct to consumer and green whole bean buyer
   • Direct to consumer offers higher margins at lower quantities
   • Green whole bean buyer offer lower margins at higher quantities

2. Implement New Forecasting Methods
   • Holt-Winters triple exponential smoothing method to account for seasonality and trend
   • Alpha = 0.907 indicating
   • Beta = 0.486 indicating
   • Gamma = 0 indicating
   • Largest limitation is the small sample size of data

3. Build Brand Awareness to Launch an Ecommerce Platform
   • Failure of initial sales on Amazon proved the need to further establish a geographically diverse market before entering ecommerce fulfillment
   • September 21st – Pitch at the Business Week Pitch Competition resulted in a large green whole bean sale
   • November 6th – Pitch at the AgEI Competition resulted in presenting about the company to the ISU Coffee Club
   • November 27th – Featured in a half page spread on the front cover of the ISU Daily

Execution
Recommendation 1: Any combination of sales along the line Y = -2.5x + 5,750 will make it possible to reach their goal of a 6,500 pound import in 2019.

Recommendation 2: Watch for the RMSE to decrease each year as the amount of historical data available increases. If it doesn’t, the model should be re-evaluated.

Recommendation 3: Delegate team members to fulfill ad hawk orders as brand awareness increases. Once the demand reaches a threshold at which the board can’t fulfill the orders then launch an online buying platform.

References

Notes:
1 Professor of History, University of Iowa
2 Owner of Burgies
3 Owner of Windmill Coffee