

TEAM MARKETING PLAN

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Table of Contents

Executive Summary	ii
Introduction	1
Problem Identification	1
Situation Analysis	1
Strengths	2
Location	2
Cost	2
Customer Service	3
Weaknesses	3
Location	3
Customer Loyalty	4
Noise Levels	4
Opportunities	5
Students from Texas State University	5
Expansion	5
Creativity	6
Threats	6
Competition	6
Cost Increases	7
Demographics	7
Alternatives	8
Campaign for Engagement	8
Target Market	8
Product	8
Price	9
Promotion	10
Place	11
Evaluation	11
Brand Personality	12
Target Market	12
Product	13
Price	13
Promotion	14
Place	15
Evaluation	15
Customer Loyalty	16
Target Market	16
Product	17
Price	18
Promotion	18
Place	18
Evaluation	19
Recommendation and Implementation	19
Conclusion	21
References	22

Executive Summary

In working with the corporation Mochas & Javas, the group was given a set of problems that were imperative to the success of the company. The implications of the problems had the ability to directly impact the company and its future. Upon the completion of this marketing plan, Mochas & Javas will have a set of options to possibly implement into their marketing strategies to resolve the issues.

In the situation analysis of Mochas & Javas, four large components of the business were analyzed. Within these components, certain qualities of Mochas & Javas were presented and construed as either strengths or weaknesses within the company. The analyzation was then transferred to outside sources and construed as opportunities or threats. In this analyzation, there was the ability to apply every component to the alternatives presented.

During the application of the situation analysis, the proposition of three different alternatives to resolve the issues at hand were created. In the creation of the alternatives, real-life applications were used, as well as data from multiple sources to support the claims. The comparison between the alternatives were based partly on the situation analysis, as well as the probability of real-world application and value.

Upon completion of the paper, Mochas & Javas will have more in-depth knowledge regarding the issues they face as a company and the alternatives to resolve them. The verification of data and statistics will help the company understand why the group chose the alternative that best fits their mission for the company. In conclusion, the marketing plan proposition will help benefit the company as a whole, and give a broader knowledge to Mochas & Javas so that it may implement the solutions in the future.

TEAM MARKETING PLAN

Introduction

Mochas & Javas prides themselves on creating a community with unique beverages and food, extraordinary customer service, and an experience that will keep the customer wanting more. Since 2003, the company has taken an educational approach to how they keep customers engaged by providing quality products at affordable costs. They use every chance to purchase all natural and organic ingredients and receive their coffee beans weekly from Austin, TX. At any opportunity to support a local producer, artist, or craftsman, Mochas & Javas contributes to the local economy by purchasing their goods and services. They are huge supporters of local charities and community organizations. This company is also very environmentally responsible in how they package, purchase, composite, recycle, and reduce energy consumption while running their business.

Problem Identification

In what ways can Mochas & Javas reinforce their branch store identity while utilizing resources to combat decreasing sales and create retention at Cafe MJ on LBJ drive? This company is strategically working to improve their customer loyalty and brand personality to strengthen their competitive advantage in the San Marcos community. (Per Grace Mills 2017).

Situation Analysis

In this section, the strengths, weaknesses, opportunities, and threats of Mochas & Javas will be critically analyzed. The incorporation of this analysis is used to improve the set-up and current marketing strategy of Mochas & Javas.

Strengths

Location

One strength of Mochas & Javas is their prime location on 700 North LBJ in San Marcos, Texas (Mochas & Javas, 2013). Their business plaza is the closest to Texas State University, and therefore is a popular place for people in the vicinity to use their services. Students, faculty, and staff visit Café MJ in the morning, during their long lunch breaks, or when they are passing by to go home. Being on the corner of a busy four-way intersection gives customers a chance to see the business on the corner of the plaza if they are walking or driving past. Once they see the café, their image of the Mochas & Javas brand and experience comes to mind and they cannot pass by without stopping to satisfy that craving.

Cost

Another strength of Café MJ is that they, to the best of their ability, keep their costs below that of competitors. If one goes into a coffee shop, there is the vividly apparent possibility of spending an absurd amount of money on a cup of coffee. That is not the case in this business because they want to best serve their customers; since most of their business comes from college students, they choose to keep their prices affordable to keep the students coming back. It is an intelligent business tactic to offer a drink at an affordable price so that a customer can come in every morning to purchase, versus selling overpriced drinks that customers only come for when they desire a treat to splurge on, like many other competitors. An example of the price comparison is the price of a Medium Cappuccino costing \$3.95 at a leading competitors branch (Starbucks, 2017), while the cost at Mochas & Javas is \$3.80 (Mochas & Javas, 2017).

Customer Service

A unique strength of this business is their high responsiveness to customer demands. Mochas & Javas is locally owned and, therefore, better able to listen and respond to the needs of their customers much more easily than a corporate business. Per eMarketer (2014), 52.7% of consumers tend to favor locally owned businesses over large corporate entities due to the fact that the smaller businesses tend to focus more on their consumer relationship. This is evident in the fact that the president of Mochas & Javas, Kevin Carswell, is always present in the coffee shop and interacts with everyone to make sure that their experience is in alignment with his mission and goals for the company. One may see him creating a drink, cleaning up, serving tables, taking orders, or working as the cashier. His focus on the success and experience of his customers is unmatched by many competing locally owned cafés. He is all around the business and is willing to be engaged and connected to the community that is supporting his dream.

Weaknesses

Location

As much as their location is a strength for the students, faculty, and staff members of Texas State University, their location is also a weakness for the locals of San Marcos, Texas that tend to avoid Sessom drive, the main road that the business is located on. Per the Marketing Manager (Grace Mills, 2017), the locals avoid this windy road because it is, not only dangerous to the experienced drivers of San Marcos, but also is amplified once inexperienced college student drivers are added into the equation. San Marcos locals visit the business on the weekends when college students are not dominantly present in the community and the roads are clearer. The challenge is getting the locals onto Sessom dr. and into the business every day of the week.

Customer Loyalty

Unlike their other business locations that have fourteen-year retention rates for their customers, per the Marketing Manager (2017), Café MJ has the opposite turn out. Most of their customers are between 18 and 24 years of age and their business depends largely on the schedules of the students, faculty, and staff members. Their weakness is having to work every year to retain and connect to new students every semester, especially following graduation. Mochas & Javas must constantly be present on campus and in the community to get their brand out there to spark customer interest. One smart way the business has worked to put their name out there is offering coupons to students in their freshman orientation packets. This has worked out very well for the business and, therefore, they will continue offering incentives to customers. For most students, college is temporary and once they graduate, they return to their hometown or seek employment elsewhere, which means that Café MJ loses the business from those loyal students.

Noise Levels

Because the business is so close to campus, Café MJ is a prime location for students to meet with their groups and teams and work on projects, or just to gather with their friends and hang out. In comparison to their other locations and to other coffee shops, their dynamic makes them supremely noisy. Most people prefer to study/work in silence or in low noise areas (Olga Khazan, 2016), so customers will likely come into the store for a drink and not stay because they will be easily distracted. If they were to stay, they may be more inclined to purchase a meal or a snack or connect to the owner of the business to ensure that they know their business is appreciated. Their noise levels make the business more of a hangout spot than a quiet relaxing place to study or work.

Opportunities

Students from Texas State University

Students serve as a great opportunity for the business to learn from and to grow through. Per Connecticut by the Numbers (2013), 41% of 18 to 24 year olds, around the ages of the target market of Mochas & Javas, reported drinking coffee every day. This prominence of the consumption of coffee, especially in this age range, is an example of the prominence that Mochas & Javas has in the service industry and the fact that their target market is a direct reflection of the need they solve. Through this target market, individuals have the ability to relay information to Mochas & Javas about what competitors are doing to retain their business, or their ideas for Café MJ based on their experiences elsewhere. They also serve as brand ambassadors for the company when they talk to their peers about their product, walk around campus with their beverage, and most importantly when they invite café MJ to serve their products at events on campus to increase awareness about their brand. Another prime opportunity of having countless students at your fingertips, is offering jobs and internships to them. This is a great opportunity for the business to provide growth opportunities for the students to apply the material they are learning from their various classes to a real-world business and see the results come to life. This, in turn, creates a win-win learning experience for both the business and the student.

Expansion

Mochas & Javas began exclusively as a coffee shop, but recently began selling food to their customers and established themselves to be the “Café MJ” eatery. This change has brought a lot more business to the company because of the new options provided and a greater span of customer satisfaction. Now that Café MJ has been so successful with their additional food and snack options, the business is thinking about a new opportunity. They are considering extending their hours and

including alcoholic beverages in the menu, that way customers will have a night stop to get an “adult beverage” and relax after a long day of work and/or school. This implementation will be a great chance for the business to grow and reach more customers than ever before.

Creativity

The company Mochas & Javas is all about providing their customers with both “Style and Substance”. They are always looking for creative ways to get people to come back or to try their various locations. Therefore, when one walks into Café MJ, there is the chance to observe many things that are interesting and unique to this location. For example, the president of Mochas & Javas created a room section divider out of four white doors suspended in the air, that is an eye-catching accent with a rustic tone. They also have the opportunity for the baristas to learn the names and the favorite drinks of their customers. After all, customers are human beings that are seeking a connection to the store, and that is a great way to engage and connect with them. Since Mochas & Javas is a small business, they are better able to create a store personality through the paintings, colors on the wall, artifacts, lighting, and through their connection with their customers every day.

Threats

Competition

Competition is the biggest and most prominent threat of this business. Since San Marcos is the third fastest-growing city in the United States (Brett Thorne, 2017), it is a prime location for entrepreneurs and large businesses to invest in and thrive. In saying that, there are multiple coffee shops appearing across town that are all unique to their individual brands. This appearance of new, stronger competitors offers a huge threat to this small business. The competitors have all discovered their niche and are focusing on customer retention in their new community. This competition makes

Café MJ work harder on creating a solid brand and customer experience that will be remembered.

Cost Increases

Another threat of the business is the price increases of the materials they need in order to make their product. These increases are uncontrollable and have caused them to raise the prices of some of their drinks by between ten and twenty cents, per the Marketing Manager of Mochas & Javas (Grace Mills, 2017). It is the intention of Café MJ to offer affordable drinks to their customers but, unfortunately, the current economic situation may force them to think of the needs of the business versus what would make the customer happy. These changes in the economy have affected customer buying habits and therefore the profits of this business have decreased since the change (Grace Mills, 2017).

Demographics

The business of Café MJ depends heavily on the students, faculty, and staff at Texas State University that stay loyal in the time they spend at the university. It is a threat to this small business when there are shifts in the size or demographic composition of their market area. Per Erin Abzug (2013), college towns tend to have some of the highest turnover rates for businesses and jobs. This is due, in part, to the hectic schedule of the student workers of Mochas & Javas, as well as leaving or graduating customers from the university. Therefore, the company must always work hard to inspire new people to try their product and hope that they are satisfied enough to come back, either for the product or to work in the service. It is a constant challenge to get into the routine of their customers, but Mochas & Javas does a great job by offering them both substance and style.

Alternatives

Campaign for Engagement

Mochas & Javas wants to focus on aesthetics in their Café MJ on LBJ Drive. The company is actively putting effort to infiltrate the growing student market economy while having students continuously come back to support the company. Adding an interactive display will capture customer engagement while offering an experience when visiting Mochas & Javas, as well as encouraging students to come back for the atmosphere. Ryan Taft stated (2015), “Companies are looking to increase customer engagement in-store, as they feel this will move consumers off their couches into stores, increasing sales.”; that is exactly the end goal of Mochas & Javas. By focusing on customer engagement, the growing need of customers to feel a relationship between themselves and their company of choice will be fulfilled and wholly beneficial to the company (Scott Albrow, 2015). Customer engagement campaigns inside the store will raise the retention rate while also giving an identity to Mochas & Javas’ LBJ location, “Café MJ,” and, in turn, raise the revenue they receive.

Target Market

The target markets for this Campaign of Engagement are students, professors, and faculty from Texas State University. The main source of revenue for Mochas & Javas is made up of those that make it a part of their routine to visit Mochas & Javas on LBJ to start their day off, reboot in the afternoon, or finish their work at the end of their day. The end goal of this project is to make Café MJ a part of more peoples’ routines and increase the customer influx.

Product

The Random Acts of Kindness board will be found on the wall to the left of the self-serve coffee station. This will allow customers to see the board while they are waiting for their beverages to be made. The customers can then decide to take on the “challenge of kindness” presented on the

board, and later come back to the café to sign the act of kindness they completed. On the board, customers will find two hashtags: #actsofkindness and #CAFEMJ. This campaign encourages the customer to post about their experience on social media and also give free authentic marketing for Café MJ, while at the same time creating a buzz around Mochas & Javas.

The Think-A-Drink campaign is a contest letting customers submit caffeinated or decaffeinated drink creations with no more than four ingredients excluding one coffee grain or one tea leaf bag. The winner of the contest will get a prize such as three of their drink creations for free, or some other viable compensation. Customers will submit their ideas on Instagram with the drink name followed by the hashtag “#thinkadrink” and “#MJcafe”. The public will vote for their favorite drinks with likes. Café MJ will choose the top three submissions and, for ten days, give free samples of those drinks for ten days and have customers vote on their favorite. After ten days, the drink with the most votes gets to be featured as the drink of the month. The winner will get a shout out and credit given on social media outlets with their picture and a short biography framed on a wall inside Café MJ for two weeks. Both campaigns are short term campaigns for engagement, lasting no longer than three months each.

Price

In the implementation of the Random Acts of Kindness and Think-a-Drink campaign, the perceived value that the customer places on Mochas & Javas will increase. Per Caroline Preston (2016), two thirds of the population aged 18 to 34 were strong advocates of companies that are more likely to give back. The value that this age group gives to companies that implement philanthropical programs, such as the campaigns proposed, could lead to heightened sales, as well as increase the desire to support Mochas & Javas. This fact is prominent, in that the large majority of the target market for this location consists of people in this age range.

Promotion

After Mochas & Javas customers order their beverages, they need to wait for the drink to be freshly made; this is when a customer's eyes wander and will stumble upon the Random Acts of Kindness board. Per Ingrid Haas (2015), the desire to do and be good is based on the human social motivation of contributing to society. This natural human curiosity and desire to be productive will bring them to the Acts of Kindness board. The acts will be extremely easy and/or inexpensive to complete, but can make a big change in a person's day. Customers may be prompted to tell someone they care about why they are significant in their life, buy someone else a meal while getting their own, or give a shout out to someone who made their week better. After a customer does a good deed for someone, they will be able to use the hashtags #CafeMJ and #ActsofKindness to promote the Mochas & Javas location on LBJ on any social media platform. This gives Café MJ the authentic social media buzz from the student target market they are aiming for.

The Think-A-Drink campaign will capture the creativity and competitiveness of students from Texas State University and various people in the San Marcos area. While the person is waiting for their coffee, they will naturally go to one of the two waiting areas, the island bar or the bar where finished drinks are served. This is where they will see the promotional advertisement for the Think-A-Drink contest. This will not only engage the consumers of Mochas & Javas, but also give the positive feedback of crediting someone for their work and creativity. According to Peter Grazier, recognition goes far beyond crediting a person; the implications of recognition have a long-lasting impact on those receiving it and the possibility to expand on their relationship to the person or corporation giving it. This positive outcome has the ability to attract more possible customers.

Place

The Campaign for Engagement is designed for the Mochas & Javas located on LBJ Drive, otherwise known as Café MJ. This location has the highest student traffic out of all Mochas & Javas establishments. Its close proximity to the Texas State University campus, residential areas, and other popular student hangouts makes it a vital location for reaching the student market. This prime location allows Café MJ to be an easily accessible part of students' daily routines, while the campaigns for engagement allow the business to maintain a student-store relationship. Lastly, with this central location, the company will not have to spend an excess amount on advertisement, as it is near the three previously mentioned locations.

Evaluation

In conclusion, having short term campaigns for engagement will raise the retention rate while both giving an identity to Café MJ and also increasing their revenue. These campaigns will solidify an identity by having customers correlate Café MJ with an interactive store that wants to utilize students' fresh ideas and cultivate the spirit to help others. Since the location is on LBJ drive, this will raise the probability for students to see the campaigns by simply passing by or visiting the store. These campaigns for engagement will have students returning either to sign their act of kindness or see their winning creative drink displayed for many to see. At the same time, these campaigns will help create the identity by having authentic social media marketing by Texas State University students giving Café MJ a competitive edge against similar businesses. The word of mouth from student to student is much more reliable than any advertisement Mochas & Javas could buy (Sonny Ganguly, 2015).

Customer engagement has become a rising business trend in 2017; studies show that only 25% of millennials have personal attachments to a brand (Gallup Inc., 2016). This lack of engagement is due in part to the lack of in store engagement displays, like the campaigns proposed in this paper. Additionally, 86% of buyers are willing to pay more to receive a better customer experience, but only 1% of customers feel that their service expectations were met (Team, Neosperience). These statistics show that a campaign for engagement will not only keep Mochas & Javas LBJ location up to date with business trends, but it will also tap into the economic potential in San Marcos by keeping students engaged and returning to Café MJ.

Brand Personality

A large issue to tackle is the fact that Mochas & Javas lacks a personality for their brand. To consumers, they are just the coffee shop next to campus. In order to create a long-term relationship between the brand and consumers, it is imperative to develop a marketing plan focused on emphasizing the humor, cleverness, and transparency in the tone of voice of Mochas & Javas. Due to exponential growth in San Marcos, Texas, competitors are popping up rapidly and quickly taking clientele away from Mochas & Javas. It is for this very reason that communication between the company and their target audience is more vital than ever for Mochas & Javas to thrive and expand to their full potential. According to Jeremy Durant (2015), 45% of a brand's image can be attributed to what it says and how it says it. Therefore, accentuating the personality of Mochas & Javas will strengthen the bond between the brand and its consumers.

Target Market

The target market of Mochas & Javas consists mostly of college students, academic instructors, and young professionals in the San Marcos area. The prime location of 700 North LBJ in

San Marcos, Texas (Mochas & Javas, 2013) gives Mochas & Javas the unique advantage of being situated near the Texas State University campus, and therefore, the ability to expand with the university. In 2016, Hays County became the third-fastest-growing county in the nation per Brett Thorne (2017), leading to the exponential growth of the company, as well as the expansion of its brand. Emphasizing the tone and atmosphere of Mochas & Javas, while appealing to both younger and older demographics, will grant the company a unique ability and asset. The focus of building and maintaining the relationship between the brand and consumers is vital to the success of Mochas & Javas.

Product

In order to build upon the bond between the company and its customers, the idea of utilizing a chalkboard to communicate with consumers was found. The purpose of this chalkboard is to draw attention to the café, by intersecting the walkway near the entrance of Mochas & Javas. It is well-known that the consumers of this location are going about their daily schedule; holding interviews, meetings for projects, grabbing a coffee before class or work, or taking a break from the hustle of life. Written or drawn on the chalkboard, a creative mind in the company will find a way to incorporate the unique flavor of the month into a pun, personifying Mochas & Javas by adding humor and wit to the product being advertised. This will consistently build on the subconscious relationship between the consumer and Mochas & Javas by accentuating the “personality” of the brand.

Price

With transparency being a significant part of building trust between the consumer and the company, the incorporation of it is imperative to developing the voice of the brand as well. An extremely unique opportunity offered by Mochas & Javas is the fact that their products are locally

and organically sourced when possible (Mochas & Javas, 2013). The concept of not only emphasizing, but focusing on the health and freshness of each item on the menu could headway the biggest advantage that the company has over its competitors. For example, incorporating a sign next to the bakery section that says, “Locally grown, locally made,” will raise awareness that these products are fresh, while showcasing the brand’s tone of voice. This transparency with where their products are coming from could potentially appeal to consumers concerned with the prices of their products, and would be able to clarify why they are priced a certain way.

Promotion

With sayings such as, “We’ll Kit-Kat-ch you Latte,” the chalkboard will catch the consumer’s attention, as well as their social media post. In utilizing the chalkboard to create a personality for the brand, the Mochas & Javas chalkboard has the capability to create a social media buzz. An example of this social media buzz would be the fact that one image on 9gag.com titled, “Is everything ok?” featuring a chalkboard with a witty caption on it had over 17,000 responses. This opportunity presented by consumers of a brand is unmatched by any other in past times. There is also the factor of creating a voice for the brand, which will not only maintain relationships with current and returning customers, but also cultivate interest and bring in new customers. Cute and clever fits right in with what Mochas & Javas promotes, as well as what the target market relates to; the chalkboard is only a physical manifestation of it.

Alongside promoting the brand through puns on the chalkboard, showcasing the freshness of ingredients that Mochas & Javas uses is promoted as well. Through the “Locally grown, locally made,” sign, Mochas & Javas is able to explain to customers that their ingredients come from local farmers, and all of the baked goods are made fresh daily. Promoting transparency in the ingredients emphasizes the transparency of the prices, therefore, building the bond between the brand and the

consumer. Millennials, another name for the target market of Mochas & Javas, love supporting the local market. According to Nielsen (2014), 28% of millennials are more likely to purchase if they know that the product is locally grown. By promoting the local sourcing of the ingredients used by Mochas & Javas, there is the added ability to increase sales.

Place

Emphasizing the voice and transparency of Mochas & Javas will begin at the LBJ location near the Texas State University campus. With the large majority of the target market being young adults aged 18-24, per the Marketing Manager of Mochas & Javas (Grace Mills, 2017), one can infer that building a relationship by focusing on humor and strengthening it with trust is the best way to interact with this specific target market. Due to the fact that the LBJ location thrives off of the students from Texas State University, a new wave of clientele emerges about every two years. The most imperative issue at this location is retention, however, accentuating the voice of the brand will inspire a bond between students and Mochas & Javas. Creating goodwill and a strong relationship with the brand in order to impact current, future, and past Texas State University students to continually support the company is the aim of this alternative.

Evaluation

Overall, in order to build long-lasting relationships between Mochas & Javas and consumers, this alternative offers the expansion of the voice of the brand as a solution. This will appeal to not only the college students aged 18-24, but will also appeal to the professors and young professionals. By incorporating the brand's voice on a chalkboard outside of the café, it will continuously remind consumers to stop by and order a drink. By highlighting the transparency of Mochas & Javas' prices, consumers will be able to interact with the brand and its employees. The emphasis on the voice of the brand will build trust and interaction between Mochas & Javas and the consumers, and will go

far beyond just purchasing a coffee – it will create a bond.

Customer Loyalty

Customer loyalty is the result of the consistently positive experiences that consumers have that can attribute to the perceived value of a business as well as their emotional satisfaction. Customer loyalty often goes hand in hand with retention due to the effects that both have on a business. Research shows that in small businesses, 79% of customers will take their business to a competitor within seven days if they have experienced poor customer service (Leinbach-Reyhle, 2016). Retention is solely focused on maintaining the loyalty of customers because of its vital importance to the success of the business. Research has shown that it costs a business five times as much to attract a new customer than it is to keep an existing customer (Saleh). Customer loyalty can also translate more opportunities amongst new consumers via word of mouth (Thompson, 2015). Consumers often make purchase decisions based on how much effort the business has put into making sure that their customers are satisfied, have experienced care, and an overall positive encounter. Marketing is all about satisfying the need of the customer, so there must be a mutually beneficial relationship in place for both parties involved to have the opportunity to better the entire customer experience. As a result of this, loyalty programs are regularly put in place so that customers will have a desire to return to the business and continue to enjoy their experience.

Target Market

The atmosphere and service of Mochas & Javas is more than a traditional coffee shop; this company appeals to all different demographics. The LBJ location of Mochas & Javas rapidly became a hotspot in the Texas State University and the San Marcos community when they included salads, soups, sandwiches, and other food options which are not served at the other three locations. The

customer demographic for this location consists of students, professors, and locals in the area. The consistency of these customers often depends on the schedule of the university (Grace Mills, 2017). For example, the business at this location drops when the students are on winter or spring break, as well as during the summer time. Since Mochas & Javas desired to create a secondary brand for the LBJ location called Café MJ, retention is necessary to ensure the success of the repositioning of the brand. Café MJ differs from the other locations in that this is the only location in the Mochas & Javas chain that serves food in addition to the different coffees and teas that are already on the menu.

Product

In order to achieve customer loyalty, Mochas & Javas should implement some new marketing strategies to improve the success of retention at the LBJ location. An example of a product that could be used to help build the loyalty is a punch card. Since this company provides a service, the people who would help implement this alternative would be the staff of Café MJ. The punch card will give customers who attend Café MJ twelve opportunities to receive a free drink. After the first three purchases, customers will receive 25% off their total transaction for that visit. After six purchases, customers will receive 50% off their total transaction for that visit. After nine purchases, customers will receive 75% off their total transaction for that visit. Finally, after twelve purchases, the customer will be eligible to receive a free drink of their choice. The duration of the punch cards will renew every six months in order to increase activity by the consumers. In addition to the punch card, there can also be a survey put in place. Before now, Mochas & Javas did not have a discrete way to receive feedback from their customers on how their experience was. So, for those customers who are not visiting the location as frequently as others, a survey will be an option to take the place of one punch on the punch card.

Price

The prices at Mochas & Javas are already catered to the consumer demographics of students, professors, and locals who are not looking to spend a considerable amount of money on a cup of coffee. As a result of their success, Café MJ has proven to have a very lively economy due to the ever-growing population in the area. Since the current prices have not only proven to be affordable, they are also providing a consistent source of revenue for the LBJ location. If the punch card and survey strategies are put into action, then consumers will be given the chance to enjoy their experience at Café MJ at an even lower price because of the potential discounts.

Promotion

Presently, Mochas & Javas has a loyalty program in place that offers customers cash back rewards after nine purchases. This loyalty rewards and points system was somewhat confusing to consumers because of the variation of savings depending upon how much was spent (Grace Mills, 2017). In order to make the consumers experience more than about the money that was saved, the recommendation of a survey option in addition to the punch card to replace the current loyalty rewards system could prove beneficial. The consumers will be informed about the punch card and the survey through the front-line employees of Café MJ. The information for the survey will also be printed on the receipt, along with a one-time use code that will be needed in order to successfully complete the survey. As a reward for completing the survey, customers will receive points that can go towards the goal of a free drink.

Place

Café MJ is located near the center of Texas State University campus on LBJ drive. With that being said, Café MJ is easily accessible to everyone, including students, professors, and those who live nearby. The businesses that surround Café MJ, have prompted Mochas & Javas to update their

menu in order to keep up with the competition in the area. Another setback of being surrounded by so many thriving businesses is the issue of parking. Recently customers would park in Café MJ's parking lot and then walk to campus, which would result in their vehicles getting towed. Unfortunately, this caused Café MJ to lose some of their student demographic as they did not want to return after having their vehicle towed (Grace Mills, 2017).

Evaluation

Customer loyalty will cause the current consumers of Café MJ to have a better experience, which will then cause them to speak highly of this business to their peers. After the word spreads to other potential consumers, the number of customers who will also want to have a positive experience will increase the amount of revenue. New consumers will start to have their positive experiences and the cycle will continue. In addition to this positive experience, Café MJ will soon become a routine stop in the lives of those who live, work, and attend school in the San Marcos area. The only downfall of these propositions are the possible technological costs of implementing these programs. Even so, in the predicted success of this program, the costs will be highly outweighed through the benefits, such as profit or increased retention.

Recommendation and Implementation

As a group, we have decided that the best alternative marketing strategy to recommend to Mochas & Javas is to focus on customer loyalty and retention. Since the needs of customers is the reason we have the concept of marketing, we feel that maintaining customer loyalty and retention should be Mochas & Javas' first step towards furthering the success of their business. As a result of improving Mochas & Javas' LBJ location, Café MJ's new brand identity needs to develop and maintain customer loyalty. Customer loyalty for a new branch of the company, like Café MJ, is

important, because research shows that in small businesses, 79% of customers will take their business elsewhere within seven days if they have experienced poor customer service in any way (Leinbach-Reyhle, 2016). After speaking with Grace Mills, the Marketing Manager at Mochas & Javas, she clearly stated that she would like our team to help find a way to grow the potential of Café MJ as well as to make sure that it still has a cohesive identity with the rest of the company (Mochas & Javas 2017). With that being said, our team would like to revamp the current loyalty rewards system by using a punch card and a survey as an opportunity to save a percentage off of their total transaction.

In order to effectively implement this alternative, Mochas & Javas will need to have punch cards available for customers who decide not to fully commit to joining the current rewards program. The punch card will need to be marked off by a staff member at Café MJ in order for them to be able to start receiving discounts. For every three purchases at Café MJ, customers will receive 25% off of their total transaction which will eventually lead to a free drink. For those customers who do not attend Café MJ often enough (twelve times, using this proposition) to receive a free drink, we have suggested a survey as a substitute. This survey will help Mochas & Javas create more customer value by accepting feedback from customers on their experience in Café MJ. In order to make sure that the survey, as well as, the punch card actually help to improve customer loyalty and retention, the front-line employees of Café MJ should continuously remind customers that there are ways that they can further enjoy their experience by saving money and giving feedback by using the proposed programs. After implementing these two approaches, which will promote more customer loyalty within Café MJ, Mochas & Javas can expect to become a part of consumers' daily routine. Mochas & Javas can also expect improvement as a brand in all areas, since there is now a way for customers to present their thoughts and opinions about their overall experience.

Conclusion

Upon completion of the marketing plan, the group was able to identify alternatives to remedy an issue experienced by Mochas & Javas. By critically analyzing the issue from multiple perspectives, we were able to conclude the best alternative to remedy it, all while incorporating and taking into account the strengths and weaknesses of Mochas & Javas. By applying logistics to the alternatives proposed, the company Mochas & Javas will be able to utilize the information to the best of their abilities and decide whether or not to implement the suggestions made by the group. Overall, the experience of working directly with a tangible company gave each individual in the group a new perspective on the value of marketing in today's society.

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