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CEO

CALI COASTERS

Business Plan

Executive Summary:

Cali Coasters is the handcrafted coaster for sustainably oriented people who want to support a local business which provides a high quality, useful product because it works. Cali Coasters take recycled corks from wineries, local markets, and even homes, keeping them out of the landfill, and turning them into handcrafted coasters for everyday use. Our prices will be competitive to many other high end coasters, while also donating 20% of our profits to Guide Dogs For The Blind. My target market will be people from the age from 30-70, and people who value quality, sustainable, and students. For the first six months of this business, we will focus strictly on people in Marin, where in 12 months we will expand to the international market. While doing some research and receiving over 50 responses on a survey I created, I have concluded that the beverage industry is on the rise, and I will be able to sell to not only direct consumers but shops and restaurants. My direct and indirect competitors have an established clientele and are able to sell on amazon however their products sometimes don't function well. Some advantages I have is that I am able to reach my customers directly, while also being sustainable and a student. At Cali Coasters, it's all about creating handcrafted, high quality products from recycled materials as well as lending a helping hand in the local community. Our vision is to become a community leader in sustainability through the sharing of drinks. Our values are to always keep in mind what is going into the landfill so we can save the Earth together. We hope our business will be described as outgoing, by acting happy, professional, and empathetic. For the first six months of my business, I will use Ms. Orapollo's workshop and get my supplies from Napa Wine Warehouse and amazon. However if my business gets big enough I will need to get a manufacturer during the next 12 months, and I will chooses them based on their values of sustainability and their pricing. I will be the CEO of the company because I have the best idea where I want the company to go. However, I will choose my CMO, President, and head of sustainability through how much they are willing to put into the business and if they are

trustworthy. In order to break even I need to make \$31,181 a year. Although, with my predictions, I will make \$13,172 in net profit this year. Our company's slogan which we live by is "Helping spread ideas and experiences in the local community through one coaster at a time".

Positioning Statement:

Cali Coasters is the handcrafted coaster for sustainably oriented people who want to support a local business which provides a high quality, useful product because it works. Cali Coasters take recycled corks from wineries, local markets, and even homes, keeping them out of the landfill, and turning them into handcrafted coasters for everyday use. Our prices will be competitive to many other high end coasters, while also donating 20% of our profits to Guide Dogs For The Blind.

Target Market:

Our target market will be customers between 30-70 who have a stable income and have strong feelings about sustainability and student involvement in the community. We also would aim towards people who want a high quality product that is competitive with other high-end stuff, rather than the cheapest option. Finally, people who enjoy wine and the process behind it will be aimed towards because we provide a product that directly connects to wine.

Persona Profile:

The most important parts of the Persona Profile for this product would be age, income, location, interests, importance of purchase decision, and important values. The age would need to be between 35-70 because they would really be able to understand the product and its importance. They would need a steady income, so they could afford it, and live in Marin, so our company could reach them. They would need to be interested in artisan and handcrafted products, as well as care about the environment and sustainability. Finally, the importance of the purchase would be supporting local communities and students, while getting a practical product.

Market Demand:

The population in Marin, the limit geographically I can reach, is 259,358 (<https://tinyurl.com/zl8qxc6>) (in the first six months). The age range of people that will buy my product, 30-70, makes up 58% of the whole population (<https://tinyurl.com/ydfb64gg>). When asking 20 people in the age group and in Marin, 25% of the people said they would buy my product, meaning that my target market is 37,600 people. I will sell my coasters in a pack of 5, and each pack will cost \$25. This means that my estimated annual revenue will be \$940,000 once my business is in full force.

Market Research:

From my secondary research, I have concluded that the beverage coaster market is on the rise. I learned that coasters are usually made of paperboard, tissue paper, foam, etc. I also found out the beverage coaster is going to experience growth between now and 2025. This industry has experienced growth in the hospitality and decoration industry as well. Also, this market is the biggest in North America, in relation to the rest of the world, which is great for my business. For my primary research, I created a survey, getting 53 responses from people all around Marin.

With the information in my secondary research, I can conclude that I am able to sell coasters during this time, and not only to direct people. I also can sell them to shops, cafés, and restaurants as well. From the results of my survey, I am able to conclude that people do recognize the use and importance of coasters and that they are likely in the market to buy one. To add on, I predicted my target market correctly because 86% of all people that answered the survey were 30-70, and 86.8% wanted to protect their furniture, meaning that I knew their needs. However most importantly, my survey's results say the 73.6% of all people would consider buying my product. Also, 69.8% of people are more likely to buy one because it's sustainable. Finally, people would want to pay around \$20-\$25 for a pack of four coasters.

Competitive Analysis:

For my research, I focused on direct and indirect competitors. These competitors all have an established clientele, because they have been selling for a good amount of time, and they are able to ship their product through amazon. They are also generally cheaper. Some problems of the companies I researched is in the functionality, and how the coaster will stick to the glass. However, some advantages I have would be I'm able to have a direct contact with my customer, my coasters are high quality, absorb water, and don't stick to the table or glass. I conclude that my company and me are able to reach the customers in the market because of practicality and quality, but also through the idea of sustainability and being a student.

Mission Statement:

At Cali Coasters, it's all about creating handcrafted, high quality products from recycled materials as well as lending a helping hand in the local community.

Vision:

To become a community leader in sustainability through the sharing of drinks.

Values Statement:

Always keep in mind what is going into the landfill so we can save the Earth together.

Branding:

The name of my business is Cali Coasters. My business will be described as outgoing, because we will do everything we can to make the customer happy, professional, acting as well as treat people in a professional manner, laid-back, to create a good atmosphere, practical, having an easy to use product, empathetic, having our employees will possess this, approachable, being inviting to customers, and intelligent, to show the customer we are reliable and know what we what we are talking about. My company's slogan will be "Helping spread ideas and experiences in the local community through one coaster at a time". For our customer service style and practices, we will educate the customer on the life of the cork as well as what

we do to help the local community, to keep them engaged. Finally, we will have a warranty policy to ensure the company enjoys the product.

CALI COASTERS

Marketing Objectives, Strategies, and Tactics:

My objective is to sell 480 packs (2400 units) by the end of the school year. One strategy to do this is to attend community events, like local and farmers markets as well as MarinSEL events. At these events, I will create a banner and business cards to hand out. My next strategy is to create social media and a mailing list. I will create a facebook and instagram for my account as well as a mailing list to update customers and offer deals. This strategy will also allow me to create a trustworthy relationship with my customers as well, where I will make sure they know they can ask questions and return products. Finally I will create a website, informing people on our mission and what we are doing. I will also include an online store with free shipping.

Operations:

During the first six months of school, I will use Ms. Orapallo's workshop as a facility. I will use a vice, the laser cutter/wood engraver, and sandpaper. I don't have any facility costs, costs for the coasters, sandpaper, but I will have to pay for the gorilla glue. I will get this off amazon. It will take me about 4 weeks to start up. I need to get in contact with wineries and suppliers to source my corks, like Napa Wine Warehouse or other local wineries, before I can even make the product. I will also attend wine fairs and MarinSEL events to sell my product, focusing on the local community. During the next 12 months, I will need to find a manufacturer. I will choose a manufacturer based on what most closely resembles my message and sustainability. Having a manufacturer will have costs, and I will need somewhere to store my product. I will also need to pay for a website and advertisement. Now I will still attend events, but I will also focus on the

international market that come to the Wine Country. I will also need to start paying for my corks, if I sell more, rather than getting them donated. I will also buy other products in bulk at a wholesale price to keep my prices low.

Management:

Some of the key positions in my company will be the CEO, a President, a CMO, and a head of sustainability. The CEO will direct the company in the right direction, and strategically think what must be done. The President will be in charge of operations, the employees, and human resources. The CMO will make sure the company is effectively networking in the community, and later internationally. Finally, the head of sustainability will make sure the company is always improving sustainability internally, as well as in the community. I will be the CEO, because I had the originally idea of where I want this company to go. I will choose my other main positions through mainly trust and if I see they are invested and truly care about the success of the business. These people won't be paid during the school year, but be paid after depending on how the company is doing. Big decisions will be made between all of the main positions as well as investors, where we will have a majority vote. I believe I'm the right person for the job because I truly believe in the message of the company, to bring people together through sustainability. I am also hardworking, and great at analyzing situations.

Financial:

In order for my company to break even, I need to make \$31,181 a year, equating to about \$2,598 a month. I will break even in about June, according to my predictions. This means that my net profit is about \$13,172 a year. I presume I won't have to spend any money on anything except supplies, which will cost \$73. I will be selling my coaster in packs of 5 for \$25 for the first six months, changing to \$35 in the next 12 months. I did this because I needed to account wages in my costs. This meant that my total cost for making one coaster in the first six months was \$1.80, will the next period it costs \$2.60. I believe I will start with selling 60 orders a month, 300 coasters, increasing to 1020 orders in December. I believe my sales will increase

during the start of summer, due to many wine fairs, increased time in the project on my part, and my ability to go after the international market. My sales number in December is high because of the holidays, where people will be looking for gifts. After the first six months, I plan on having 4 staff members, including myself, part time, working 10 hours a week for \$11 an hour. This adds up to about \$18,504 a year in total workers' expenses.