

# ONE CUP MILK TEA STORE

**Zhenhua Li\***, **Chairit Thongrawd \*\*** & **Chatrawee Apiwarangpong \*\*\***

*\*Graduate School, Southeast Asia University, Bangkok, Thailand,*

*E-Mail: \*s6341B20046@live.sau.ac.th, \*\*chairitt@sau.ac.th, \*\*\*maythapornth@sau.ac.th*

## ABSTRACT

Milk tea, traditionally a combination of milk and tea, has four main issues such as high sugar, high fat, high caffeine and trans fatty acid content. Compared with traditional milk tea, new tea beverages emphasize upgrading and innovation in the selection of raw materials (and ingredients), production process, and store operations to provide consumers with higher quality products and services, create a unique brand culture, and enhance brand value. The purpose of this study was to attract customers through extensive publicity and promotion. Expanding the market share of the "One Cup" milk tea store to reach a target of 60%. Our milk tea store will offer several lines of low-priced milk teas for students. For most students, they often drink a cup of milk tea to study, study, attend classes, and shop. Finally, milk tea has grown and still has many consumers, many of whom have formed the habit of having milk tea as their afternoon tea. In the rising stage of our company's development, we strive to attract new customers and establish a good brand image with our warm and considerate service. Our service tenet is to think like a customer and provide the best service to our consumers. Profit maximization is our ultimate goal.

**Keywords:** Milk Tea; Health maintenance; Humanized service; Low Price; students

## INTRODUCTION AND COMPANY DESCRIPTION

### Introduction

"One cup" milk tea store: the name is simple, easy to understand; rich connotation, deep feelings.

### Company Description

"One Cup" milk tea shop. The site is located near the school, aiming to let them not forget to have a cup of warm milk tea or refreshing drink after busy study and work, bringing a good mood for the whole day. And the surrounding youth leisure; Taste life at the same time, but also to achieve the effect of health. So "One Cup" provides them with a warm and comfortable environment.

## INDUSTRY ANALYSIS

### SWOT Analysis, Total Factors Analysis Summary. (TFAS)

In the 21st century, compound leisure food culture has become the mainstream culture of catering industry, and people's perceptual consumption expenditure is far greater than rational consumption expenditure. College students, who are considered as fashion trendsetters,

are playing an increasingly important role in this field, and their market share is increasing year by year. As a marginalized branch of catering industry, the management of student market is based on the accurate grasp of this information. As a student group, their pursuit of taste more and more high, for fresh things more sensitive, more to the requirement of quality, part of the students and off-campus young people pay more and more attention to health, for milk tea and milk tea taste innovations of their own is not enough, difficult to achieve in all aspects of the consumer demand, so milk tea shop business more and more difficult to do, So what we need to do first is to do a good job of consumer data survey and analysis, and then do the corresponding methods to stimulate consumption.

### **SWOT**

**S:** <1>Belong to own brand, use to join, brand varieties are not restricted, choose a lot, have certain characteristics.

<2>Good geographical conditions, located near the school, the environment is superior.

<3>Relatively large source of customers, potential consumer groups large base.

<4>Student groups have a good word-of-mouth effect.

<5>Price advantage.

<6>Various products, such as telephone ordering services.

**W:** <1> The buying environment is narrow.

<2> Store operating cost is high, profit margin is low.

<3> Small qualifications, start-up stage, brand is not loud enough, limited capital.

<4> Entering the market later than other milk tea shops, there is no competitive advantage.

<5> Low market share.

**O:** <1>The potential and fixed customer base keeps growing, and the number of students keeps growing.

<2>Target customers can be highly instructive.

<3> There are more and more college students who love drinking milk tea, and the market has broad prospects.

<4> Food and beverage stores near the school are limited.

<5> The change of people's concept, the impact of foreign culture.

**T:** <1> At present, there are several milk tea shops near the school, which are very competitive.

<2> Early milk tea shops have formed a high popularity among the consumer group, and there is a psychological repulsion to the newly entered milk tea shops.

<3> At present, the target consumer groups of milk tea shops are not mature, and their consumption habits need to be guided.

<4> Business circles are easily overlapped with industries.

<5> Promotion means are flexible and varied.

<6> Other potential milk tea shops

## MARKET ANALYSIS AND MARKETING PLAN

### Market Analysis

1. mainly those students who eat and go shopping.
2. Consumer analysis: For most students, they often bring a cup of milk tea to go shopping.
3. From the development to now, milk tea still has many consumers.

### Marketing Plan

1. Use discount sales and gifts to promote the terminal store to ensure sales while promoting brand growth .
2. For winter and summer when shopping is not appropriate, we can offer home delivery of more than 8 cups, which is ideal for students living in dormitories.
3. To increase the popularity of milk tea, we can launch an advertising campaign and invite consumers to try it for free.

## MANAGEMENT TEAM AND COMPANY STRUCTURE

### Management Team

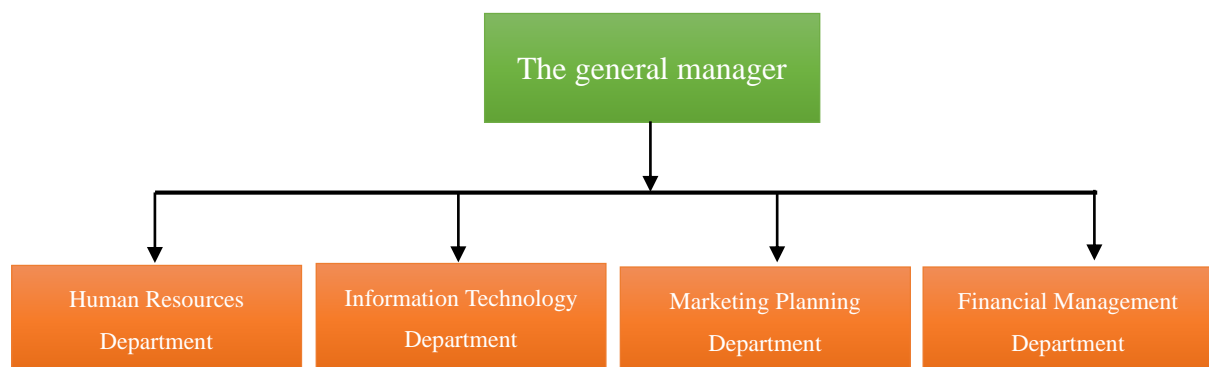
Now: Wholly owned shares of Mr. Li Zhenhua

Future (after 2-3 years) structure.

1 general manager, 5 department heads, 30 general employees, 100 operators

Expected to develop into an excellent company with more than 100 employees in 2-3 years

### Company Structure



**Figure 1** Company Structure

## OPERATIONS AND PRODUCTION PLAN

### Operations

A. Initial stage: invest in publicity, ensure quality, win customers' trust and love, identify the main consumer groups and treat each customer with good service.

B. After running for a period of time, increase the material retention channel. Expand the scale of recruitment of sales clerks (mainly part-time college students) and expand the scale of product production . Increase the variety and quantity of milk tea products, while improving the quality.

C. Ensure service quality and improve service level. Require employees to master the necessary etiquette norms, waiter's face, dress, attitude and methods when communicating with customers.

### Production Plan

First, the tea is mashed and placed in a pot of water and brought to a boil. After the tea is boiled, boil the tea thick, remove the tea with a slotted spoon, continue to boil for a while, boil, wait for a good concentration, then add iced milk tea and the right amount of fresh milk or milk powder, mix the milk tea with a spoon, and then boil the pot into a fragrant milk tea.

Secondly, to fully master the process of making milk tea. After successful opening and mastering the availability of raw materials and goods, we must arrange at least 5 days of technical proficiency and production time.

Finally, post technical update. We need to order new samples and materials in advance as we need to research new products to win the preference of our customers. Also, agree to conduct technical experiments in advance.

## FINANCIAL ANALYSIS AND FEASIBILITY ANALYSIS

### Financial analysis

**Table 1** Financial Statements

Indicators	2022	2023	2024	2025	2026
Return on assets	-14.32%	38.14%	41.29%	40.63%	47.31%
Return on net assets	-56.51%	60.19%	65.11%	70.29%	70.29%
Net profit margin on sales	-27.77%	38.78%	41.47%	45.51%	45.51%

Pro forma balance sheets

(Unit: RMB)

Project/Unit (ten thousand)	Start	1st year	2nd year	3rd year
1. Current assets				
Monetary fund	20	8	5	6
Accounts receivable		10	16	18
Inventory goods				
Other		1	2	3

<b>Project/Unit (ten thousand)</b>	<b>Start</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>
Total current assets		16	23	27
2. Fixed assets				
Total fixed assets		10	12	14
Minus: accumulated depreciation		1	2	5
Net fixed assets		9	10	9
Total assets	20	28	33	36
3. Current liabilities				
Accounts payable		5	6	7
Payable taxes		3	4	5
Other payables		2	3	4
Total current liabilities		10	15	16
4. Long-term liabilities		8	9	10
Total liabilities		2.6	4	5
Owner's equity	20	7	7	5
Liabilities and owner's equity	20	28	33	36

**Table 2** Statement of cash flow(T+1) (Unit: RMB)

<b>Project</b>	<b>amount of current</b>	<b>Current year accumulative amount</b>	<b>The accumulated amount of last year</b>
1. Cash flow generated from operating activities:	1		
Cash received for services rendered	2		
Provide cash received for products	3	362155.2	
Other cash received in connection with operations	4	601200.89	
Subtotal cash inflow from operating activities	5	206666.31	
Cash for goods, services, and payments	6	26811.2	
Cash payments to and for employees	7	123431.2	
All taxes paid	8	4230	
Payment of other cash related to business activities	9	74821.84	
Operating activities cash outflow subtotal	10		
Net cash flows from operating activities	11	470594.24	
2. Cash flow generated by investment activities:	12		
Net cash recovered from fixed assets and other long-term assets	13		
Disposal of net cash received by other operating units	14		
Receipt of other cash related to investment	15		

<b>Project</b>	<b>amount of current</b>	<b>Current year accumulative amount</b>	<b>The accumulated amount of last year</b>
activities			
Investment activities cash inflow subtotal	16		
Cash paid for the acquisition of intangible assets and other long-term assets	17		
Investment payments in cash	18		
Obtain the net cash paid by offline business units	19		
Payment of other cash related to investment activities	20		
Investment activities cash outflow subtotal	21		
Net cash flows from investing activities	22		
Cash flow generated by fundraising activities	23		
Absorb cash received from investments	24		
Obtain the cash received on the loan	25		
Other cash received in connection with fund-raising activities	26		
Cash inflow subtotal of financing activities	27		
Cash to pay off debts	28		
Cash paid to distribute dividends, profits, or interest payments	29		
Payment of other cash related to fund-raising activities	30		
Financing activities cash outflow subtotal	31		
Net cash flows from financing activities	32		
Balance of cash and cash equivalents at the beginning of the period	33		
Balance of cash and cash equivalents at the end of the period	34	470594.24	

### **Feasibility analysis**

Financial feasibility: Once the milk tea store is in normal operation, the large amount of income earned through the franchise fee can fully support the normal operation of the milk tea store.

Technical feasibility: milk tea stores belong to the category of service and catering industry. As long as the personnel are skilled in the operation of milk tea and food, and the management personnel have sufficient management awareness and risk avoidance awareness, the normal operation of the milk tea store is not difficult.

## CONCLUSION AND FUTURE WORK

### Conclusion

Our company launched a milk tea drink, combined with the advantages of milk tea, not only focus on product quality, taste, packaging, our products pay more attention to the recovery of the body, real health, good drinking tea drinks. This is our advantage, but also our victory over other brands, other stores around, to become the "king of milk tea", an important magic weapon.

### Future Work

The first two years to establish the brand, recover the initial investment and start making profits, the third four years to expand the company's projects, develop new products, so that the company has a certain brand influence and occupy a larger market, and the fifth six years to expand the scale of construction, to build the company into an internationally renowned milk tea company.

## REFERENCE

- [1] Huaqiang, L. (2021). *Characteristics of tea beverage consumption behavior of young people and its inspiration to tea beverage marketing--based on 300 survey data in Qingdao.* Fujian Tea.
- [2] Jian, Z. (2021). *Optimization study of marketing strategy of Xi tea.* Lanzhou University of Technology, 2021.
- [3] Jingqi, Z. (2021). *Research on marketing strategy of new tea drinks.* Beijing Jiaotong University.
- [4] Miaoling, W. (2020). *The influence of consumer psychology on the market competition of milk tea stores.* Modern commerce industry.
- [5] Tang, F. (2018). *On the marketing strategy of small and medium-sized tea beverage enterprises in China .* Fujian tea.
- [6] Time Weekly. (2021). *Wang Ya. 60% of respondents say they must order milk tea every week.* Author.
- [7] Xiaomi, W. (2021). *Research on the marketing strategy of Lanzhou Ha coffee drink store.* Lanzhou University.
- [8] Xiaofei,X., & Ruoyu, L. (2019). *Marketing strategies of green and healthy beverage stores. Based on the surrounding market of Xi'an University of Science and Technology.* Circulation economy.
- [9] Yunzhu, L., & Xiaodan, D. (2019). *Discussion on the campus entrepreneurial coffee program.* Vacation tourism.
- [10] Zeyu, S. (2021). *Optimization study of word-of-mouth marketing strategy of Xi tea.* Donghua University.