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**DEVELOPING A BOOKSTORE-COFFEE**

**Thesis**

**CENTRIA UNIVERSITY OF APPLIED SCIENCES**

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## ABSTRACT

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<p>The development of the bookstore-coffee service in recent years has met an ideal space for book lovers, and at the same time opened a new and unique trend, contributing to the building of a new culture, reading by young people, helping them to understand the beauty of reading. The coffee will build in Vietnam on the idea of a small library with a quiet, cool, and open space so that customers can come here to enjoy delicious and unique coffee flavors and have a study space, study, work, relax.</p> <p>The study is concentrated to establish a new bookstore-coffee showed you the requirements to start up your business from every small brick. It was not only the guidebook but also a place to share and acknowledge about creating a business in general. With the information taken from the founders about ideas as well as lessons for the next generation to have a solid foundation of knowledge-that a potential owner should have so that when entering the business can solve the problem. It also creates a network for business enthusiasts to come together to share knowledge, creating an ever-evolving industry.</p> <p>The result was taken from trustable sources and has been summarized in this article. Everyone will have their own opinion about what has been written, however, this is the initial choice because of its authenticity and high reality. The information contained may be applicable only in certain places, and depending on the culture of each place, the reader may find it inappropriate. The article is for reference only.</p>		
<b>Key words</b> Business management, company establishment, bookstore-coffee, guide, Vietnam		

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## **CONCEPT DEFINITIONS**

KOLs – Key Opinion Leaders

SEO – Search Engine Optimization

VLOGG – Video Blogger

EBITDA – Earning Before Interest Tax Depreciation Amortization

HCMC – Ho Chi Minh City

VND – Vietnam Dong (24.460 VND = 1 Euro from [Vietcombank](#) date 29/3/2022)

## 1 INTRODUCTION

The thesis of the book coffee business plan is my passion when I visited Frazer in Oodin, I enjoyed the smell of coffee with a book in hand surrounded by people who were joining in the same moment with me. Besides, I have my own books collection and I really enjoy the coffee smell when I am making it every morning. One day an idea came to my mind about opening a book coffee. This Thesis was based on many pieces of research about book-coffee which are popular in Vietnam. The thesis is written with the thought that it will ultimately make a leap from theory to the reality of my dream.

The book coffee, which is a modern concept, is a combination of two traditional locations: a bookstore and a coffee shop. It's not just a space for book lovers; More importantly, it is a venue for people to enjoy their books while sipping their favorite cup of coffee with or without their friends.

Many studies have shown that the Vietnamese bookstore-coffee is one of the most important entertainment venues for young people in Vietnam's urban communities. During this research, I found that in Vietnam, bookstores-coffees are places to spend leisure and relaxation time regardless of whether people do book-related things or not. It's worth noting here that the bookstore-coffee isn't necessarily a quiet place, on the contrary, it is a place where conversation is expected.

The purpose of the thesis is to introduce how to establish a business, the importance of a business plan, and important elements in a business plan. This thesis will be helpful for those who are thinking of setting up their own business in Vietnam by giving the theory of setting up a company in Vietnam and outlining the business plan of a growing company in the establishment phase.

The Theoretical framework will focus on 2 parts: the first part is market research on potential customers in Ho Chi Minh City, in which the analysis of 5 book safes is currently crowded. Part 2 is the issues that need to be considered in the business plan including the idea & design of the bookstore coffee, issues when choosing a business location, products and services of the shop, financial plan.

The Empirical analyses will mention the market and economy in Ho Chi Minh (Vietnam) in this part will analysis the micro-environment and macro-environment, SWOT in this market and legal issue in Vietnam including all the required procedures and preparations necessary for the bookstore-coffee to start operating.

The main part of the business plan is the Implementation plan which will be divided into three parts which are the start-up business plan, the marketing plan, and the financial plan. The start-up business plan defines the business scale and business scope, project plan, the human resources needed and the serving for the bookstore coffee. The marketing plan deals with the marketing aspect of the bookstore coffee, which includes an advertisement and communication channel and customer attractive program with ways to solve the problems and make the most of the advantages. The financial plan will provide the capital investment required, operation expenses, revenue and financial planning forecast well as the payback period.

The final part is a take on the experiences and lessons of those who went before talking about opening a coffee bookstore. These valuable experiences will be useful for those who start a business because it saves your time when you take back and forth performance. At the same time, finance will also save significantly in the initial investment when all must buy in a limited amount of capital.

In short, the business plan will be the foundation for the long-term preparation to open a new coffee shop - bookstore. The plan will cover all the required aspects, angles and issues faced by the business to make the opening and operation of the book coffee as smooth as possible. And through the process of researching and preparing a business plan, this thesis will provide a comprehensive overview of the mandatory preparations required to set up a new business in Vietnam.

## **2 PLANNING FOR A BOOKSTORE COFFEE**

This section will give you information about establishing a book-coffee store in Vietnam including the issues that need to be considered in the business plan including the idea & design of the bookstore coffee, choosing a business location, products and services of the shop and financial plan. There is also an overview about business plan, the purpose and the content of the business plan for the store itself and market research in Ho Chi Minh City, in which the analysis of 5 book cafes is currently crowded.

### **2.1 What is a Business Plan?**

Business planning is the stage that takes the most important part in planning a business, it is the process of determining the goals and targets of the plan and proposing policies and solutions. As a result of planning, a business plan is formed and it is the basis for the implementation of the following activities of planning. An enterprise's plan is a system of directions, tasks, goals and targets of material and financial resources necessary for the realization of business development goals. The more detailed the business plan is, the simpler the implementation and the higher the likelihood of being realized. (U.S Small Business Administration 2021.)

### **2.2 What is the purpose of the business plan?**

Following the author What is the purpose of the business plan? (2022) Managers need to make a business plan because it shows the direction of future operations, reduces the impact of changes in the environment, avoids waste and redundancy of resources, and establishes standards for ease of inspection. Currently, in a market regime, planning can be seen as having roles for businesses, specifically as follows:

- Planning is one of the tools that play an important role in coordinating the efforts of members in an enterprise. Planning tells the goals and how to achieve the goals of the business. When all employees in the same business know where their business is going and they will work together, cooperate and work in an organized manner. Without a plan, the path to business goals will be difficult and ineffective.



- Planning can create the balance of the business or organization. The instability and change of the environment make planning necessary for every business and every administrator. Planning forces managers to look ahead, predict changes in the internal business as well as the external environment and consider their effects to come up with appropriate response solutions.
- Planning reduces duplication and wasteful activities of the business. When planning, the goals have been determined, the best ways to achieve the goals have been selected, so resources will be used efficiently, minimizing costs because it is active in the planning process efficiently and appropriate operations.
- Planning will set standards to facilitate highly effective checking. Once an enterprise cannot determine what it must achieve and how to achieve it, of course, it will not be able to determine whether it has achieved the goal or not and cannot take measures. to make timely adjustments when deviations occur. Therefore, it can be said that if there is no plan, there is no improvement.

Thus, planning is very important for every business, every manager. Without a plan, managers may not know how to organize, exploit the people and different resources of the business effectively, or even have no idea what they need to organize and exploit. Without a plan, it will be difficult for managers and employees to achieve their goals, and they also do not know when and where to do it.

### **2.3 What is in a business plan?**

The content of the business plan focuses on a single goal, which is to outline the path and steps of the future activities of the company. Issues often mentioned in the business plan include resources, necessary finance, sales strategies, marketing strategies and ways to deal with risks if they occur. Therefore, business planning is the process of researching, analyzing and synthesizing, drafting from which to come up with a specific business plan. (Corporate Finance Institute 2022.)

#### **2.3.1 Business model for a bookstore-coffee.**

The Business Canvas model can be a social device and an entrepreneurial device that allows managers to describe, invent, design, increase or stretch out new or modern-day enterprise models (Business

Model Generation: Canvas 2011.). This will be established as a manual which has nine sure elements: key partners, key activities, well worth propositions, customer relationships, consumer segments, key resources, channels, fee shape and sales streams. (Osterwalder & Pigneur 2010, 14-15.)

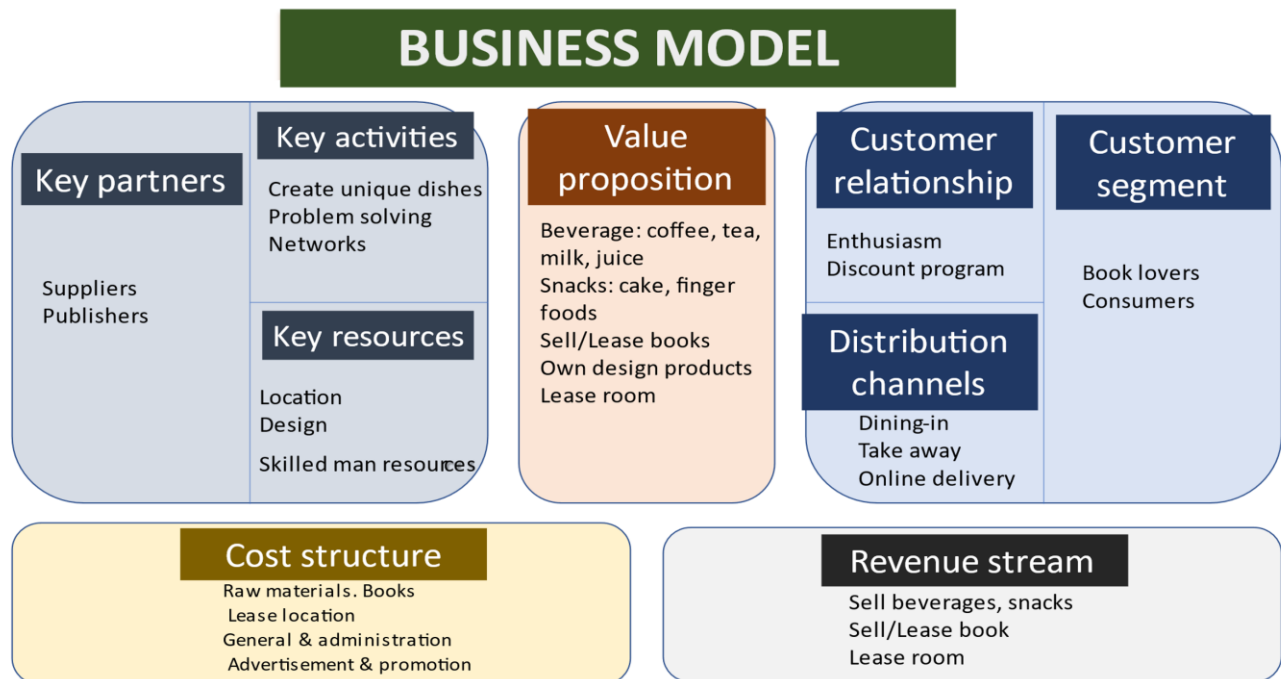


FIGURE 1. Business model for bookstore café (adopted from Business Model Canvas)

### Key resources

For better explanation, the author adopted the business bookstore into the business model elements. In running the bookstore coffee business, the most important resources are a location, an outlet design and a skilled human resource.

The location will determine the success of the business.

**Location selection:** This is very important and greatly affects the success of the coffee shop. Having a good business location is a 40% guarantee of success. You need to carefully evaluate the situation of the population, traffic, and visitors in the area you choose to open a coffee shop. With a bookstore coffee, it is not necessary to open a shop on a large street like other cafes to attract customers, you can choose a place in the alley with the quietest space possible. In addition, it is necessary to pay attention to investing in opening spacious premises with a cute space for customers to read books and enjoy tea. The advantage in the alley is that the cost of renting a place is relatively cheap compared to the rent in

the central area. And the decisive factor for you to choose a location is the place near office buildings, apartment buildings, especially near big universities, crowded with students because book lovers are intellectuals, who love books.

When choosing a location, the following points should be considered:

- **Parking place:** inconvenient when the shop does not have a parking lot or the parking lot is far from a shop, having to walk to the shop in hot weather or sudden rain.
- **Lack of natural light:** keeping the lights on 24/7 consumes a lot of money and causes a feeling of being giddy, which is not good for the eyes, especially affecting customers who frequent and read books or work on laptops.
- **Lease term:** make sure you can do long-term business at the rented location. The amount of additional costs incurred when relocating and the effort to find new premises when the landlord terminates the contract is very large, so you should be clear about terms & conditions and have a compensation clause if unilaterally terminated in the contract to minimize the risk.

### **The design** bookstore coffee for efficiency

When designing a bookstore coffee, you need to pay attention to the space because it needs to have a harmony between the interior and the light to create a space that is not only beautiful but also helps reading activities more effectively. The space inside the bookstore coffee is also a factor that creates a certain success. The way you design the rooms, decorate the walls, arrange tables and chairs and other items will show your aesthetic, customers often appreciate a lot about the interior and decoration when first entering the coffee shop.



PICTURE 1. Bookstore café decoration (Jarvis.com)

With a normal coffee shop, just meeting the requirements of comfort and quiet is enough, but with a bookstore coffee, you must make customers feel like they are entering a real library. While designing the bookstore coffee, the bookshelves are arranged scientifically and logically, classified according to different topics and genres. Tables and chairs are designed to be suitable for sitting and reading for a long time, creating maximum comfort. A comfortable seat will be a factor that helps attract customers more effectively.

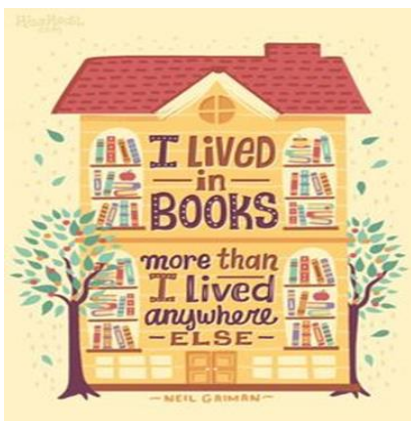
With a simple but attractive appearance because of its antiquity, many coffee shops have made a good impression on customers from the first time they pass by. The black version with white text with a funny saying for advertising is quite popular. It not only shows the simplicity and interest of the shop owner but also makes you more proactive in changing the advertising sentence, in contrast to the colorful but meaningless posters or advertising decals.



PICTURE 2&3. Attractive advertise sentences to make impression for customer (Posapp.vn)



PICTURE 4. Classic coffee shop logo also a good simple way to impress customer (Posapp.vn)



Painting on the wall is also a popular trend at some coffee shops. Unlike wall paintings, wall paintings are not limited to images, giving customers a feeling of freedom. The concept of the bookstore coffee's theme is expressed about 40% through these murals.

PICTURE 5. Wall painting with meaning phrase give customers a good feeling (Posapp.vn)





PICTURE 6. Decorate the staircase with the name of books (Posapp.vn)

A secret to serve contains a special singularity that just about only a few individuals do, it's the “emotional homesick treasure” of all your customers. A diary records such individual feelings and thoughts in a few books. With the diary, everybody no matter age, profession, gender will share their feelings, uniting souls with a typical passion.

**Skilled human resources**, particularly the shop service team that directly serves customers.

Bookshop coffee employees are continually thought of the face of the shop. The casual employees of the stores, in addition to guaranteeing not to make mistakes, also had the opportunity to perceive the essential rules to guarantee professionalism.

- Neat and polite clothes: vogue is that the very first thing that leaves a bearing on customers, and it causes you to additional sympathetic if you pay more attention to your clothes.
- Keep in mind and understand the layout of the shop: reading area, chat area, conference area, range of tables, etc.
- Data of the menu of drinks, dishes, books: it's imperative that the staff serving the coffee be aware of the things on the menu of the coffee i.e., price, ingredients...can provide the simplest advice to clients, not be mistaken in serving the incorrect customer order.

- Dedicated customer care: Your bookstall coffee is going to be thronged if you've got an ardent employee, chargeable for work, advise book to readers, and serving the coffee with a fresh, dynamic and continually smiling style.

Especially, things that arise resembling being complained about by guests, the bookstore coffee staff got to keep a polite and calm attitude. Don't argue, quarrel with customers. For more serious cases, it will be escalated to the manager or owner to resolve the problem.

### **Key partners**

As a business owner, you want to find a reliable, quality ingredient supplier that matches your business goals. Build a listing of the main/substitute ingredients required and seek for the corresponding suppliers. You'll be able to undergo the relationships to find the units that concentrate on provision raw materials for the liquid search to make sure the quality, abundance and freshness of ingredients, furthermore as generous discounts.

Particularly within the bookstore coffee model, once you make a business set up for a book coffee, you furthermore might look for specialized book supply units to relentlessly update and enrich the books in the store. If possible, you ought to join forces with publishers to participate within the sale and distribution of books. Don't suppose that you simply customers are just book lovers, however book lovers are willing to shop for back the books they need browse and loved.

### **Key activities**

These are the key things you need to do as a bookstore coffee owner to be successful. The activities should be directly involving the worth proposition. Key activities will be counteracted additionally into 3 categories: production, problem determination and platform or network.

Production: create your own menu with distinctive dishes with a formidable presentation. Innovating and enriching the menu to make more selections for customers. Provides embedded rare books that aren't straightforward to find.

Troubleshooting: discover what the problem is, then you can try to fix it. This can be wherever finding out analytics and metrics inherit play. The question might be welcome, for example, which might even generate income at some point. So never stop growing or having problems with determination.

Platform or network: connect with people to invite them to the bookstore coffee. Be part of communities to attach with and contribute to coffee success. You will be able to advertise in the media so that people recognize and consider the presence of your coffee.

## Price proposition

The preparation of a drink menu is also a detail that requires your attention. Usually, at occasional shops, particularly book coffees, customers will typically sit right down to chat and skim books, so if you only stop at drinks which will cut back your revenue, produce additional snacks, cakes to retain customers. Concerning the worth of drinks, you'll be able to additionally consult with the outlets you've been to or refer to the net to supply an inexpensive price with product quality. If you would like customers to recollect more, you can create a "one dish a day" result to extend curiosity and keep customers returning.



PICTURE 7. Menu with various options for customer to choose (Jarvis.com)



In addition, the shop also sells its own designed products such as cups, thermos bottles, mugs, cloth bags, cup bags or all kinds of tea and coffee with the shop's exclusive brand.

**Selection of titles** must be smart

Don't think that just looking for a few "hot" books right now and filling the shelves will have many people read them. Based on your target customers, you can also get a certain direction in choosing topics for your titles. Office staff, business suitable for business books of famous entrepreneurs and administrators. Students love simple story books like Doraemon comics, comic stories, or classic fairy tales and myths. Chicken soup for your soul or books with similar content have been very popular in recent years and are considered suitable for all ages.



PICTURE 8. Decorate the area for selection of titles and readers (Sapo.vn)

Do not forget to add this title to your bookshelf. If you can provide titles written in multiple languages, it will attract a lot of attention from many customers, but that comes with a difficulty in terms of costs. Choosing to source books from used bookstores can save you a lot of money. And it will be even better when you are the one to personally choose the books to put on the bookshelf in your cafe.

Magazines or daily newspapers like The Youth, Forbes, etc., will increase the choice for your customers.

### **Customer segment**

The product/service you bring is a quiet space and a treasure trove of books. Of course, the customer segment you are targeting is businessmen, intellectuals, coffee connoisseurs, bookworms and lovers of quiet. Students are also one of the potential customers that you should not miss.

### **Distribution channels**

With bookstore coffee, customers mostly use it on the spot, enjoy a cup of coffee, and drop their souls on the page of the book. However, there will also be customers who stop by to buy a cup of coffee on the way to the company. The combination of two forms: dining-in and takeaway also brings to the shop several customers that they do not have much time. And yet, the door-to-door delivery service must also be mentioned. Instead of going to the coffee shop, consumers can order goods at home. This not only saves customers time and costs but also promotes strong development of associated service industries.

### **Customer relationships**

In business, all relationships are necessary, particularly client relationships. Therefore, putting in place the Business Model, businesses have to specify methods associated with methods to assist build and maintain relationships between businesses and customers, and satisfy all wants of customers, despite where they belong.

Maintain regular and stable interactions with customers with an open and enthusiastic attitude.

Constantly providing rare, trending and constantly updated books. Another important factor is the promotion of drawing and maintaining customers.

Communication practices between your team of workers and externally with your customers can lead to a self-made bookstore coffee. It is essential to hire people who greet your customers and take the time to interact with them along with their order. workers ought to have sure qualities and be trained to own good quality will guarantee solid customer relations and exchanges in your low shop. Reducing

internal problems will liberate your employee' energy to be placed externally into participating with your customers. The coffee shop additionally must maximize the key touchpoints for example social media, ratings, and reviews, promoting and public relation, and so on.

Additionally, to those things, giving your clients the flexibility to supply feedback so implementing this feedback can show the main target you place on customer satisfaction. These will assist you not solely thrive within the community you've joined, however create your own community of dedicated regulars who love your low shop.

### **Cost structure**

Enterprises need to invest important expenses to build and operate the business. i.e. cost of purchasing raw materials for processing, cost of buying and maintaining books, general and administrative expenses, Office equipment and tools, Coffee shop equipment and tools, Advertising and promotion expenses.

### **Revenue stream**

Simply shown, revenue is the financial profit that a business receives from a customer after deducting all production costs, raw materials, etc. This revenue can come from one or more customer segments. differentiated through the value that the enterprise's business activities create.

Main revenue has come from drinks, selling food snacks, book sales, book rental, conference room rental. Besides that, revenue also comes from activity events, or selling shop own-designed products: coffee cups, bags, containers, etc.

*What should be kept in mind when building a business model? (Wiley, J. & Sons 2017, 30-51.)*

- A business model is the core strategy to ensure profitable revenue for the company as well as determine the success or failure of the business.
- The key business model levers to watch out for are price and cost.
- To evaluate the business model as an investor, you need to consider whether the business idea is reasonable, the terms of the public-private investment are worthy to make a final decision.

Besides the Business Canvas Model, other reality aspects that need to be considered before making an action which can help the idea to be clearer for potential investors.

### **2.3.2 Human Resource Management**

Employee Selection is an important aspect for recruiting the human source. Effectiveness is reviewed by their skills and qualifications. It can only be done when a requirement meets the line. By choosing potential applicants for the position, the organization will get great performance from them. More than that, there will be less risk happening on premise. The company saves money and time if they can recruit the right applicant. During the selection procedure, having a close look at the candidate performance, we can know what position, characteristic of the employees is match with the organization's motto. Take an example from Starbucks, they too create the 'Starbucks Experience' by using their barista to make the recruitment motto. "To have the right people hiring the right people."

Depending on the scale of business, the number of employees required is corresponding. For a bookstore coffee, the human resource required for its operation is as follows:

Human resources for executive and management of the main activities of the company: MKT's administration department, accounting department and the planning and development department.

Human resource for processing products to prepare coffee and other drinks at the counter and people to keep stock management and contact suppliers.

Human resources for managing the premise who are responsible for all books renting service at the counter and check the quality of the books before and after use, checks inventory, management and arrangement, classification of books and in charge of finding out the current reading trends of customers, planning a list of new books is cashiers, and for safety is security staffs.

Human resources for managing work on social media, answering questions, and resolving customer complaints, manage content posted on social networking sites according to the company's plans and campaign.

### 2.3.3 Financial Information

Crimson Cup (2019) has answered the most important question when opening a place: How much capital does it take to open a bookstore coffee for this business model?

It depends on the store model with different impacts on financial success. The place with suitable design is the critical thing that needs to be considered to increase the customer's turnover rate to get the profit. The numbers shown below are based on the expense of Vietnam near/in Ho Chi Minh City center area in 2020.

The cost of renting a place and space: This cost will be higher than other business models because the bookstore coffee needs a spacious, airy and quiet space, providing an ideal space for customers to enjoy coffee while reading a book. Beautiful premises must meet the criteria as mentioned: medium or large space, densely populated, quiet then you will have to spend from 20 to 30 million VND/month.

Construction costs: Once you have the premises, you will have to redecorate to suit your wishes, especially the decoration and design of the shop. It'll also cost a bit more in the range of 15-30 million VND.

The investment cost for furniture and related items: such as tables, chairs, cabinets, bookshelves, air conditioners, refrigerators, coffee maker machines, etc. In addition, with coffee in the bookstore, buying books is even more expensive. Surely you will need an additional amount of 100 - 130 million VND.

Cost of raw materials: this can be considered as the least costly, you can easily find and buy materials at an appropriate price. However, you also need to put a little bit of your mind into it, the ingredients also need to be good so that you can create delicious and attractive drinks. About 15-25 million VND.

Salary for staff: normally, bookstore coffee shops will not make you apply for too many positions. You only need 1 - 2 bartenders, 1 accountant, 1 book admin, 2 waiters and errands to support you, the total fee to pay for the staff monthly will be in the range of 50-60 million VND.

Marketing costs: To run the store well, you have to incur a cost called marketing to promote your coffee. Initially, this cost may be high, but when your shop goes into regular operation, this cost will be reduced. Fees fluctuate in the range: 5 - 20 million VND or more during new opening hours.

Finally, the cost of maintaining operations: For your shop not to close or temporarily stop selling, you also need to have a spare amount called a maintenance fee to spend on unexpected cases or expenses. daily activities. From 10 to 20 million VND/month.

In total, to start a book coffee business you need an amount of money from 200 to 280 million VND. Running a financially viable coffee is not just about good branding, good coffee, and a good customer experience. It's also about careful planning, understanding your profit margins, and reducing your costs. So make sure that you really know your business. Work out how much you need to make, how much you need to serve, and how much stock and staff you really need.

### **2.3.4 Market research in Ho Chi Minh City**

Market research was carried out on the top 5 crowded book cafes in Ho Chi Minh City along with customers' review (Tripadvisor.com) of the highlights and limitations of each to draw experience for bookstore cafe owners:

#### **The Workshop-Saigon Cafe** suitable for teamwork

- Address: 2nd Floor, Apartment 27 Ngo Duc Ke, District 1
- Reference price: 20,000 - 60,000 VND
- Opening hours: 7am - 8pm

The Workshop-Saigon Café is located on the 2nd floor of an old apartment building. It looks simple and monotonous from the outside, but when you step inside, you will be surprised by the airy, spacious, and convenient space of the shop. True to the Workshop's name, the shop has long wooden tables for group meetings, suitable for working, surfing the web.



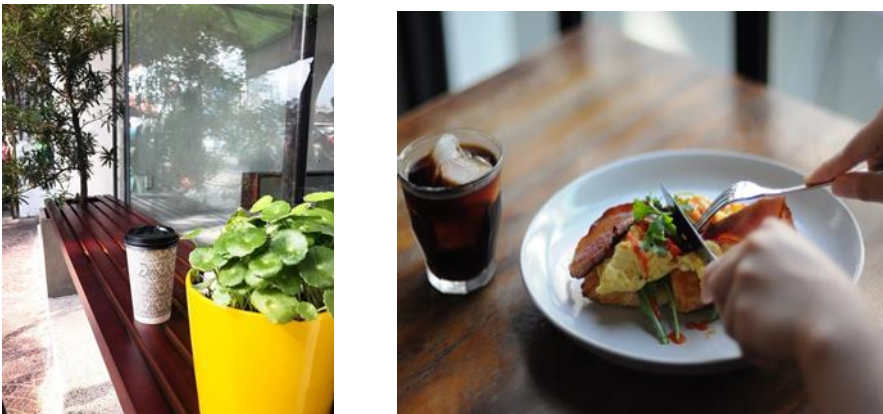
PICTURE 9&10. Inner of The Workshop – Saigon café (Foody.vn)

TABLE 1. Customer reviews for The Workshop-Saigon Café (Tripadvisor.com)

Highlights	Limitations
<ul style="list-style-type: none"> <li>• Design a beautiful dynamic vintage style shop ideal for you to work and be creative</li> <li>• The shop has long wooden tables for group meetings</li> <li>• Nice street view, quiet space suitable for everyone, especially those who need to find a quiet and relaxing place to read or work.</li> </ul>	<ul style="list-style-type: none"> <li>• However, there are not many separate tables and chairs apart from the long tables here, a bit small, sitting for a long time is often uncomfortable.</li> </ul>



The Workshop-Saigon Café designed the shop in a dynamic vintage style mixed with a bit of romance and lightness. There are many long tables here, if you want to have group meetings, organize events, train, then The Workshop will be the perfect choice for you. The shop also has a few single tables near the window so that guests who come alone can choose their favorite seats with a direct view of Dong Khoi Street, a street with many green and peaceful trees.



PICTURE 11. Food and drink in The Workshop- Saigon Café (Foody.vn)

Drinks at The Workshop-Saigon Café are quite attractive, suitable for everyone's taste with a bit high price compared to the area. However, compared with the benefits that you get when you go to the shop, the amount is not too high. You just have your own space to work, high speed Wi-Fi, cool air conditioner.

**Think In A Box** where creative inspiration

- Address: 116 Nguyen Van Thu
- Opening hours: 8am - 10pm

Think In A Box is not only a modern Saigon cafe but also an ideal place for office workers, students, and students to work and study. With airy and light space, Think In A Box helps inspire inspiration and creativity in you.





PICTURE 12. Inner of Think In A Box (thegioidiadiem.com)

TABLE 2. Customer reviews for Think In A Box

Highlights	Limitations
<ul style="list-style-type: none"> <li>• Modern design space, clean, quiet rooms, natural light, aroma from essential oils.</li> <li>• Divided into 2 areas for groups and solo travelers who need a quiet space.</li> <li>• The shop is equipped with speakers, microphones, projectors, etc., for training, workshops, seminars.</li> <li>• Drinks are varied.</li> </ul>	<ul style="list-style-type: none"> <li>• Toilets are located on the ground floor.</li> <li>• Parking area at the opposite school.</li> </ul>

The impressive point at Think In A Box is that there are many different spaces for you to choose from, if you gather friends, colleagues with many people or go alone, you will find yourself the ideal seat. Besides, the drinks at the shop are very affordable, mainly coffee, juice and many other soft drinks. The enthusiastic service style of the staff is also highly appreciated by customers when coming to Think In A Box.

The drawback of Think In A Box is the toilet on the ground floor, for customers on the upper floor, each time they want to go to the bathroom, it will take a long time to move, the narrow parking space also costs customers a lot. time on arrival.

### **Cafe Comma – Book Cafe & Boardgame**

- Address: 653 Le Van Luong, Tan Phong Ward
- Reference price: 25,000 - 70,000 VND
- Opening hours: 9am - 10pm

Step into Cafe Comma - Book Cafe & Boardgame right away, the design and color of the shop will make customers impressed for a long time. With white, black and lemon-yellow colors, Cafe Comma creates a strong highlight in the eyes of customers. This is one of the cafes in Saigon that are worth visiting if you are coming to an exam and need a quiet place that is not as dry as a library.



PICTURE 13. Inner of Cafe Comma (Foody.vn)



PICTURE 14. Inner of Café Comma (Foody.vn)

TABLE 3. Customer reviews for Cafe Comma - Book Cafe & Boardgame.

Highlights	Limitations
<ul style="list-style-type: none"> <li>• Up to 100 board games and more than 2000 books of all genres to serve you</li> <li>• Unique and strange space: with individual cells you can freely lie down and read a book without fear of anyone disturbing you or beehives for friends to read and talk comfortably</li> </ul>	<ul style="list-style-type: none"> <li>• Located in the corner so few people know</li> <li>• The shop has a corrugated iron roof, so it's quite noisy when it rains</li> </ul>

Spacious, quiet and comfortable space, customers coming to Cafe Comma can easily find their ideal sitting position. If you go alone, you can choose individual cells to read and study. If you go with friends, you can choose the beehive area to talk comfortably. Especially at the shop, there are up to 100 board games and more than 2000 books of all genres to serve you when you come here.

**The Library Coffee:** a cafe combined with a library for bookworms

- Address: 34 Nguyen Son,
- Reference price: 12,000 – 29,000 VND
- Opening hours: 7:00 - 23:00

The Library Coffee is an ideal place for those who are looking for a quiet space to study and work. Like the name, this Saigon book cafe is a large library, with a lot of books, all genres from old books, comics to literary and economic books that you can choose freely and enjoy drinks here.



PICTURE 15. Inner of The Library Coffee (Foody.vn)

TABLE 4. Customer reviews to The Library Coffee

Highlights	Limitations
<ul style="list-style-type: none"> <li>• The shop is beautifully designed, decorated like a book library</li> <li>• Diverse drink menu, delicious and cheap concoctions</li> <li>• Many titles with many genres for customers to choose from</li> </ul>	<ul style="list-style-type: none"> <li>• The shop is located on the 2nd floor, the 1st floor is a Yame clothing store, you should pay attention to avoid... go through it!</li> </ul>

The Library Coffee is designed in a modern, rustic style but still exudes elegance. The shop mainly uses wooden furniture, so it feels very cozy and light. If you are looking for an ideal place to study and do your homework, The Library Coffee will not disappoint you.

Like many other coffee shops working and studying in Saigon, the menu list at The Library Coffee is unique, with many different drink items, each item has its own flavor and way of processing, such as: For example, with coffee, there is hot coffee, iced coffee, black coffee, cappuccino or with juice, there is carrot juice, fragrant juice, etc. Most of the drinks are tasty and the prices are affordable.

### **Saigon book cafe Slowee Coffee Books**

- Address: 53 Loc Hung
- Reference price: 25,000 - 33,000 VND
- Opening hours: 8am - 10pm

Slowee Coffee Books is not only a favorite Saigon cafe for working and studying, but this cafe is also an ideal rendezvous for couples and young people who want to find a quiet and relaxing place to read books. Bookworms can freely choose their favorite titles and relax in a coffee-flavored space with good books.



PICTURE 16. Inner of Slowee Coffee Books (Foody.vn)

TABLE 5. Customer reviews to Slowee Coffee Books

Highlights	Limitations
<ul style="list-style-type: none"> <li>• The shop has a quite rustic and simple space but creates a wonderful cozy feeling with many books of all different fields.</li> <li>• The bar's drinks are diverse and affordable</li> <li>• The shop also has many classes and interesting activities: drawing class, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• The shop is closed every Monday</li> </ul>

Besides luxurious and modern cafes, Slowee Coffee Books brings a rustic, "country foot" and simple beauty. But that is what creates the unique style of Slowee Coffee Books that makes customers visit once and remember forever.

This cafe has become a favorite destination of many young Saigon's, especially students who want to find a quiet place to study or simply find a gentle place to read a book. Drinks at Slowee Coffee Books are mainly coffee, latte, juices, smoothies and milk tea. You will find a drink that suits your taste when you come here.



### 3 INVESTIGATING HO CHI MINH CITY AND THE LEGAL ISSUE

This section will examine the external and internal of Vietnam and SWOT of book coffee in Vietnam so that you can have a better look in Vietnam economy and search for opportunities for your future business in Vietnam. When you understand the business possibilities, the legal issue is the thing you need to focus on next as politics in each country are different, so understanding them is one of the best ways to survive in the competitive market.

#### 3.1 Market and economy in Vietnam (Ho Chi Minh City)

The book coffee business seems very simple, but it has a high demand, especially since the market is emulation. Therefore, before deciding to do business, it is necessary and important to research the book coffee business market. Chung. V has research which shows that the result of the macroenvironment and microenvironment on coffee is one of the important things in book coffee business and as a country consumes large amounts of coffee every day.



PICTURE 17. Coffee and Books (Pixabay.com)

### **3.1.1 Macro environment analysis**

Vietnam is one of three Southeast Asian countries in the list of 50 economies with the world's best business environment. The country is developing with stable GDP growth, people's income increases, but inflation is still high, pushing up the prices of living goods. From 2002 to 2020, GDP per capita has increased 2.7 times, reaching almost \$ 2,800. In addition, during this period, the poverty rate (according to the standard of 1.9 USD/day) dropped sharply from more than 32% in 2011 to less than 2%. (Statistic Times 2021.)

This country is known for its stable politics, along with an ever-expanding economic and investment possibilities. Since then, it is easy for foreign countries to come to Vietnam to do business.

Ho Chi Minh City has a significant population of over 8 million (Indochina Properties 2022.). The social culture is rich and diverse, especially the strong influence of Western and Korean culture. Here, also a large coffee business market because the coffee consumption in Vietnam is very large.

With a favorable geographical location, tropical climate, less affected by natural disasters and floods. The environment in Vietnam has not been polluted. People here are very fond of energy, welcome and open-minded. This environment and this market are very suitable for business and trade.

Technology is always changing very quickly; the emergence of new technology creates new products that threaten old products. As a result, old technology companies become obsolete in front of their competitors. But this makes Vietnam become the place where you have a lot of challenges to increase your business.

### **3.1.2 Microenvironment analysis**

For the potential competitors: The book coffee market in Vietnam is a favorable environment for investors and businesses. The competition here is still low, but in the future, there will be many competitors. Substitute products of competitors in the same or different industry are various that the target customers can choose, and the customer flow is unpredictable.

Although opening a book coffee shop has many favorable objectives as well as subjective conditions, but to succeed is not easy because not only your coffee but also your competitors in the surrounding area, they also want to achieve their target.

Since our main customers are mainly intellectuals, students, and employees, they have a simple and easy way of life. The most important thing customers focus on is the service and whether the space is comfortable. In addition, according to our research through conversations with customers, we know that when they come to the coffee shop, they also consider the facilities, the variety of options (menu, books), price, and the comfort of the inside and outside environment.

Suppliers play an important role in the success of the coffee, creating a good relationship with quality suppliers will bring great advantages to our cafe, but to find Being a good supplier in terms of quality and reasonable price is not easy. Through the current search and selection process, our main suppliers are TH true milk, Trung Nguyen coffee, New Viet Dairy, Phuong Nam publisher, Fahasa publisher, King Coffee.

These external and internal charts will transfer the information above into value to make a conclusion about the coffee business situation in Vietnam. (KHV Investment & Consulting 2018.)

TABLE 6. The external factors evaluation matrix (Van Chung 2018.)

The external factors	Importance	Value	Total score
1. Economic environment	0.15	3	0.45
2. Political environment	0.15	2	0.45
3. Social environment	0.1	3	0.3
4. Natural environment	0.1	4	0.4
5. Technological environment	0.1	2	0.2
6. Potential Rivals	0.1	3	0.3
7. Alternative products	0.1	3	0.3
8. Customers	0.2	3	0.6



9. Competitors	0.1	3	0.3
<b>Total points</b>			<b>3.3</b>

Conclusion: Coffee book business is in a great start-up business environment.

TABLE 7. The internal factors evaluation matrix (Van Chung 2018.)

The elements inside	Importance	Value	total score
1. Finance	0.2	3	0.6
2. Human Resources	0.3	3	0.9
3. Organization	0.3	2	0.6
4. Marketing	0.2	1	0.2
<b>Total points</b>			<b>2.3</b>

Conclusion: Still has many internal weaknesses that need to be consider.

### 3.2 SWOT analysis about book coffee market

The aim of this section is to identify the key internal and external factors of business as well as its book coffee shop which are important to achieve the strategic objectives. The tool is called a SWOT analysis, stands for Strengths and Weaknesses, Opportunities and Threats. Its help business best aligns their available resources and capabilities to the business environment requirements.

Ahsan (2021) has pointed out some important keys that a book coffee shop may have and the author, also based on her own knowledge about the country, explains the SWOT chart.

#### Strength

First, a store gives diverse offerings and products, in particular books. In addition, the atmosphere is so well-rounded the rest of the clients are guaranteed. The fee is reasonable, it is probably as excessive because of the excessive-give up coffees out there, however it's far more stable to the first-class of each product and provider.

Second, the proposed commercial enterprise is a precise sort of carrier considering it will likely be the book shop coffee shop within the Ho Chi Minh town and it is at the right place reachable for capacity clients. The enterprise has enough finances to carry out the carrier, excessive-tech devices and a professional workforce. The protection and luxury of visitors is likewise a pinnacle priority. Furthermore, the proponents' fine energy is having informative books to accompany clients.

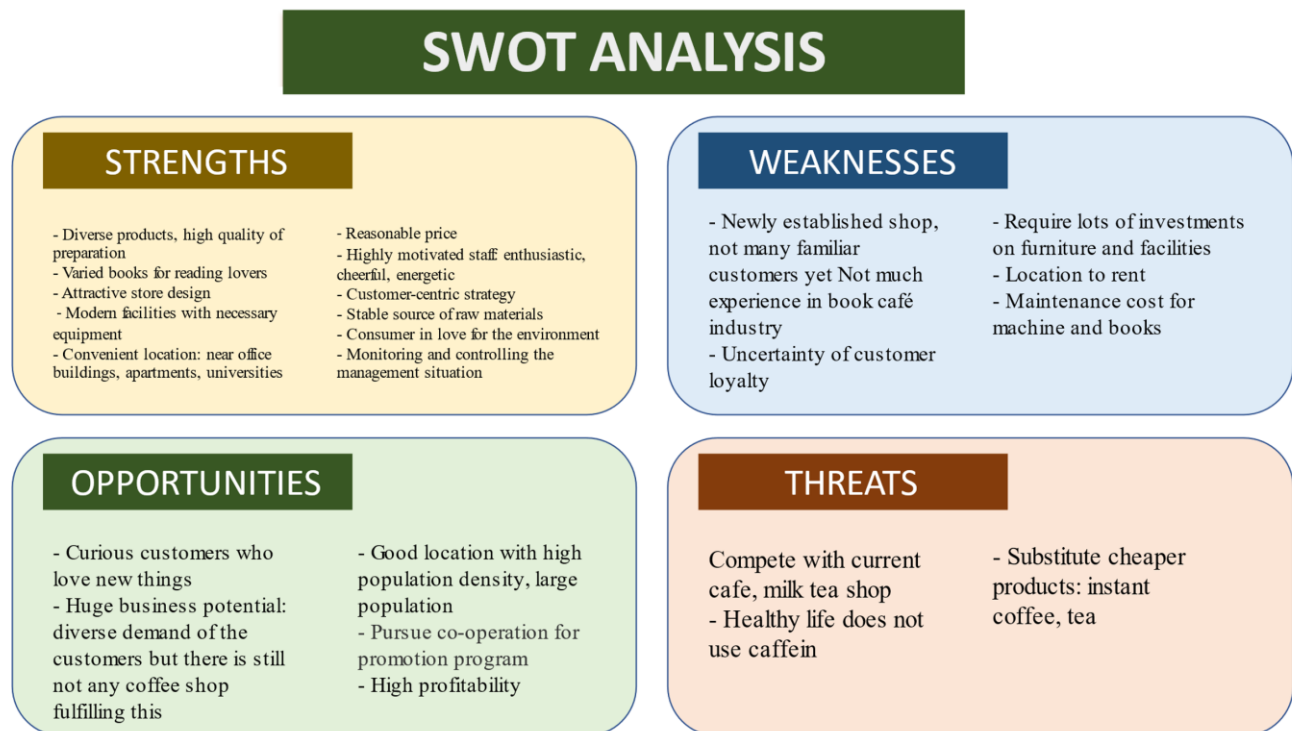


FIGURE 2. The SWOT chart (adopted from SWOT Analysis chart)

### Weakness

A rising or new emblem in the coffee industry, the danger is too great that it will not enjoy the same success as in the various shops. Since the commercial enterprise is new within the industry, elements that now no longer all Vietnamese are booklovers, and a few might also additionally want to examine however now no longer as enthusiastic as people from overseas nations which ends up in uncertainty of purchaser loyalty. The keep needs plenty of funding in capital expenditure is furniture, machines. In addition, the operation prices for area hire and the protection of each machine and books given that it'll capture the time and value to make sure the cleanliness inside the coffee, affecting the profit.

## **Opportunity**

Coffee shops are developing rapidly, many human beings want to drink espresso, study books, hang out with pals in cafes or maybe spend time alone. Many already recognize its forms, its saturation is likewise good. Great enterprise potential, the numerous wishes of clients, but now no longer all coffee stores can meet them. The goal area is offered to the goal market. In addition, there's a high-cease cafe to visit. Many individuals who love coffee are searching out new locations and yearning for a brand-new taste and the scent of the latest fragrance. After all, each espresso and the associate corporation benefit from hyperlinks with different businesses for promotions that client's advantage from in a comparable way.

## **Threats**

There are plenty of other cafes or tea rooms to replace the design on offer, especially if customers prefer the cheaper ones. Likewise, there are tons of instant coffees and teas available in the general market, again they are much cheaper. The Vietnamese are pragmatic, if they think there is an alternative that will cost less, they will choose that one. Also, other target market trends are taking a healthier route and caffeine isn't on the list, which obviously isn't a good thing for us. However, as sales and profits increase, competitors are expected to increase.

### **3.3 The legal issue in Vietnam**

In business, owning a business license helps you gain more trust from customers, and you will not have any problems later. Necessary documents for your business: business license, food safety paper and trademark certificate (VietAn Law.).

#### **Business license**

Business license with registered food business: this document you need to apply at the economic - planning department - District People's Committee where you put the bookstore coffee address. The complete profile should include:

- Application form according to the form of the Department of Economy - Planning - People's Committee in that district.
- A rental contract in case the premises are rented or homeownership in case you open a shop at home together with a notarized ID card of the owner and members (if any).
- You can register your business at the Department of Planning and Investment in the district where your business is located.

### **Food safety license**

In addition to applying for a full business license, you need a food safety assurance license. This will be the best proof for your customers to help them rest assured that your drink is hygienic. You need to prepare a registration dossier, business registration license, description of the processing process, commitment on ingredients (certificate), health certificate of the bartender institutions and related people. The steps are as follows:

- Submit dossiers at competent agencies on food hygiene and safety
- Wait for the agencies to come to appraise the facility, if you meet the standards, you will be granted a certificate, if not, it will be re-examined within 3 months, during this time, the appraisal team has the right to completely suspend the operation. the shop's action if necessary.

### **Certificate of Trademark Registration**

A trademark registration certificate, also known as a protection title, is the most important legal basis to protect an enterprise when a trademark dispute occurs to prove ownership of your intellectual property. The certificate records important information related to the mark such as owner, protection industry group, the scope of protection, duration of protection.

The dossier can be submitted in person or sent by post to the Intellectual property department's headquarters in Hanoi or its representative office in Ho Chi Minh City.

## **4 BOOKSTORE-COFFEE IN OPERATION**

After analyzing the Business model and SWOT of the book coffee, the business planning needs to be started. The result of the book coffee project was the creation of the normal coffee shop and a realistic business plan to demonstrate that the business idea was viable and profitable.

### **4.1 Ideal business scale**

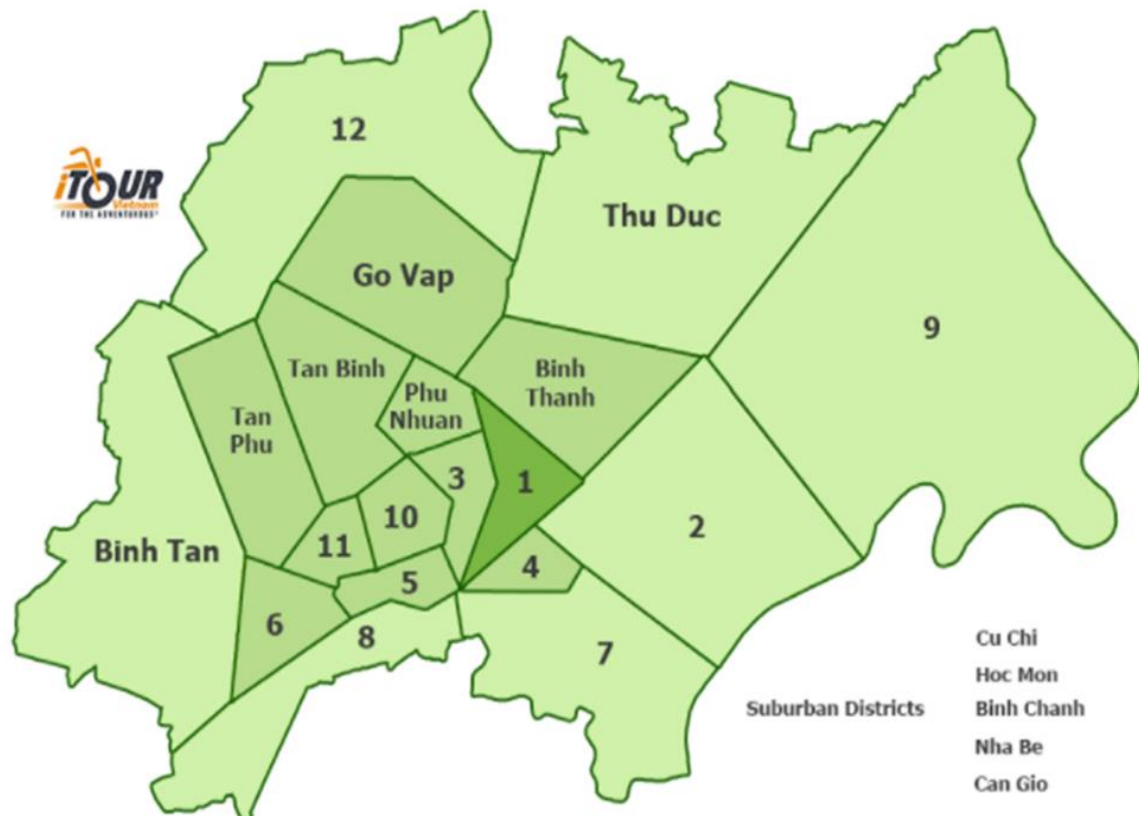
This thesis is limited to those who are just starting up or new to doing business in the field of F&B. You should start with small or medium size, this avoids your unnecessary losses when business is not favorable. After you get some results, you can upgrade by expanding the book coffee chain and expanding many activities to serve the strict needs of the customers.

The scale of a book coffee for a start-up is small and medium, with an initial capital of 400 million VND. According to research, the average profit for a small coffee shop is around 2.5%.

With the book coffee model, the location needs to be suitable for customers who are intellectuals who love books and those who need a quiet space. The area of the coffee also needs to be large from 200m<sup>2</sup> to ensure privacy for customers.

Currently in Thu Duc, there are over 27,000 coffee shops (Foody.com) that are competitors that we must confront, they have had a close relationship with customers in the area for quite a long time. Despite those disadvantages, according to research, Thu Duc does not have any book coffees, although Thu Duc is the largest and most densely populated district in Ho Chi Minh City and has many universities, it lacks a book coffee business. With the goal set in the first stage, Thu Duc is the ideal place to set up the first book coffee, and it is necessary to carefully prepare everything to satisfy the customers at the highest level, especially as there are many books provided that the competition lacked.

### Ho Chi Minh City Districts Map



There are a total of **24 districts** in Ho Chi Minh City: 19 central districts and 5 suburban districts.

PICTURE 18. District areas in Ho Chi Minh City (itourvn.com)

#### 4.1.1 Bookstore-coffee in planning

The book coffee will have important areas such as: a barista, a reading and coffee enjoyment area, a bookshelf area and a toilet area. Because the book coffee serves customers who have a lot of time to enjoy the coffee, the architects often leave 70-80% of the space for the common service area. In the common service area, tables and chairs, display cabinets and bookshelves will be arranged to create the most comfortable passage for customers.

The remaining area in the coffee shops occupying 20-30% of the ground area will be for the bar area, cashier, order and toilet area. The bar area will be designed simply, creating a scientific working space for the bartenders to be faster. Architects often design the bar in the shape of L, U, O to save more space. You can design to integrate the bar with the cashier counter to shorten the time to process drinks for customers. Although each area has its own task and function, you need to connect them together

for the most convenient ordering, coffee enjoyment and payment. The areas with fully equipped, including Wi-Fi for 200 guests, divided into operating zones as follows

TABLE 8. Equipment for each place

Seq	Area	Purpose	Square	Technical requirement
1	Reading room, self-study	Serving individuals who like to read, need a quiet space to study and work	60m <sup>2</sup>	Quiet, air conditioning, Wi-Fi, soft music, 7 bookshelves along the wall, 25 tables x 2 guests
2	Group study room	Serving groups need space for discussion, group meeting	50m <sup>2</sup>	Dynamic, air-conditioner, Wi-Fi, projector, 5 tables x 6 guests, 1 table x 12 guests
3	Open space	Serving people and groups who need an airy open space	50m <sup>2</sup>	Nature, ornamental plants, lyrical, airy, mixed beauty, no air conditioning, Wi-Fi, light music, 20 tables x 4 guests
4	Dispensing rooms	Prepare beverage and food	20m <sup>2</sup>	Ventilated, ensure food safety and hygiene issues, full of cooking utensils
5	Toilets	Serving the hygiene needs of guests and staff	10m <sup>2</sup>	Clean, fresh, with ventilation fans, WC man: 1 room, 1 standing urinal, 1 lavabo, WC woman 2 rooms, 1 lavabo
6	Parking area	Parking for guests and staff	200m <sup>2</sup>	Open, spacious, can accommodate 150 vehicles

### Designing a bookstore coffee

The design is the most important and must achieve the basic goal of creating an ideal space to enjoy coffee by reading. During this phase the work must be completed as required and of quality, within the approved cost in time and keeping the project scope unchanged.

TABLE 9. The construction durations project the main items as shown in the table below (estimated).

Seq	Description	Timeline
1	Design consultation	3 days
1.1	Preliminary drawing ideas	
1.2	Find contacts and choose the right designer	
1.3	Receive complete approval of rough drawings	
1.4	Receive complete approval of nook electrical drawings	
1.5	Receive complete approval of interior drawings	
1.6	Contact for consultation of wooden designs	
1.7	Contact for consultation on choosing and decorating trees	
2	Build construction	6 days
2.1	Construction bidding	
2.2	Construction of the foundation	
2.3	Construction of walls, walls, electricity and water, eaves, fences, trees	
2.4	Finishing: wall stickers, paint, plaster	
2.5	Acceptance and complete repair	
3	Interior decoration	4 days
3.1	Purchase and install bookshelves, tables and chairs	
3.2	Purchase and installation of kitchen utensils (cups)	
3.3	Buy and arrange trees	
3.4	Buy and arrange books and decorative items	
4	Completion	2 days
4.1	Acceptance, quality control and project handover	
4.2	Liquidation, termination of all contracts with related parties	



4.3	Completing and archiving project files and technical documents	
4.4	Write the final report for the project	

#### 4.1.2 Labor force

A complete organization will include the Department of Admin, HR, Accounting, Finance, Sales, Marketing, Planning, Warehouse, Store. However, the scope of this project is for startups starting with a small scale, the staff of the shop is 7 people concurrently with other jobs and the job titles are as follows:

TABLE 10. Human resource required for Book-store café

Title		Job description	Professional requirements
Manager	1	Manage all activities of the shop, representative of shop for the law, marketing, public relationship with customer	University or higher majoring in Business Administration
Accountant	1	Responsible for bookkeeping activities, recording revenue and expenditure activities, determining revenue and profit of the shop and reporting taxes concurrently with order planning	Intermediate or higher in accounting, 1 year of experience
Store Head	1	Acting on behalf of the manager to operate and be responsible for all activities at the shop, control inventory, issue bills and collect money	Barista, 2 years of experience
Barista	1	Responsible for processing drinks, snacks for guests.	Professional degree, 2 years of experience
Books-admin	1	Manage books, arrange in the right position, manage book rental, sell books	Professional qualifications, 1 year of experience
Waitress	2	Introduce menus, advise on menu selection, serve coffee to guests, part-time cleaning, arranging tables and chairs, cum parking for customers	Having a certificate of hygiene and safety, no experience necessary, in-house training

### **4.1.3 How to serve?**

In different shop have their own signature about their style to serving to make them unique and profitable. Same as the bookstore-coffee, even though the menu is not change compared to other coffee shops, but serving books is on the list. In this section, the author will talk about the serving items and the serving methods base on customer forms service.

#### **Serving**

Serving customers is an important activity of a coffee, service quality as well as product quality determine the survival of the business. The principle of attentive service and not asking for anything is to serve anything. However, some procedures and techniques differ in the process of serving different beverages.

Tea, coffee, mineral water, soft drinks and juices are served to customers to consume during their reading. The method of preparation and serving will vary depending on the drink itself, for example serving tea will be different from serving coffee. Each bar must have its own “standard” for the process of serving these drinks. The foods include bread, cakes, and nuts. Types of books: books are served free of charge for customers to read in the shop with various titles (economics, science, novels, comics, etc.).

#### **Serving method**

The forms of service of the bookstore coffee are on-site service, take away, online delivery.

75% is the rate of customers using on-site. Coming to the shop, customers can enjoy a delicious cup of coffee, read free books and relax. This brings customers comfort, helps to cultivate more knowledge for life through the books that customers choose to read, helps regain the spirit to continue for the next working hours. Moreover, there are also rare and unique books that are not easy to find on the market, which will help customers who have reading and research needs but can't afford to buy new books to get closer to the huge treasure of knowledge.

10% is the rate of customers to take away. Life is more and more modern and developed, leading to the new business forms, that is, coffee take away. These customers are mostly office workers on their way to work, or young people who like to chat and joke outside the shop or passers-by who want a cup of coffee, a few pastries but have no time to stop at the bar.

15% is the percentage of customers ordering online. Time is extremely precious. Along with the development and "dominant of the market" is the strong development of door-to-door delivery service. In the F&B industry trend 2021, door-to-door delivery service will have more breakthroughs. Instead of going to cafe shop, consumers can buy goods at home thanks to the door-to-door delivery service. This not only saves customers time and costs, but also promotes strong development of associated service industries. Customers can order drinks and food by phone or directly through the website, the shop has free delivery service. Each order to be free requires a minimum condition of 200,000 VND or more depending on the location. If the bill is below the specified level, or delivered outside Thu Duc district, the shop will charge 30,000 VND / delivery time.

## **4.2 Marketing plan**

An enterprise marketing plan consists of offline and online marketing. Effective advertisement includes all the means such as business cards, posters, and flyers, and also media and social media advertising. This is one of the ways to increase coverage, increase brand awareness, attract customers and generate revenue for your shop. (Artcoffee 2021.)

### **Poster, standee to introduce promotions**

One of the easiest ways to reach "returning" customers is by using posters or standees. Poster or standee is a publication that conveys information through words or through graphic images, symbols or pictures, drawings. They will help you promote and convey images, information about your brand, products, promotions at your book cafe in the fastest way. This method is even more effective if you pay attention to the proper placement. Should be placed in crowded places such as traffic light intersections, buildings, pedestrian streets, parks, etc. Especially your standee or poster must be designed so that it is attractive and really stands out the message you need. Aim to attract attention to attract many people. You should give incentives and benefits those customers have if they come to the shop and enjoy drinks from your shop.



PICTURE 19. Standee with attracting promotion program (Vecteezy.com)

Posters, promotional standees, you need to convey the right message to customers and also don't forget to design and position to catch customers' eyes.

Leaflets are a "traditional" way of advertising a book cafe, which is considered the simplest, least expensive, but fastest way to reach customers. You should also pay attention to determine where to distribute priority leaflets such as: Markets, supermarkets, schools, etc., Or should be distributed in areas where potential customers focus a lot. The time when the manager fell in love was one week before the opening day and lasted until 3 days after the opening of the cafe.



PICTURE 20. Leaflets are considered a simple, low-cost, but also easy way to advertise a traditional café. (freepik.com)

A menu with a wide variety of drinks will delight customers. You can change recipes and name drinks so that they are attractive, presenting drinks in a new way. A nicely designed menu with clearly printed names of the dishes and their prices indicates a high level of service in the bookstore café. The menu will also specify the main ingredients of the dish, also, calories, proteins, carbohydrates, and fats contain.



PICTURE 21. Menu with image specified main ingredients (Etsy.com)

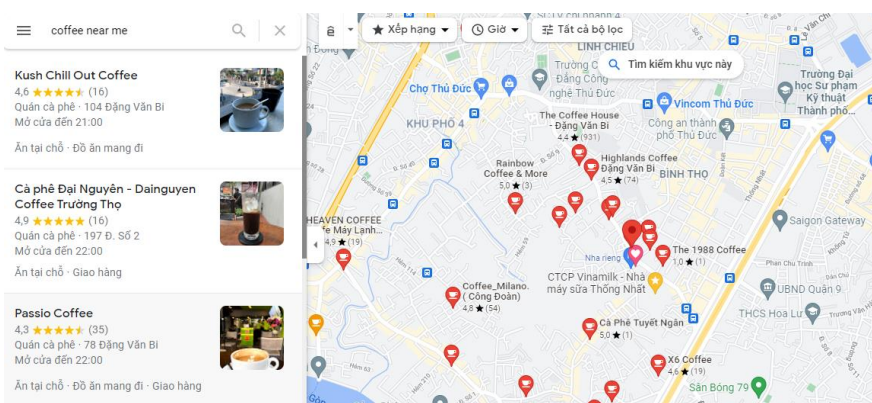
The drink menu of the shop must be suitable for customers in both taste and price. The number of dishes served is also commensurate with the size of the shop, the larger the menu, the more difficult it is to manage the ingredients as well as the staff's preparation.



PICTURE 22. Standard menu for coffee shop (Vectorstock.com)

These are some ways to market at the premise to attract customers on the road and to impress customers from their first visit. But that is not enough to the target number of customers, one more option we can continue with is marketing online.

Ads on Google can show your book cafe location and direct users to call or visit your location. When people search for a nearby business on Google Maps, try searching for “coffee nearby,” for example, they may see local search ads that show the bookstore café’s location. your coffee. In addition, genuine reviews or creating “reviews” and “seeding” on Google Map is also a way to help you advertise your cafe more effectively.

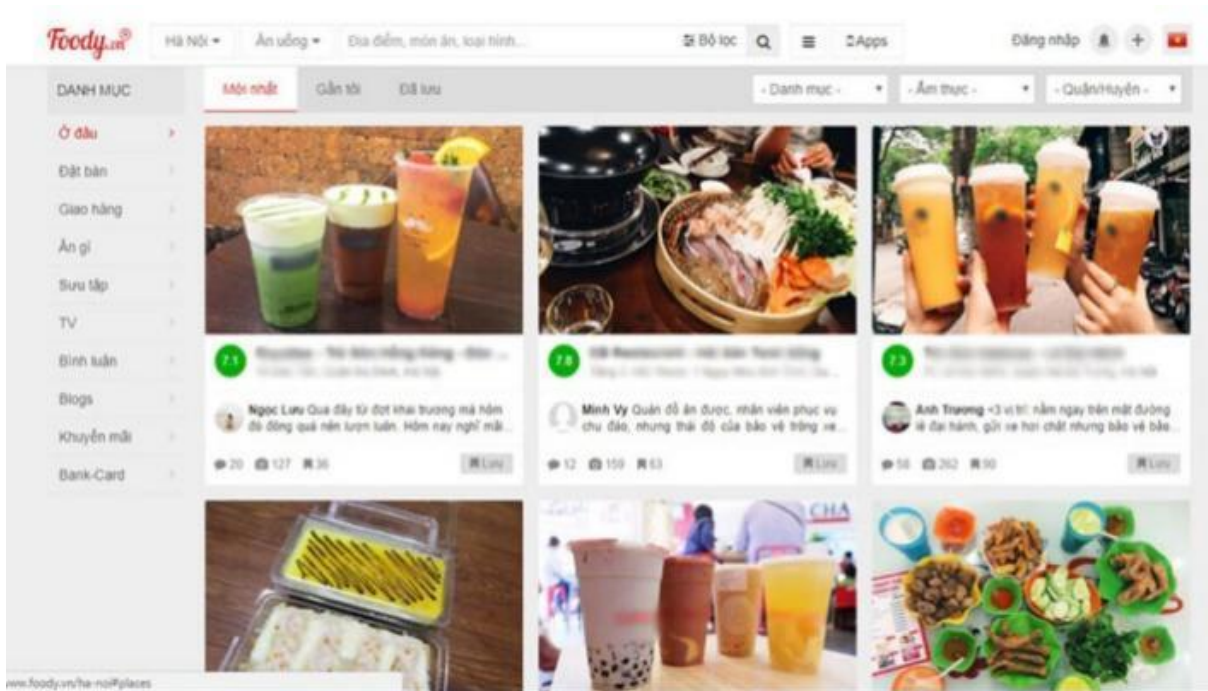


PICTURE 23. Advertising Cafe on google maps is the current way that people are using a lot. (Google map.com)



## Cooperate with another partner to advertise

Foody.com is considered a reliable place for people to search, rate and comment on places to eat. Users often also have the habit of going to Foody sites to see which coffee shops have good reviews, thereby deciding to choose which location. So don't miss the opportunity to be known more with Foody, with honest feedback will help your coffee shop be more popular. In addition, the registration of places on foody is also completely free. You only need to pay an amount to display on conspicuous positions, banners or make media videos on their Facebook and Instagram pages.



PICTURE 24. Foody is considered the most prestigious and reputable review site today, so cooperating with foody you will have more opportunities. (Foody.vn)

If you want long-term marketing, want to build credibility with useful information for customers now and in the future, do not ignore SEO techniques. The simplest understanding is that when a person wants to search for a coffee shop that matches their desire, such as "beautiful view book cafe in Thu Duc", SEO articles from your website if they contain keywords related to the customer's search will quickly show up on the first google rankings. When clicking on the article content, customers will surely reach your coffee shop in the simplest way. This is also a way for customers to "check" or refer to the information about the shop in a clear and honest way.



PICTURE 25. Using google SEO is also an effective way for you to market. (Artcoffee.vn)

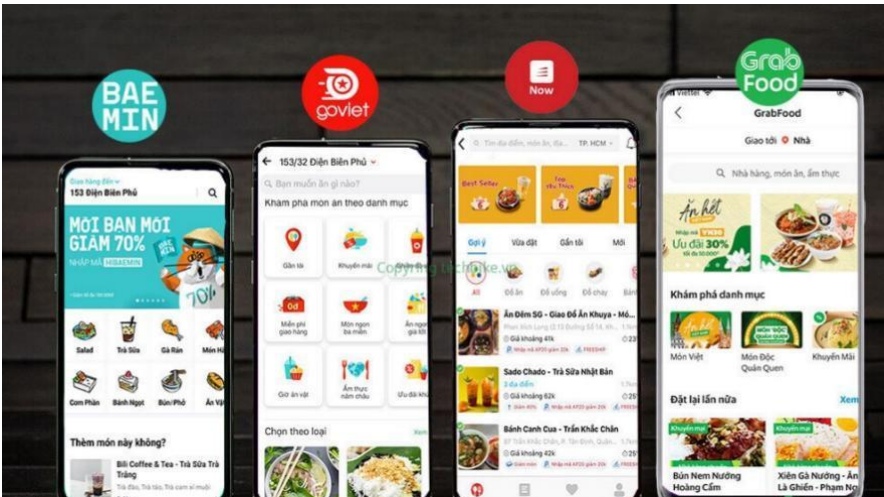
Nowadays, YouTube is one of the most popular social networking platforms. And the "vloggers" also thrived like "kites met the wind" thanks to their skillful speaking and leadership skills. If you want your coffee to receive the attention of the "public", boldly spend money on an influential "kol" or "vlogger". Just think how powerful "sweet" recommendations from people who are liked by most of the society can be. So if you want to have an effective coffee shop business, definitely try this way of advertising!



PICTURE 26. Hiring youtubers, KOL reviews about your shop is the fastest way to reach the public. (Artcoffee.vn)

In the 4.0 technology era, any service or business model needs to meet the "quickness". Not to mention, nowadays, food delivery "apps" are developing strongly in accordance with the actual needs of many people. Therefore, if you ignore fast food delivery applications such as Grab, Goviet, Now, Baemin, etc., you will lose a "super huge super huge" profit. In addition, most of these delivery methods support free shipping or support low-cost delivery, bringing enjoyment to both users and your coffee shop, saving you time to ship right?



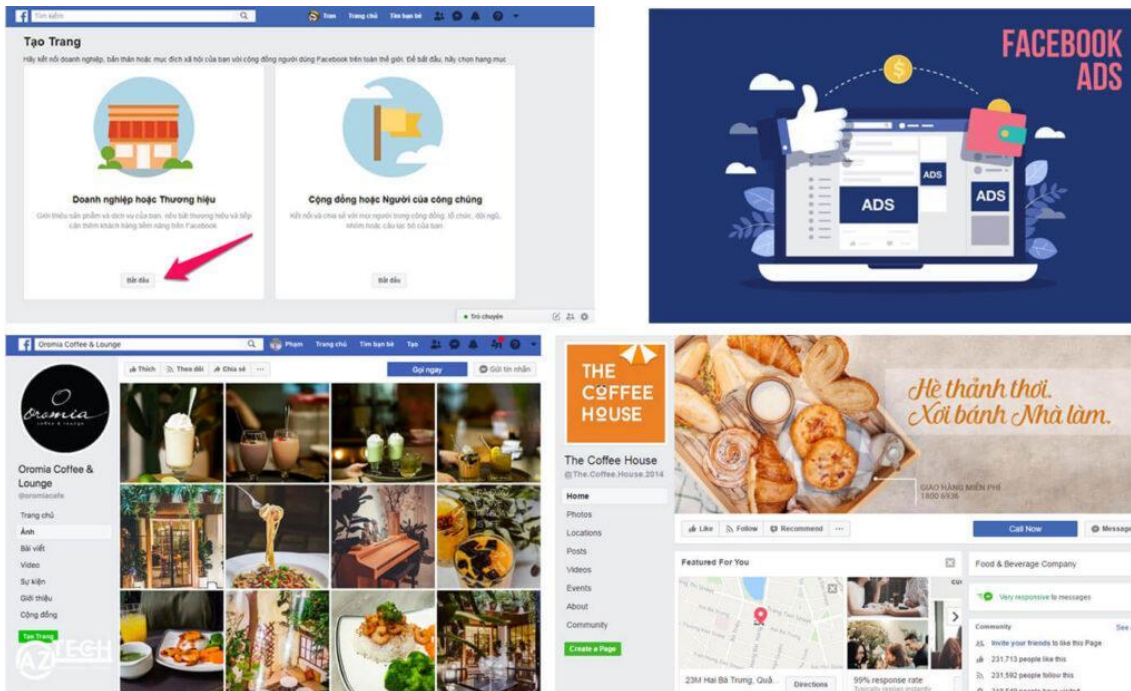


PICTURE 27. Cooperate with food delivery apps like Baemin, Gofood, Grabfood, now (Artcoffee.vn)

Facebook is known as the "cradle of orders". In Vietnam, about 76 million people, accounting for more than 70% of the national population use Facebook, so if you want to reach customers in the largest file, you definitely cannot ignore Facebook fan pages. Create your fan page with full contact information about the place and also do not forget to "update" continuously with attractive content about the store to attract potential customers.

Let's create incentive programs, give gifts, give vouchers to customers to encourage people to join the group. When the group is crowded enough, work hard to post in the group and don't forget to "seed" with reviews with authentic content, eye-catching images about the coffee shop. Because the group's reach to members is almost 100% (many times higher than fan page), this will be an ideal place for you to "have land to use martial arts".

In addition, with Facebook ads, one of the forms of "digital marketing" used by many people will help you bring back a "big" source of customer data.



PICTURE 28. Create a separate fan page for the shop combined with running Facebook ads to be more effective (Artcoffee.vn)

No one likes to read boring "PR" articles forever, innovate by hiring famous websites or electronic newspapers to write "reviews" about the venue. The "review" always has a profound impact on the reader's decision, so if you are not sure how to advertise effectively, then quickly do it this way. Besides, you know, the websites that are visited by a lot of people, when they see your brand mentioned on it, it will increase the prestige of your store a lot.

Instagram is a growing social network in Vietnam and has the fastest growing number of people each year. Using Instagram to promote is not a bad idea. However, the feature of Instagram is that it is a sublimation place for well-invested photos, so if you want to market on this platform, pay attention to producing beautiful images that can attract the attention of customers. And also don't forget to "decor" for the space to look "art" to stimulate people to want to "check in", "selfie" or take pictures.



PICTURE 29. Instagram social network is very popular with young people, so the choice of advertising on Instagram is not bad (Artcoffee.vn)

### **Customer attraction program & Customer care policy**

Besides the advertisement, the attraction program to keep the old customers and invite new one with benefits are necessary. (Veermat 2018.)

Voucher is not only a form of marketing for large businesses, but also a very good way to retain customers for a coffee shop. Applying books vouchers or coffee vouchers will have many benefits that you may not have known. If the flyer you hand out doesn't work, the recipient throws it away mercilessly or out of habit they will put it away and never find it, but if the flyer is a discount code or voucher, they will keep it. Leave it for another time to have a chance to use it. So you have also succeeded in making customers remember the shop and when the customer "suddenly craves for coffee" will immediately think of the voucher received, now you have succeeded in the campaign to pull customers towards you.



PICTURE 30. Discount vouchers are a form of cafe advertising that is always useful in the eyes of users (Vexels.com)

Another way to attract customers is to set up a special customer care channel for loyal customers such as: granting membership cards to receive discounts, creating promotions and attractive discounts. leading to holidays, New Year, birthday of the shop or golden hours of the day.

As practice it is the method of accumulating points for guests. When customers reach enough cups for the shop (normally 10), they will be given 1 cup or free lottery or lucky draw. The membership card tool will also help customers stay with your store for a long time. A regular customer is given a card, they feel valued and always want to come to your shop to enjoy preferential discounts.

Customer service is the key to helping you retain customers who have come to the shop. It's as simple as sending emails to thank diners for coming to your store, announcing promotions for loyal customers. Combined with suggestion boxes, feedback forms for customers on special events such as opening, birthday. Or use photos of customers posted on the shop's media page as a way of gratitude and respect and marketing for the shop.

If you have the ability, you can invite speakers or book authors to give a talk on the topic to satisfy customers, they will be very excited. Or show gratitude to customers with small objects, but will help customers feel that they are remembered, cared for and closer.

## **4.3 Financial plan**

Finance is the deciding factor to start a business. The financial plan will depend a lot on the size of the bookstore coffee as well as the business goals you aim to achieve. In the financial plan, the issues are clarified: Fixed capital investment amount, Working capital, Revenue forecast and Operating cost estimation.

### **4.3.1 Capital investment**

Capital investment is the amount of money that an enterprise acquires long-term assets in order to receive future economic benefits from the use of those assets. In the coffee shop business, long-term assets are professional barista tools, stocked refrigerators, machinery and equipment for the coffee shop business. Depending on the size of the shop, the number of customers visiting, buy suitable equipment. Below is a summary of some of the machines and their functions.

The coffee machine will certainly be the most important and indispensable machine tool in any coffee shop. With an automatic coffee machine (Automatic espresso machine) suitable for professional stores, the machine has a rich menu of drinks, because this modern machine has the integration of many new features such as grinding coffee beans, Press the powder to make delicious espresso cups or attractive cappuccinos and lattes. Currently on the market there are many reputable automatic coffee machine brands: Wega, Akira, Lun Teco, Faema, Casadio, Rancilio, Nuova Simonelli, La Marzocco, Nuova Simonelli, etc., with prices ranging from: 5,000,000 VND - 50,000,000 VND depending on the capacity and built-in functions of the machine.

The blenders should be specialized, large-capacity blenders because at the store, the blender will need to operate continuously for a long time. On the market today, there are quite a few brands of coffee grinders, one of the reputable brands for quality is Sirman of Germany. There are also other brands such as Kuvings, Gorenje Power Blender, Ozzen HAF, Panasonic etc, etc., with prices ranging from 1,200,000 VND – 10,000,000 VND depending on capacity and brand.

Refrigeration equipment to store ingredients such as milk, fruit, ice cream, soda, etc. A negative refrigerator is a good choice to save space. However, it is important to remember that the volume of the cabinet must be adequate to hold all the necessary ingredients. In addition, a refrigerator to display food is also equipped to introduce customers about the sweet or cool serving products. The cabinet



must be beautifully decorated and eye-catching to attract the attention of diners. Refrigerator is an indispensable piece of equipment in a coffee shop.

Glasses, cups, plates are also essential to prepare different types of cups such as glass cups, porcelain cups, etc., to serve different drinks such as juices, smoothies, espresso, cappuccino or latte. You need to prepare a quantity suitable for the size of the premise. The price of a cup is from 15,000 VND to 45,000 VND depending on the material and design. Besides the cups for customers to drink directly at the shop, don't forget to prepare, plastic cups/cups for ice-cream drinks, milk or paper cups for hot drinks so customers can easily carry in the most convenient way. The price of cups ranges from 5,000 - 35,000 VND/piece depending on the type.

Smart management software for the business will have less problems arise that give you a headache. From the management of raw materials, food and drinks to the management of employees, a bookstore coffee shop management software helps you to accurately understand the income and expenditure of cash flow in your shop, the ingredients are also arranged and distributed in a proper way, the staff system in shifts, staff duties are also monitored and managed to reduce the burden of management work so that you can focus on your business.



PICTURE 31. Smart software: Easy sales – Lengthen arm management (Sapo.vn)

The necessary equipment for a small and medium scale business, the shop invests in machinery and equipment about 120 million VND, accounting for 30% of the total investment. Avoid investing in

assets that are too large to lack the necessary working capital for business operations. Keeping large deposits outside is better and safer for the business than investing in fixed assets.

TABLE 11. The necessary equipment for the bookstore coffee

Asset name	Quantity	Cost Mil VND
<b>Machine &amp; equipment for bar</b>		
Automatic espresso machine	1	18
Blender	1	3
Kettle stainless steel	1	1
Washbasin	1	1
Sink stainless steel double	1	2
Work table Stainless steel	1	1
Work table 2 Shelves stainless steel	3	1
Cabinet for storage dish	1	1
Cup, Dish, Glass, Tray	1	7
Refrigerated display foods	1	2
Refrigerator vertical	1	6
<b>Bar equipment</b>		
Bar counter	1	3
Cash register & software	1	4

Speakers	1	1
<b>Equipment for office premises</b>		
Notebook, Dell	2	20
Laser Printer	1	2
Table & chair for officers	2	1
<b>Equipment for the hall</b>		
<b>Books</b>		25
Shelves for books	7	5
Table and chair	30	9
<b>Bathroom</b>		
Washbasin cabinet with 45x32	2	2
White square ceramic toilet	2	4
<b>TOTAL</b>		<b>119</b>

With the necessary machinery and tools for the shop to operate and serve well for about 200 customers who come to the shop to read books and enjoy coffee. The above machinery and equipment expected useful life is 3 years. Therefore, an annual amortization expense is equivalent to 40 million VND/year.

#### 4.3.2 Operation expense

No matter how little or a lot of capital, you also need to consider using it properly to achieve the desired results, avoiding waste on inappropriate ideas. The main expenses you need to cover are listed below. (Start my coffee shop.)



**Advertisement and Promotion expenses** A new cafe will have to compete with many other shops in the market and in the area. Spending money on marketing is not superfluous, these activities will help your shop be known by more customers, attract more people and increase its competitiveness with other brands. Marketing costs typically include visual advertising methods, social network platforms, online promotions which will be around 29 million VND. It is not necessary to spend money for all the items. Marketing costs can be flexible depending on each business strategy.

A promotion campaign should be conducted monthly throughout the entire life cycle of the organization. While it is not uncommon to charge fees for tastings, the degustation at the coffee shop is supposed to be free, therefore, part of the budget should be allocated to the manufacture of products for tastings.

Marketing activities should begin one month before the grand opening of the business. Promotions are the way to help your bookstore coffee become known by many customers. It makes sales increase possible on a base of regular advertising, promotions, and discounts but the profit side will not increase much, even potentially causing problems. So you need to consider the budget and take the time to make sure the promotion is effective. Total cost for marketing activities 5-20 million VND/month.

**Cost for rent (land lease)** The cost of renting space usually accounts for up to 30% of the monthly cost of a cafe, so businesses need to find a suitable location and negotiate a reasonable rental price. The rental price is about 20 - 30 million/month depending on the convenience of the premises, where there are many facades, located in crowded streets, the larger the floor area, the higher the price. Most cafes have a deposit of at least 3 - 6 months in advance, which means you need about 60 - 150 million for cash.

**Cost of decoration, design, maintenance and repair of the coffee** After choosing and renting a space, your coffee shop needs to be decorated and installed with equipment to create accents. Pictures, ornamental plants, magazines, books are popular decorative items. Coffee shops need to ensure aesthetics and comfort for customers. Each month, the shop should choose a theme and decorate it to create something new and exciting to the shop. The cost for construction, decoration, maintenance and repair is about 15-30 million VND/month.

**Employee hiring costs** The cost of personnel is also an amount that needs to be kept regularly every month. Quality human resources will make business operations efficient. Capital to open a book cafe

for this category will be saved if you know the cash to recruit personnel. You should hire a team of trained personnel with high professional skills to save training costs and time. Average monthly salary of positions in the café (TABLE 12):

TABLE 12. Total personnel costs

Annual base salary - Total employees		Unit: mil VND			
	Monthly	Year 2022	Year 2023	Year 2024	
Executive Manager	12	144	144	144	
Accountant	10	120	120	120	
Store Head	10	120	120	120	
Barista	8	96	96	96	
Bookstore admin	6	72	72	72	
Waitress	8	96	96	96	
<b>Total salary</b>	<b>54</b>	<b>648</b>	<b>648</b>	<b>648</b>	
<b>Other personnel costs</b>					
Social, healthcare, unemployed insurances (mandatory) 21.5%	12		139	139	
KPI bonus	5	54	54	54	
Uniform, Meal	10	119	119	119	
<b>Total other Costs</b>	<b>26</b>	<b>312</b>	<b>312</b>	<b>312</b>	
<b>TOTAL PERSONEL COSTS</b>		<b>960</b>	<b>960</b>	<b>960</b>	

**Material costs** Once your coffee shop comes into operation, your biggest expense is the cost of importing drinks to serve customers. Only good materials can keep customers. Delicious drinks, comfortable bar space, and enthusiastic service will surely attract many customers.

Drinks such as coffee, lipton tea, sugar, fruits, fresh milk, condensed milk, milk cream, etc. You should pay attention to invest in the quality of the bar's drinks because this is also a decisive factor for the success of the bar. For conventional coffee shops, the cost of ingredients should not exceed 40% of revenue. It is necessary to estimate the cost to buy ingredients for preparation of about 15-25 million VND.

**Coffee shop operating costs** The cost of running the shop includes the following common items: electricity, water, internet, cleaning, etc. These fees generally range from 5 to 15 million VND/month.

**Other expenses** In fact, when opening a cafe, you will encounter many unexpected situations. You will need to have an expense to maintain the shop until it is profitable. This is an important expense because in the first few months, the bookstore café may not have a stable income. You need to spend an appropriate amount to maintain the cafe for at least 3 months. Therefore, the cafe should have a reserve fund to pay for expenses such as contributing to the community around the cafe, replacing and

repairing damaged items, new staff, etc. This other cost is expected to be about 10-20 million VND/month.

TABLE 13. Summary of operating expenses

Operating expenses	Unit: Mil VND			
	Monthly	Year 2022	Year 2023	Year 2024
Advertisement & Promotion	20	240	240	240
Rent expense	30	360	360	360
Construction, decoration, M&R	20	240	240	240
Utility expense	10	120	120	120
Other expenses	15	180	180	180
<b>TOTAL OPERATING EXP</b>		<b>1,140</b>	<b>1,140</b>	<b>1,140</b>

#### 4.3.3 Revenue

The estimated revenue for 3 years of the bookstore coffee 's business is considered quite carefully and cautiously because the bookstore coffee has just opened, the scale is small and the operator has not much experience. It is estimated that the bookstore café provides 100 glasses of drinks of all kinds and 200 kinds of food every day, these two categories account for more than 90% of the bookstore café 's revenue. This plan table has twice the number of meals served as drinks because it is assumed that customers stay at the cafe to read books, so the time will be longer, customers are hungry and want to eat. Others like to read a book while sipping something in a quiet space that is equally modern and luxurious. The average selling price of drinks is 45,000 VND/cup and the average selling price of food is 20,000 VND/dish. This average quantity and price are relatively low to ensure prudent business planning. In addition, the shop also has additional revenue from selling books, renting books and renting conference rooms. Selling books or renting books away is not the core business, it is just supporting good customer care with diverse needs of customers.

TABLE 14. Total revenue forecast

Revenue forecast	Unit: Mil VND		
	Year 2022	Year 2023	Year 2024
<b>Beverage: Coffees, tea, Juice...</b>	<b>1,643</b>	<b>1,889</b>	<b>2,172</b>
Quantity sold	36,500	41,975	48,271
Unit price (average)	0.045	0.045	0.045
<b>Snacks: Bread, finger food, nuts</b>	<b>1,460</b>	<b>1,679</b>	<b>1,931</b>
Quantity sold	73,000	83,950	96,543
Unit price (average)	0.020	0.020	0.020
<b>Books / Lease books</b>	<b>27</b>	<b>31</b>	<b>36</b>
Books for sales	18	21	24
Book for lease	9	10	12
<b>Self-design products</b>	<b>120</b>	<b>138</b>	<b>159</b>
<b>Lease room</b>	<b>120</b>	<b>138</b>	<b>159</b>
<b>TOTAL REVENUE</b>	<b>3,370</b>	<b>3,875</b>	<b>4,457</b>

When planning, the bookstore café expects the number of servings next year will be 15% higher than last year when the shop already has many regular customers and attracts more customers who love coffee as well as reading books. This has a good influence on the business performance of the bookstore café for the following years. And it is expected that the market will be stable in terms of purchase price of raw materials, so the shop will not increase its selling price in the first 3 years of business.

#### 4.3.4 Financial planning forecast

The Book Cafe Operations Financial Forecast is prepared to analyze and clarify the business's results 3 years into the future. Based on expected revenue, cost of goods sold ratio, operating expenses forecast, wages, etc., to calculate the income statement. For coffee shop Debt receivable is nearly zero, the revenue recorded is revenue all by cash. Customers come to enjoy the bookstore café and pay on the spot. Besides, the payables are also short-term credit payables within 3 months. In terms of cash flow, credit will be later than revenue, but credit terms are only within 3 months, so this amount is not significant. (Coffee Shop Average Monthly Expenses.)

With a conservative sales forecast, only 100 cups per day and 200 dishes per day in the first year, along with planned expenses, the first year the bookstore café brings in a profit of 175 million VND, ratio of net income on revenue is 5%. The volume of business continues to grow in the next year with 15% because many people know about it and the shop already has a regular customer base.

The business strategy of the bookstore café is to not increase the price within the first 3 years to keep customers coming to the shop. The shop will also negotiate with suppliers to accompany the shop without increasing prices in the first 3 years, committing to providing enough goods and stable quality, this cooperation brings stability and development of the bookstore café. Other costs must also be controlled so as not to exceed the planned level, greatly affecting the business results of the bookstore café.

The second largest share after raw material costs is staff costs. In addition to selecting quality people, employees also need to continuously train and grasp new changes to improve work efficiency. This makes it possible for the bookstore café to serve a 15% increase in quantity but with a constant headcount. This is also a cost savings to increase the net income of the shop.

The third biggest expense of the bookstore café is the cost of renting space. This cost is relatively easy to control when the bookstore café signs a meeting with the landlord and clearly works with the landlord on the time of the meeting, the rental cost and the obligations if the contract is terminated early.

The cost accounting for a large proportion to be controlled is advertising and promotion costs. This cost in the first year is quite large, but in the following years, it can be saved because customers already know about the shop. The shop needs to maintain promotions to retain customers and attract new friends.

From the second year onwards, after creating trust with customers, revenue is expected to increase by more than 15%, costs increase insignificantly, almost no increase. The reason for the increase in costs is not significant because in the following years, in addition to fixed costs such as land rental and construction depreciation, which do not increase with price, the variable costs will also increase slightly, even some costs gradually decrease in the following years such as marketing expenses. With tight control of costs, and at the same time promoting business activities, it is forecasted that the second year business results will be 458 million VND, equivalent to 12%. At this point, although the company keeps the same price as the first year, the company will have to cover its investment debts. The financial plan shows that the payback period of the project will be two years. The following years, the company significantly improved its financial position and the net income was 784 million VND, 18% because the number of goods sold increased significantly but the cost did not increase.

TABLE 15. Profit and loss forecast.

<b>PROFIT AND LOSS FORECAST</b>	Unit: mil VND		
	Year 2022	Year 2023	Year 2024
Sales	3,370	3,875	4,457
Cost of good sold	1,011	1,163	1,337
<b>Gross margin</b>	<b>2,359</b>	<b>2,713</b>	<b>3,120</b>
	70%	70%	70%
Staff costs	960	960	960
Operating expenses	1,140	1,140	1,140
<b>EBITDA</b>	<b>259</b>	<b>612</b>	<b>1,019</b>
	8%	16%	23%
Amortization	40	40	40
Earning before Interest and tax (EBIT)	219	573	980
Income tax (20%)	44	115	196
<b>Net income</b>	<b>175</b>	<b>458</b>	<b>784</b>
	5%	12%	18%

TABLE 16. Return on equity ratio

<b>Return on equity</b>	Unit Mil VND			
Capital Investment	400	Year 2022	Year 2023	Year 2024
Net income		175	458	784
Return on investment		44%	115%	196%

This index shows how much profit is earned for every dollar of capital invested. According to this example, the first year the bookstore café has a ROE of 44% and for the next 2 years it is 115% and 196% respectively (Founderactivity 2021.)

With the current economic situation, bank interest rates have decreased. If you invest in savings, the interest rate is only 6% to 8% per year, and this project can bring a profit of 44%/year for the first time. Do you want to invest and execute right away?

## 5 EXPERIENCES AND LESSON LEARNED

**Experience #1:** Identify passion and have basic knowledge about coffee and books.

A book and a cup of coffee: the two most peaceful and comfortable things in the busy, bustling modern world with countless worries and thoughts. As poet R.M. Engelhardt once wrote: “A cigarette, a book, a cup of coffee. The smallest, simplest things we can have to get through the tiring days of life and the quiet rainy days.”.

It's no wonder that coffee and books are seen as a great combination. A miniature library serving drinks is the ideal place for guests to relax and enjoy quiet moments, away from the hustle and bustle of today's modern life.

A passion for reading can become a great motivator to steer you in the right direction. More than that, you can inspire others by yourself. Reading makes people slow down, think more about the people around them. From the bitter stories from the life of the authors, the characters they feel appreciate the simple and small things. Connecting people closer together through the pages of books, you have greatly contributed to the construction of a civilized society, creating a premise for the development of future generations.

The appearance of the book coffee model in the past ten years has become an elegant trend, imprinting the personality of individuals who love reading. Book coffee is not only an ideal rendezvous for meeting friends, partners and colleagues, but it is also a place for those who love quiet and comfort. Sip a cup of fragrant coffee, sway to a favorite song and immerse yourself in every word on the page.

All you need is passion and determination. Business experience in the field of book coffee is summarized and shared in the next section below. Keep the following secrets to yourself and use them appropriately. Surely your dream will come true.

### ***Have a basic knowledge of coffee and books***

If you are a coffee lover and passionate, you will realize that coffee is not simply a drink. It is a culture, a musical note that adorns the music of human life.

The simplest, you need to understand about the characteristics of Arabica and Robusta coffee lines. Understand the aroma and caffeine content of each line. From there you will know which type of coffee to use for which brewing method. Or you will have a way to create a unique coffee flavor for the shop. Moreover, you can also mix according to the taste of special guests. To do that, in addition to learning about coffee knowledge, you should enjoy and realize for yourself the deliciousness and peculiarities of coffee from which you have a plan to choose good coffee for your shop.

Like books, if you want to develop a book cafe, you must be a book lover. If you are a person with extensive knowledge in many genres that is an advantage to be able to discuss with customers, it is necessary that you pass on your passion for reading to those around you. Books are a treasure of knowledge, and knowledge is an important condition for building a prosperous, civilized and strong country. Loving and cherishing books, considering books as friends is a necessary quality of a book coffee business.

Beverage business, especially book cafe business is a very "hot" investment field for young people today. Therefore, to maintain the operation of the cafe effectively and long-term, the owner needs to do well right from the initial preparation stage. And the things to do well in this preparatory step are:

### ***Learn from the experience of predecessors***

If you want to start a bookstore coffee shop, the first thing you need to do is to research deeply about this product and listen carefully to share the experience of opening a cafe with those who have gone before. If you don't have any knowledge about bartending, it is very important to immediately attend a bartending course.

At professional barista training units, students, in addition to learning about barista knowledge, are also consulted and guided in business thinking and the process of developing their own cafe. This is a very necessary thing, especially for bookstore café owners who have no experience in bartending or business, it is the ideal place for you to learn valuable experiences. In addition, you can learn from the experience of opening a cafe from those who have gone before by mapping out detailed calculations such as:

- Expenses that need to be spent to rent the premises
- Shop design



- Sales operations
- General management

And give an estimate for the payback period of the investment. Then bring this calculation and plan to those who have opened a cafe business for them to comment, so that you will have a more realistic view before starting to work directly.

### ***Non-stop in-depth research***

Set yourself apart from your competitors. Among hundreds of competitors in the market, what makes your bookstore cafe different and attractive to customers? This is something that you need to research, learn and orient yourself. You need to find your own special point in coffee taste, service, book titles, or services provided to customers, things that only you have.

To do that, product research is the only way, find out the problems of those who have failed and learn from them. The experience of opening a successful book cafe all has a difference to attract customers to return, it can be delicious and unique coffee taste, rare books, variety of book titles, bonus space. great food or professional and attentive service.

If you want to become a bookstore coffee shop owner, you need to know what your bookstore coffee shop needs to make the right purchase. When you intend to open a modern bookstore coffee shop, several necessary tools need to be equipped: coffee maker, barista equipment, blender, etc., you need to know the preparation methods to be able to choose the model. Business model and menu for the bookstore café. At the same time, you can run your bookstore coffee shop more efficiently.

### ***Focus on solving the necessary paperwork***

Starting a bookstore coffee shop is the fact that you own a business, so you need to prepare all the documents according to the current regulations of the law. Depending on the size of your bookstore coffee shop, basically to open a cafe you need to prepare the following procedures:

- Business license in the right field of service, bookstore coffee shop.
- Certificate of eligibility for food hygiene and safety.
- Register the shop's name before the government fully before the shop goes into operation.

- Identify taxes to be paid according to state regulations.

### ***Make a complete business plan***

When you understand the basics of bookstore cafe, know some processing methods, assess the market, choose the book items to equip, then this is the time when you can be ready to open a book cafe. To be able to develop sustainably, you need to have a complete business plan right from the start. In which, it is necessary to have items on finance, costs, revenue sources, promotion plans, personnel training, etc., from 6 months to 2 years. You should also consider whether the bookstore café's main source of funding will come from your own capital, family, friends or access to startup investors. The more detailed the business plan, the less risk when opening a book coffee shop.

According to the experience of those who went before, to make a good coffee shop business plan you need to clearly answer the following questions:

- Set of potential customers of the shop: Entrepreneurs, Intellectuals, Students, Office workers, workers, etc., to find out their habits and preferences.
- Who are your competitors? What advantages do you have, how do you plan to surpass your competitors?
- What is the difference between the type of coffee and the title of the book you plan to choose?
- Specific steps to open a coffee shop: rent space, decorate, buy tools and equipment.
- Intended supplier of coffee and other foods.
- How to prepare business licenses and procedures.
- How many employees are needed.
- How much capital is needed to start your coffee shop.
- Estimated payback period.

**Experience #2:** Must define a set of customers and business locations

### ***Focus only on a certain set of target customers***

The experience of opening the first book cafe is to remember that the profit of the book cafe comes from loyal customers. Identifying potential customers is the first factor that you need to consider when

running a coffee shop business. This is also the factor that helps you shape your business form, main color and space design. In addition, the audience, habits, and frequency of coming to the shop also help determine the size of your coffee shop.

Some information about customers you can refer to:

- Target audience: Most focus on men and women aged 16-60, especially intellectuals, students studying and researching, retired people who have a lot of time to find a private corner for themselves.
- Frequency of going to the cafe: About 3 times/week.
- Time: Morning before going to work, noon, evening and weekends.

Coffee is a beverage that customers can drink quite often, even daily, so what you need to do is to please your guests so that they come back again. Besides, the regular updating of books, investing in many book titles not only stimulates customers to visit the shop regularly but also expands the number of customers coming to the shop. When your book cafe is at the top of their list, they not only become regular customers but refer their friends as well.

So keep in mind that you should focus on these loyal customers, as they are your most consistent source of profits.

### ***Find your difference with other cafes***

This is very important to connect with your target audience. What strengths will your book cafe focus on, that can be traced back to providing excellent quality coffee, a premium coffee combined with sophisticated latte art aimed at a customer base who knows enjoy and seasoned coffee drinking experience.

Or you can choose a market for young people, students who love new coffee flavors and need an ideal space to share with friends. Thus, each target customer group will have different drink quality expectations, a different coffee shop design space and you need to understand that. But don't try to serve too many things at once, that's the advice from the coffee shop experience of those who went before.

Coffee and books are your main products, cakes or snacks are only served, a book cafe cannot have live music service because it is too noisy. You should only focus on the things that you do best, make that thing stand out from the competition, not everything that is mediocre.

A cafe tries to serve all the needs of customers such as selling extra food, juice, milk tea or adding thematic talk service, interacting with the author, teaching coffee making, reading books and other activities without paying attention to improving the quality of drinks or updating drinks according to trends, they will surely soon fail.

Do you have a survey to see what "attracting" coffee shops are doing? Anything unique? What factors make the bookstore café so crowded? From that information, you can find your own niche or do better, overcome the weaknesses of your competitors.

### ***Business premises must be determined***

Business location is one of the most important factors when opening a book cafe. So the experience of opening a successful cafe is determining the business location, which means you have 50% success already.

The space is a very important factor leading to the success of the book cafe, you need to have a design idea to find a suitable place to set up the cafe. Remember to carefully examine and consider the circumstances of each term of the rental agreement before you sign it.

The cost of renting space will account for about 6-8% of the total budget, depending on the favorable conditions of that space. You should not rent for too long because you may have misjudged the market potential in that area, of course, if you have considered all factors, you can rent for a term of 3-4 years. or longer.

This is one of the decisive factors for the success or failure of a book cafe, so the experience of opening a successful cafe is that you need to pay attention to the number of customers that can reach the shop, it is best to open a cafe. In areas with high traffic volume, near intersections or shopping centers, many office buildings or near universities, etc., there will be a large source of customers, helping business efficiency. Experience in finding and renting space for a coffee shop business is to choose a spacious space with room for guests to park.

This is when the ideas about the book cafe you want to be realized, you should find a design expert to help you understand.

### **Experience #3: Focus on customer service**

One of the factors that makes the success of the cafe is the way it serves customers. It is shown by the attitude and hospitality of the staff, their attentiveness and professional service will make customers happy. Satisfied and willing to come back again and again.

You need to develop a methodical plan on recruitment, professional training, human resource utilization, remuneration policy, etc., for the employees depending on the positions such as bartender and service staff. so that they can grasp the job and be satisfied with the benefits they receive when working for you.

The experience of opening a successful book cafe is to serve customers well, you should train your staff to communicate with customers such as how to greet, introduce drinks, serve and answer questions. questions until the payment leaves, thereby building sympathy and relationships with them for more satisfied customers.

### ***Design your book coffee shop***

In the design and decoration stage of the cafe, you need to pay attention to the arrangement of the location, the function of each area, the selection of colors, lighting, furniture for the cafe, the design and installation of signs, and decoration. Depending on the style of the cafe, the interior shopping will have the same characteristics.

### ***Make an attracting menu***

Certainly, the success of the cafe depends a lot on the drink menu. The drink menu at the cafe will be divided into a list of drinks, specifically:

- Traditional types of coffee include black coffee with filter, milk coffee.
- New types of coffee catch the trend such as coconut coffee, buttercream coffee, egg coffee.
- Famous Italian style coffee like Espresso, Latte, Cappuccino.
- Nutritional drinks, juices, smoothies, fruit yogurts.
- Drinking water: spring water, fresh water.
- Snacks such as cakes, snacks...

⇒ Need to make a menu and choose a menu template that attracts customers.

In addition, you can design more menu boards placed in front of the door and small menu books placed on the table for customers to order drinks easily. Currently, many coffee shops apply it to be effective in making an impression on customers.

**Experience #4:** Note the cost of opening and maintaining a cafe

How much capital is needed to open a coffee shop is a matter of thought for each person when preparing for a coffee business. Budgeting is the key to helping you manage expenses effectively, what to invest in, what to buy so as not to waste money and time shopping.

The expenses you will definitely have to grasp if you intend to open a coffee shop are the expenses:

- Cost of rent.
- Cost of furniture, decoration.
- Purchase machinery, equipment, coffee cups.
- Equip some original books.
- Employee hiring costs.
- Advertising, marketing.
- Cost of raw materials.

Specifically, it is necessary to consider and estimate the main and major costs as follows:

***Cost of space rental, renovation, interior decoration***

This is an indispensable cost when you open a bookstore coffee shop, in order to serve the right target customers, implement the right concept and idea throughout, you need to invest in this renovation. These costs will include repairs, additions, decoration of the premises. The costs of furnishing the interior of the shop are equally important: the necessary furniture for the cafe includes tables and chairs, tables. single, double tables, multi-person tables, lighting and cooling systems, etc.

You need to make a list of items that need to be equipped and purchased to control costs and avoid waste during the initial investment.

### ***Initial cost of tools, books and bookshelf***

The cost of buying dispensing machines such as coffee machines is quite expensive, up to 20 million VND, so you need to consider whether to rent or buy a machine for your long-term business ability, in addition, there are other types of machines such as: Coffee grinders, blenders, shaved ice machines, dispensing tables, etc. You should learn from the experience of opening a cafe when buying the necessary dispensers and tools.

In addition, to save costs, you can switch from manual to automatic coffee making to save time serving customers, customers will not have to wait long and be more satisfied with your cafe. You should consider cutting all unnecessary expenses to increase the profit of the bookstore café.

Finally, how much should your coffee cups be charged? You need to come up with a pricing strategy based on both the costs incurred and the experience that customers enjoy when choosing your cafe. Customers may pay more for a good cup of coffee, but they will be willing to pay even more when all the service that comes with the cup is great.

Books and bookshelves are indispensable in a book cafe. You need to consider the types of books to have initially and continue to add additional updates in the course of your business.

Another important cost is the cost of courses such as bartending courses, business courses. The fact that you have no experience in mixing and trading drinks, it is essential to follow these courses to get the most solid foundation knowledge.

Remember that to be a manager in any field, you may not have a deep understanding of the specialty, but you definitely have to know about the field.

### **Experience #5: Marketing strategy for coffee shops**

You need to market your cafe on social networks before the shop opens, offer discounts or gifts for the opening day, spread it on social networks, especially associations, group or blog about bookstore coffee to find new customers coming to you on the first day of opening. There are many ways to do advertising such as handing out flyers. You can also choose online marketing methods on Facebook, YouTube and many other places. Besides, find your coffee shop a slogan or set operating criteria.

Since then, every time it comes to your coffee shop, guests will immediately think of the distinction you create.

Opening a cafe is a form of indirect marketing to everyone. The attractive opening will position in the minds of guests that this area has a new cafe. It is necessary to prepare carefully for the opening ceremony to promote the image of your cafe well. The opening of the shop with promotions, mini games, give away. After many other marketing activities will help you become a better PR brand. However, for the opening to go smoothly and effectively, you need to prepare an opening plan.

- Opening time,
- Planning guests,
- Opening budget.

The experience of opening a book cafe from those who went before is not an easy business, so you need to take the time to learn, gain experience and strategies to cope with the difficulties that will arise in the future. business process.

Hope the above sharing will help you get the best preparation for your coffee shop business plan.



## 6 CONCLUSIONS

Today, in many coffee shop models, it seems that the book cafe model is increasingly being invested in by more and more people. Because they realize that although the number of customers coming to the book cafe may not be as large as other models, the number of patrons and loyal customers is very much, some people even come to the shop every day, from which there are many customers. can see the stability and extremely sustainable development of this model.

A good business plan lies not only in an analytical view, but also in assessing its current status and future prospects in the most objective way. And this business plan will help us analyze the strengths and weaknesses of the bookstore café, set specific goals, and come up with an action plan to achieve the set goals. To the goal, put the book cafe business plan into operation as soon as possible.

It should be noted that there is no universal or standard form of a business plan that will work for all cases. Developing a business plan at the outset provides an opportunity to soberly assess the characteristics of a business. of the enterprise, identifying the strengths and weaknesses of the enterprise; determining what it will perform its activities, evaluating potential prospects; anticipating potential problems and preventing them from escalating into a serious problem; have solutions to deal with and control the problem. The most important part of the Implementation plan includes the MKT plan to help the implementer know how to promote the image of the newly opened agency, the financial plan to help the reader control and capital investment, operating costs and forecasts. profit and loss business. Currently, most entrepreneurs are aware of the need to plan their current and future activities, as this will increase business efficiency and significantly reduce their risks.

In conclusion, it should be said that the tasks in the project have been completed; goals have been achieved. Therefore, the business plan that has developed regarding the opening of a coffee shop in HCMC can be considered economically efficient, beneficial and rewarding.

The business plan of the book club in Ho Chi Minh City shows that this business activity is not only economically viable, but the project is also very feasible through financial parameters. This shows that the project brings economic efficiency, high returns to investors, and quick return on investment.

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