

Bachelor thesis: Operational business plan for 3D cinema coffee shop at Porvoo

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<p>The authors' thesis idea is inspired by the concept of experience economy which tends to put the experience instances on top of the products/services of a business and to bring exceptional and memorable experiences to customers. According to the study of café business at Porvoo, it has been said that there might be room for innovation of the coffee shop industry at the local premise. Generally, coffee shops in Porvoo are likely to provide only typical accommodation, F&B products and services in traditional practices. However, with the entrepreneurial mind-set and passion for both coffee and technology, the authors have decided to take on challenges and build up a brand new concept of coffee shop in Finland in general, and in Porvoo in particular. Specifically, the key concept of the new business venture is to integrate 3D home movie theatre system and Instant Camera services into the coffee shop. The thesis is structured according to the Business Model Canvas which will focus mainly in the core issues of the business.</p> <p>The concept of integrating and applying the private movie theatre system is rather successful in a number of café shops in Vietnam. However, each market might have its own characteristics that could contribute to the success of a business venture. Therefore, the objectives of this thesis are to develop a concrete business plan for the start-up idea and to analyse its feasibility, then to decide whether or not to commence the business at Porvoo. In order to achieve the mentioned objectives above, the following problems are addressed respectively as 1) who are potentially interested in this new concept of coffee shop?; 2) How harsh is the competitiveness at Porvoo market?; 3) How to operate the business profitably at Porvoo? 4) What marketing campaigns are needed for this new concept coffee shop; and 5) what are the main costs incurred and revenue stream generated in implementing the business plan?</p>	
<p>Keywords Canvas, movie, Instant photo, 3D, Cinxtant</p>	

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1 Introduction

Entrepreneurship

Being successful and able to make profit is the aim of a business. Becoming an entrepreneur could help co-authors become own bosses, determine their own working tasks and working hours, have the opportunity to make a financial success and fulfil their dreams, as well as be able to employ others. However, these motivations might come along with challenges. Typical challenges in starting up as an entrepreneur could be financial arrangement, lack of expertise and experience, lack of knowledge about legislation, taxation and setting up contracts, insufficient language skills in Finnish, lack of familiarity with Finnish culture, and time management. Knowing these factors could help the entrepreneurs as co-authors prepare better for the establishment of their business venture. (Uusyrityskeskus 2014, 5.)

In order for an entrepreneurship to succeed in their new venture, a solid business plan should be built. In definition, a business plan is a comprehensive, detailed and written set of business goals that describes how the business concept will be implemented in practice. In addition, possible risk and threat factors that may affect to the success of a business idea could be highlighted from a well-prepared business plan. As a result, it gives an idea of the business profitability and its future prospects. (Uusyrityskeskus 2014, 10.) There are two primary reasons for co-authors to write a business plan. The first reason comes from internal perspective. Writing a business plan forces firm's founders as the authors to systematically think through each aspect of their new venture. (Barringer R. B. & Ireland R.D. 2010, 137.) The second reason to write a business plan is to create a selling document for themselves in order to communicate the merits of a new venture to out-siders, such as investors and bankers. (Barringer R. B. & Ireland R.D. 2010, 138.) In particular, the business plan could be a useful tool for entrepreneurs as co-authors to negotiate and get start-up funds from potential business partners such as the Employment and Economic Development Offices or Economic Development, Transport and the Environment (ELY) at Finland (Uusyrityskeskus 2014, 10).

Scope and limitations

The co-authors attempt to compose this Bachelor thesis as a practical and applicable business plan, which is made as a prerequisite and assumption for establishing a potential start-up high tech coffee shop at Finnish market in general and at Porvoo in particular. However, due to the lack of local language skill, several of up-to-date information might not be retrieved and adjusted to the year of 2014. Furthermore, in order to make a viable, well-prepared manual and ensure the feasibility of the business idea in the future prospect, further works and researches are recommended to implement and evaluate the validity and reliability of this initial business plan from co-authors. Specifically, despite conducting desk and field studies, the co-authors, with limitation of time, resources, real experiences and conditions, could not be able to study many competitive businesses and expected target customers at Porvoo. Consequently, it is very crucial for the authors to focus on building up a great value propositions and comprehensive insights to verify the unique business idea of this thesis.

Thesis structure

Firstly, the co-authors will present general introduction of the theoretical framework for this thesis paper including key concepts of different building blocks of the Business Model Canvas. Secondly, Chapter 3 and Chapter 4 will demonstrate the fundamental description of the entrepreneurs' café business, its ownership and unique features of products and services from Cinxtant coffee shop that bring to readers overview information of how the new venture's idea could be implemented in the practical environment to make profit. Next, Chapter 5 describes the situational analysis of industrial context and competitive market, and the implementation issues of empirical researches that are expected to influence the new venture idea of co-authors. After that, the upcoming Chapter 6 will go through the value propositions. As for Chapter 7, multiple channels that the business used to interact and communicate, as well as maintain its relationship with target customer segmentations will be described in details, followed by the descriptions of key activities, key resources and partners in Chapter 8. In the next chapter, Chapter 9, the projected estimates of finance will be analysed whereas Chapter 10 will show the overview of the business plan as well as some recommenda-

tions for further research to turn the business idea feasible into real-life. At the end of the document, Bibliography and Attachments will be shown.

2 Theoretical framework: Business Canvas Model

There are many theoretical frameworks that can be used to describe a business model. In general, business model framework is defined as a demanding approach to generate value streams as well as represent the fundamental aspects of any business (Slywotzky 1996). In particular, a business framework could involve internal factors such as market analysis and products/services promotion, and external factors, for example, competitors and technological aspects (Fernando, Alessia & Patrizia 2012). Some useful frameworks could be recommended including Business reference model, Component business model, Industrialization of services business model, and Business Model Canvas.

In short, Business reference model is a model, concentrating on the architectural aspects of the core business of an organization, service company or government agency. As for Component business model, it is a method which analyses an enterprise through a rational representation or map of business components or "building blocks" can be depicted on a single page. In addition, it can be used to introduce the alignment of an organization strategy with its capabilities and investments, identify redundant or overlapping business capabilities, etc. Regarding Industrialization of services business model, it is a model used in strategic management and a service marketing that sees service provision as an industrial process, subject to industrial optimization procedures. (Krumeich 2012, 19.) In term of Business Model Canvas, developed by A. Osterwalder, Yves Pigneur, Alan Smith (2010, 15), it is one of the most used frameworks for describing the elements of business model. By describing the business through nine basic building blocks, it shows the logic of how a company intends to make profit. Specifically, the nine blocks cover the four main areas of a business: customers, offer, infrastructure, and financial viability. Customer's area consists of Customer Segments, Customer Relationship, and Channels. Offer area describes the Value Proposition while the Infrastructure area shows Key Activities, Key Resources, and Key Partners.

The Business Canvas Model (BMC) is used as the back bone of this business plan due to many great advantages. At first, it guides co-authors to think thoughtfully through each of the key components/building blocks for developing a business model of Cinxtant coffee shop. The BMC also emphasises the business on the strategic and core elements that matter most and will have the most significant impact on its projected growth. As a result, it helps the co-authors as well as readers be able to see the overall picture of the business and thereby spot areas of strength and weakness depending on the inputs. Secondly, the structure of BMC is simple to quickly get started with and develop focused. Finally, it is seen as a useful tool that can be used to articulate, share and gain feedback on each building components of the model.

Customer Segment

To build an effective business model, a company must identify which customers it tries to serve. Various set of customers can be segmented based on the different needs and attributes to ensure appropriate implementation of corporate strategy meets the characteristics of selected group of clients. In brief, Customer Segment Building Block asks the entrepreneur these following questions: (1) which classes are you creating values for? (2) Who is your most important customer? (Osterwalder A. & Pigneur Y. 2010, 20.) According to Osterwalder and Pigneur (2010, 21), there are different types of Customer Segment. The typical types of customer segments include: Mass Market, Niche Market, Segmented, Diversified, and Multi-sided platforms.

Table 1. Typical Customer Segments Types. (Osterwalder A. & Pigneur Y. 2010, 21)

Customer Segments type	Description
Mass Market	There is no specific segmentation for a company that follows the Mass Market element as the organization displays a wide view of potential clients
Niche Market:	Customer segmentation based on specialized needs and characteristics of its clients.
Segmented:	A company applies additional segmentation within existing customer segment. In the segmented situation, the business may further distinguish its clients based on gender, age, and/or income.

Diversified:	A business serves multiple customer segments with different needs and characteristics.
Multi-Sided Platform / Market:	For a smooth day to day business operation, some companies will serve mutually dependent customer segment. A credit card company will provide services to credit card holders while simultaneously assisting merchants who accept those credit cards.

Customer Relationship

To ensure the survival and success of any businesses, companies must identify the type of relationship they want to create with their customer segments. The Customer Relationship ask entrepreneur these following questions: What type of relationship does each of our Customer Segment expect us to establish and maintain with them? Which ones have we established? How costly are they? How are they integrated with the rest of our business model? (Osterwalder A. & Pigneur Y. 2010, 28.) There are various forms of customer relationships mentioned by Osterwalder and Pigneur (Osterwalder A. & Pigneur Y. 2010, 29). They consist of: Personal Assistance, Dedicated personal assistance, Self-service, Automated services, Communities, Co-creation.

Table 2. Customer Relationships Forms. (Osterwalder A. & Pigneur Y. 2010, 29)

Customer Relationships Forms	Description
Personal Assistance	Assistance in a form of employee-customer interaction. Such assistance is performed either during sales, after sales, and/or both.
Dedicated Personal Assistance	The most intimate and hands on personal assistance where a sales representative is assigned to handle all the needs and questions of a special set of clients.
Self Service	The type of relationship that translates from the indirect interaction between the company and the clients. Here, an organization provides the tools needed for the customers to serve themselves easily and effectively.
Automated Services	A system similar to self-service but more personalized as it has the ability to identify individual customers and his/her preferences. An example of this would be Amazon.com making book suggestion based on the characteristics of the previous book purchased.
Communities	Creating a community allows for a direct interaction among differ-

	ent clients and the company. The community platform produces a scenario where knowledge can be shared and problems are solved between different clients.
Co-creation	A personal relationship is created through the customer's direct input in the final outcome of the company's products/services.

Channels and Value Proposition

A company can deliver its value proposition to its targeted customers through different channels. Effective channels will distribute a company's value proposition in ways that are fast, efficient and cost effective. An organization can reach its clients either through its own channels (store front), partner channels (major distributors), or a combination of both. 26 In general, the Channels Building Block asks the entrepreneur these following questions: Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our Channels integrated? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines? (Osterwalder A. & Pigneur Y. 2010, 26.)

The Value Propositions Building Block describes the bundle of products and services that create value for a specific Customer Segment. Some Value Propositions may be innovative and represent a new or disruptive offer. Others may be similar to existing market offers, but with added features and attributes. In short, the Value Propositions Building Block asks the entrepreneur the following questions: What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? Which customer needs are we satisfying? What bundles of products and services are we offering to each Customer Segment? (Osterwalder A. & Pigneur Y. 2010, 22)

Key activities, Key resources and Key partners

Key Activities Building Block describes the most important activities in executing a company's value proposition. The Block asks the entrepreneur the following questions: What Key Activities do our Value Propositions, Distribution Channels, Customer Relationships, Revenue Streams require? (Osterwalder A. & Pigneur Y. 2010, 36.)

The resources are necessary to create value for the customer. They are considered an asset to a company, which are needed in order to sustain and support the business. These resources could be human, financial and physical. The Building Block asks the entrepreneur the following questions: What Key Resources do our Value Proposition, Distribution Channels, Customer Relationships, Revenue Streams require? (Osterwalder A. & Pigneur Y. 2010, 34.)

The Key partnership Building Block describes the network of suppliers and partners that make the business model work. There are four distinguished types of partnerships: (1) Strategic alliances between non-competitors (2) Coopetition: strategic partnerships between competitors (3) Joint ventures to develop new businesses (4) Buyer-supplier relationships to assure reliable supplies. (Osterwalder A. & Pigneur Y. 2010, 38.) As for motivations for creating partnerships, it is useful to distinguish between the following three motivations: Optimization and economy of scale, Reduction of risk and uncertainty, Acquisition of particular resources and activities. (Osterwalder A. & Pigneur Y. 2010, 39.) Key partnerships Building Block asks the entrepreneur these following questions: Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform? (Osterwalder A. & Pigneur Y. 2010, 39.)

Cost Structure

The Cost Structure describes all costs incurred to operate a business model. There are two Classes of Business Model Cost Structures: Cost-Driven, and Value-Driven. Cost-Driven focuses on minimizing all costs and having no frills whereas Value-Driven is less concerned with cost. Value-Driven focuses on creating value for their products and services. (Osterwalder A. & Pigneur Y. 2010, 40.) Regarding the Characteristics of Cost Structures, there are four typical characteristics: Fixed Costs, Variable Costs, Economies of Scale, and Economies of Scope. Fixed Costs are unchanged costs across different applications. Variable Costs are costs that vary depending on the amount of production of goods or services. As for Economies of Scale, Costs go down as the amount of good are ordered or produced. Finally, Economies of Scope are cost advantages that a business enjoys due to a larger scope of operation. In a large enterprise,

for example, the same marketing activities or Distribution Channels may support multiple products. (Osterwalder A. & Pigneur Y. 2010, 41.) The Cost Structures Building Block asks the entrepreneur these following questions: What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive? (Osterwalder A. & Pigneur Y. 2010, 41.)

Revenue Stream

The Revenue Stream Building Block represents the cash a company generates from each Customer Segment. The Block asks the entrepreneur these following questions: For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to over revenues? (Osterwalder A. & Pigneur Y. 2010, 31.)

Table 3. Typical ways to generate a revenue stream. (Osterwalder A. & Pigneur Y. 2010, 31)

Typical ways to generate a revenue stream	Description
Asset Sale	(the most common type) Selling ownership rights to a physical good
Usage Fee	Money generated from the use of a particular service. The more a service is used, the more the customer pays.
Subscription Fees	Revenue generated by selling a continuous access to a service.
Lending/Leasing/Renting	Giving exclusive right to an asset for a particular period of time.
Licensing	Revenue generated from charging for the use of a protected intellectual property.
Brokerage Fees	Revenue generated from an intermediate service between 2 parties. Credit card providers, for example, earn revenues by taking a percentage of the value of each sales transaction executed between credit card merchants and customers.
Advertising	Revenue generated from charging fees for product advertising.

There are other considerations to business success that are implied but not explicitly covered by the BMC such as: the level and nature of competition, roles and responsibilities, core competencies and capacities, and defining measurable goals. Thus, as

mentioned, this business plan is developed based on the Business Model Canvas; however, the structure of this business plan is built slightly different, with some additional Chapters, namely Company Description, Form of Ownership, Situational Analyses and Empirical Researches, in order to cover what are missing in the Business Model Canvas.

3 Company Description

The main body of a business plan begins with general description of the company. It demonstrates that the authors know how to translate an idea to a business (Barringer B. R. & Ireland R.D. 2010, 146). In this section, business concept, vision, mission statements and objectives of the business will be described in detail.

Business concept

The business is named Cinxtant. Cinxtant is a combined word of Cine and Instant. Cine stands for the Cinema service while Instant stands for Instant Camera service in the shop which is described specifically in this section. At the core of the business, it is a coffee shop which integrates home movie theatre system into service. The coffee shop consists of three separate rooms: Common Room, Cinema 1, and Cinema 2 which have differentiated functionalities. The normal operating hours of the shop are from 8:00 am to 10:00 pm during weekdays while at weekend, the trading hours would be in turn as 9.00 am to 10:00 pm on Saturday and 10.00 am to 10:00 pm on Sunday.

Cinxtant coffee shop area is planned to be 110 square metres. As a result, the 3 main functional rooms namely Common room, Cinema 1 (Couple), Cinema 2 (Group) have the area of 50, 15, and 25 square metres respectively. In addition, WC and storage rooms account for 5, and 15 square metres. The suitable location premises are Porvoo centre, or near Aleksanterinkaari area. These premises are selected as they are close to centre, schools and universities, bus station, river, and Porvoo old town which open a door for many opportunities to attract young and dynamic people such as students, young couples, or even tourists. According to the results from the researchers conducted for this business plan (to be presented in the sub-Chapter 5.4), the Porvoo cen-

tral area is preferred to be the ideal venue for the coffee shop as the business can avoid the competition with the Coffee House and Biorex movie theatre in the Aleksanterinkaari area.

Common Room

The Common room functions as a typical coffee shop which offers customers a cosy place and primarily serves them prepared espresso-based coffee drinks and other light snacks such as pastries with free Wi-Fi internet service. The Common Room is the biggest room with the capacity of around 25 people. It is the first room that customers will see when they step inside the shop. This room functions as a typical coffee shop in which customers can grab some drinks or food and choose a table to sit down. Music will be played in the background and there is a LCD to display movie trailers or products, services and events of Cinxtant. The Common Room is decorated with 3D paintings positioned on the walls. In general, 3D paintings are products of the 3D art, which is the art of producing representations of natural components or imagined forms in the three dimensions. (Ask 2014; Overstock 2014.) The 3D paintings are changed occasionally.



Figure 1. Example of 3D Painting (Xinhuanet 2014)

The theme of coffee shop's interior and exterior decor is designed to be modern and comfortable. As a result, besides having an express cup of coffee and listening to music background inside the cafe, customers could also enjoy the memorable and relaxing

time with their friends in a cosy, pleasant and inspiring environment inside the café. In addition, samples of customer's instant photo are also hung around the room to show their satisfaction and happiness being in the shop. All accessories and furniture in Cinxtant coffee shop will mostly purchase from local and physical department stores at Finland. The co-authors could use the payment method of online shopping, single cash or monthly instalments. Shipment would be made directly through home delivery service.

Coffee service

In general, the main concept of high-tech coffee bar from co-authors will be focused on the type of Espresso bar model. However, the traditional Finnish coffee is not excluded from the menu. (Coffee/Tea 2014) In Finland, people are more preferred the light roasted coffee than dark roast coffee (Etl 2012). Moreover, among Finnish coffee brand, Paulig Group has become one of the top and superior leading companies in Finland market nowadays, especially with 58% market share in the product ranges of Juhla Mokka and Presidentti (Kauppalehti 2004). As a result, co-authors have decided to choose these two Paulig coffee products to serve traditional Finnish coffee to customers. With strong and unique flavour of light roast coffee bean, these two products will absolutely comfort customer expectation.



Figure 2. Pictures of Juhla Mokka and Presidentti packages (Paulig 2014a; Paulig 2014b)

In addition, Paulig Espressos products could be used as basic ingredient for barista to make other Italian coffee drinks such as latte, mocha, and cappuccino at the high-tech café (Paulig 2014c). Due to globalization, young Finns have begun to expose to variety of specialty coffee trend from other countries (Ojaniemi 2010). To enrich the menu of coffee specialty, authentic Vietnamese coffee drink is offered to the customers who would be willing to experience a new taste of cultural beverages. The Vietnamese coffee product used to serve customer is from Trung Nguyen brand. As a huge brand in Vietnam with its recognition in international market, Trung Nguyen highlands gourmet coffee would bring an excellent taste of Vietnamese genuine coffee to Finnish customers.



Figure 3. Picture of Vietnamese Trung Nguyen coffee package (Gourmet-kahvi 2014a)

Even though the way to brew Vietnamese style coffee is simple, the way to enjoy it will still require some techniques. Basically, the whole process to make a best flavour will last about 4 minutes. At first, with condensed milk filled inside the cup, a rounded tablespoon of coffee (6-8 ounces) will be added to the empty chamber of filter. After tightening the spanner screw, the filter insert should be placed on top and be spanned once or twice times counter clockwise. Then, before covering the cup with lid, hot water should be added with the temperature around 185° to 195°. Next, the coffee drink

should be waited for drips of 3 minutes. Finally, after removing the filter, coffee would be ready to stir and serve with ice (optional). (Trung Nguyen Online 2013.)



Figure 4. Step by step to make Vietnamese style coffee (CoffeeGeek 2011)

When visiting Cinxtant coffee shop, customers will be introduced, observed and instructed by owners to make and adjust their own Vietnamese coffee taste. In contrast to the “rush” way of having Espresso drinks, the co-authors believe that customers would enjoy another memorable experience when brewing deliberate Vietnamese coffee based on personal preferences (the longer slow-drip takes, the stronger coffee is with rich flavour).

Packages of Finnish ground coffee and Espresso coffee ingredient from Paulig Group could be purchased regularly from retailers such as S-market and Lidl. On the other hand, the Vietnamese product of Trung Nguyen coffee can be bought from the chain of K-city market groups (Gourmet-kahvi 2014b). All items would be paid directly in-store by cash or Visa Electron card by co-authors.

Private room with movie service

Regarding the Cinema functionality, Cinema rooms, which are equipped with 3D home movie system, allows the customers to watch selected movie in 2D or 3D at a

cheaper price compared to watching in the local Cinema. Moreover, customers would have for themselves more private spaces to have good time and enjoy the high quality cinematic experience. Cinema rooms are both smaller than the Common Room. Cinema 1 is the smallest room which has two seats for two customers to watch movies in the room. As for Cinema 2, it has a bigger area which provides 8 seats for 4 to 8 customers. Customers will pay for the duration of staying in the Cinema rooms. The Price for each hour in Cinema 2 (Large room for 6 people) is higher than in Cinema 1. Customers can watch downloaded movies from the HDD or from online source which the owners have subscribed to.



Figure 5. Cinema 1 symbolic design. (Café Saigon HD 2014)



Figure 6. Cinema 2 symbolic design (AtHomeTheaterSystems 2014)

With the help of the high definition visual and 3-dimensional technology as well as sound effects, customers would immerse a lot of memorable and meaningful experiences by the emotional characters, the storytelling and the virtual environment surrounding. There are lots of pillows inside the shop as well as Fat boy beanbags in cinema rooms in order to really immerse the customers into the extraordinarily relaxing experiences in the shop.



Figure 7. Fat boy beanbag. (Home Improvement School 2014)

Instant Camera Service

In addition, the business also offers an “Instant photo” service (Instant Camera service) to enhance customers’ experience in the shop. When the customers are in the shop, either they come for drink or for movie experience, and call for the “Instant Camera” service, they will be provided an Instant camera. Instant camera is a type of camera that could produce a printed picture within minutes after taken by using self-developing film (WisegEEK 2014). Photos taken by this camera are generated immediately. The only charge for this service is coming from the point that customers buy a film from the shop in order to put in the camera and make it able to print the photos out.

After reading many reviews and considering the budget, the co-authors have decided to choose instant cameras from Fujifilm, with two models of Instax mini 25 and Instax 210. Instax series is the instant camera brand from Fujifilm that has two formats of self-developing film, including “mini” picture size of 62 (H) x 46 (W) inches for Instax mini 25 and “wide” picture size of 62 (H) x 99 (W) mm for Instax 210. (Fujifilm 2014a.)



Figure 8. Size comparison between mini and wide films (Saffawati shop 2012)

With the plain white edge above, customers could write their own notes for keeping and saving remembrance. Besides, there is a wide range of styles for frame design to choose from such as colour, rainbow, etc.



Figure 9. Accessories for Instax mini (Fujifilm 2014b)

The Fujifilm Mini 25 series has a lot of features that could be addressed. With lighten-darken control, the intensity of colour brightness could be adjustable while the camera itself has two shutter buttons on the body to make vertical and horizontal shooting easier. When using fill-in flash mode, background could be captured clearly even in dark rooms with automatic control of shutter speed from the camera. Besides close-up lens for creating enlarged images of the subject, the Instax 25 has another built-in self-snap mirror which is very useful to take perfect self-shots. (Fujifilm 2014c.)



Figure 10. Picture of Instax mini 25 (Fujifilm 2014c)

This product is quite matched for making self-portrait photograph (regular size of credit card) or taking picture with two persons. On the other hand, the model of Instax 210 is quite suitable with occasion and special event for taking group photo of 3 to 5 people gathering together. The camera itself has a stylish body with three exposure light-control settings and automatic electronic flash, including with a close up lens of expanding photo shooting range. (Fujifilm 2014d.)



Figure 11. Picture of Instax mini 210 (Fujifilm 2014d)

The combination of “Instant photo” service and 3D wall art would improve customer engagement and increase revenue for the high-tech café model of co-authors. In summary, Cinxtant hopes that customers would be more interested in the exciting experience of receiving and sharing their tangible and exclusive photos with closest friends than scrolling through virtual and digital images on the screen of mobile devices. It is also grateful for Cinxtant to give old school style photographs to customers as interesting and unique gift in order to bring back their emotional and nostalgic memories.



Figure 12. Portrait and landscape photos from Fuji instant camera (Saffawati shop 2012)

All things considered, the authors strongly believe that the concept of the 3D cinema coffee shop is promising and will bring extraordinary experiences towards customers. The exceptional services and differentiate decoration simply become the stage for the experience that co-authors really sell to their target customers.

Vision, Mission and Objectives

A Vision statement outlines WHERE you want to be. It communicates both the purpose and values of a business. In brief, it talks about the future of the business. It shows where the business venture sees itself some years from now. (Diffen 2014a.) The 3D Cinema Coffee Shop vision is to link people and bring memorable experiences to customers in unique and intimate settings that inspire moments of happiness.

A Mission statement indicates HOW the business venture will get to where it wants to be. Mission statement defines the purpose and primary objectives related to the customer needs and team values of the business venture. It refers to the present leading to its future. Moreover, it shows the broad goals for which the organization is formed. (Diffen 2014a.) The 3D Cinema Coffee Shop mission is to be our customers' favourite place to relax and make great memories with their friends, family and their loved ones in an exceptionally cinematic theme, and to be a joyful workplace for our employees.

The objectives of a business plan are the most important part. They are the goals; specify results and activities of the organization that can be easily tracked. (AllBusiness 2012). Cinxtant objectives are (1) being the first coffee shop in Finland that integrate home movie theatre system and Instant camera into the service. (2) Being one of the most check-in coffee shops in Porvoo. (3) 3 rooms operate at full capacity, especially the Cinema rooms.

4 Form of ownership

One of important decisions that entrepreneur has to make is selecting a form of ownership. There is no form of business ownership that works best in all circumstances. However, entrepreneurs as the co-authors must learn the characteristics of each ownership form and how well they match with their business venture in order to choose the suitable one. (M. Scarborough 2011, 152.) There are six forms of ownership which entrepreneur could choose from, comprising of a sole proprietorship, a general partnership, a limited partnership, a C corporation, an S corporation and a limited liability company. In general, sole proprietorship is a business form that owned and operated by one person. While two or more people could jointly share assets and liabilities, own and operate a profit business venture in general partnership. Limited partnership only has at least one general partner with full rights of management and more silent partners with limited liability. C Corporation could be defined as an artificial legal entity separate from its owners and formed under governmental laws while the S corporation has the same organizational structure but taxed by the state government like a partnership. The

last form of ownership, limited liability company, has limited liability like a corporation but is taxed like a partnership with owners referred to as members. (M. Scarborough 2011, 174.) In order to choose the suitable ownership form, entrepreneurs as the co-authors should consider a variety of issues such as taxation, liability exposure, capital requirements, decision-making control, and managerial ability, continuity of operations and cost of formation. (M. Scarborough 2011, 152.)

After studying and reconsidering carefully all options of business ownership with the case of co-authors, the form of limited partnership has been chosen for the start-up model of 3D cinema coffee shop. There are many reasons why the co-authors decided to select the limited partnership. Firstly, the limited partnership is easy and inexpensive to establish compared to forms of corporation and Limited Liability Company (M. Scarborough 2011, 159). There is no minimum of required monetary investment for the limited partnership at Finland, even though limited/silent partners are required to make capital investments. (Enterprise Finland 2014a.) The owners as co-authors also need to only submit start-up notification Y1 form, fill in formation package for limited companies and obtain a limited partnership agreement (Enterprise Finland 2014b). A written and legal partnership agreement must detail and state the terms under which rights, duties, decision-making authority, responsibilities, obligation and shares of each general partner as co-authors and limited partners who would be involved and liable up to the amount of their investment in the business venture. It could become a useful tool to handle problems and resolve potential conflicts not addressed in advance. (M. Scarborough 2011, 157-158.) Secondly, in limited partnership, general partners as co-authors could combine and pool their complementary skills, equal authority, abilities, experiences and resource capacities to strengthen the business's managerial foundation. Together with general partners' personal assets, the pool of capital could be raised by funds from other people outside as limited/silent partners. It means that more financial investors would be willing to assume liability for an investment loan with limited risks for the business entity. Due to limited liability and obligation for the partnership's debts, business losses could only affect to what they have invested and no more. If the business is successful, limited partners will receive potential and substantial return on their capital. (M. Scarborough 2011, 159-160.) For example, the limited partner for 3D

cinema coffee shop could be Finnvera (a specialized financing company provides loans and capital investments for enterprises) that could fund, inspect and give management suggestions to the business of general partners as co-authors (Finnvera 2014a). Lastly, with unlimited liability, co-authors could take active role in making decisions and managing the business venture quickly to changing market conditions and new opportunities. (M. Scarborough 2011, 160.)

On the other hand, the limited partnership itself has a lot of disadvantages that entrepreneurs need to pay attention. At first, if one general partner is negligent in conducting business, it will make another one be liable for any damages or debts, except for limited partners. In addition, the limited partnership is not likely effective to attract more capital as the corporate form of ownership, which can sell shares of ownership to outside investors. Next, when general partners become incompetent or withdraw from disposing of business interest, the partnerships will automatically dissolves, although it may not be terminated. A similar problem could arise when one general partner chooses to leave the business. Consequently, it would affect to the friendships and interpersonal relationships between general partners like co-authors. (M. Scarborough 2011, 161.) A careful and detailed partnership agreement with communication policy of openness and conciliation are crucial to reduce inevitable conflicts. Even among limited partners, too many partnerships might hardly put into place a mutually partnership agreement that could prevent the business from ceasing to operate (M. Scarborough 2011, 162). A potential solution for co-authors at the early stage of prospective partnerships is to work together by engaging in a joint and serious project like the business plan for 3D cinema coffee shop at Porvoo. Before having commitments on partnership with launching the businesses in real life, the co-authors need to evaluate how compatible and valuable each other's goals, behaviours, working styles, skills, competences and personalities are.

5 Situational Analyses and Researches

Industry analysis is business research that focuses on the potential of an industry. (Bar-ringer R. B. & Ireland R.D. 2010, 170). In this section, Porter's Five Forces model and

PEST will be used as macro-environmental analyses to understand the competitiveness of the target industry at Finland in general as well as to see external factors at Porvoo market in particular that have great impact and influence on the 3d Cinema Coffee Shop. SWOT analysis is also analysed in this chapter in order to learn about the competitive advantages of Cinxtant as well as its possible threats and future opportunities. Besides, it is important to implement the field study in order to have deep insights and close-up understanding of potential and target customer segment.

5.1 PEST analysis

A PEST analysis is a framework or tool used by marketers to analyse and monitor the macro-environmental (external marketing environment) factors that have an impact on an organization. The output of PEST is used to map out the SWOT analysis (internal environment). PEST stands for: P – Political, E – Economic, S – Social, T – Technological. (Professional Academy 2014.)

Political

In PEST concept, the political factors play an important role of macro environment's analysis in which business venture is implemented. Well-conceived regulations from the government could encourage competition and ensure fair markets for goods and services, especially shaping opportunities for entrepreneurial business. (Kotler, Armstrong, Wong & Saunders 2008, 211.) In 2013, Finland was praised in Transparency International's Corruption Perceptions Index as being the third one of the least corrupt countries in the world. The index is based on a variety of metrics that assess perceptions of public sector anti-corruption transparency. (Yle 2013.) Since becoming a member state of the European Union in 1995, Finland has made itself as one of the most open, competitive and successful economies in Europe. With a high score on the Global Competitive Report 2008 by the World Economic Forum, Finland was ranked as the best business environment in the world by the Economist Intelligence Unit for the period 2009-2013. (The American Chamber of Commerce in Finland 2011, 3.) Based on these political indicators above, the co-authors suggested that Finland would have highly political stability, lack of bureaucracy, sustained growth which could pre-

vent threats and bring more opportunities for entrepreneurs to set up and carry out business ventures here.

Regarding legal issues, for a business venture, there are multiples legal procedures that are required to be implemented from business such as permits, tax registrations, and licenses to VAT covered the industry. The following issues are what Cinxtant needs to take into consideration before running. The Table 4 will indicate permits/ notifications that Cinxtant needs to proceed while table 5 will show tax and other mandatory contributions that Cinxtant need to be liable for.

Table 4. Permits/ notifications for Cinxtant needs

Permit/notification	Responsible party
<p>Notification for trade register</p> <p>Generally, all businesses must enrol in the Finnish Trade Register. The Finnish Trade Register (www.prh.fi > Trade Register) is the official, public register for information about enterprises. There is a charge for registration of a limited company such as Cinxtant. The fee is EUR 380€. (Uusyrytyskeskus 2014, 31)</p>	<p>Finnish Patent and Registration Office www.prh.fi</p>
<p>Application for trademark</p> <p>Since this business does not have any invention related to design or technology therefore trademark is the only intellectual property that needs to be protected. (Enterprise Finland 2014f). The protection of a registered trademark begins on the date on which the application is filed. The registration is valid for 10 years from the registration date, and you can renew it every 10 years. (Finnish Patent and Registration Office 2014a). The fee for online application for trademark registration, which includes one class of goods or services, is 215.00€ (Finnish Patent and Registration Office 2014b)</p>	<p>Finnish Patent and Registration Office www.prh.fi</p>
<p>Notification for tax administration</p> <p>With the same declaration as Notification for trade register, the owners will be able to enrol in the registers of the Finnish Central Tax Administration, comprising the VAT Register, the Prepayment Register, the Employer Register, and the register of bodies liable for tax on insurance premiums.</p>	<p>Vero Skatt www.vero.fi/</p>

There is no charge for enrolment in these registers. (Uusyrityskeskus 2014, 31)	
<p>Notification for food premises</p> <p>A written notification has to be made on food premises that will house restaurant or cafe business activities. (Enterprise Finland 2014g)</p>	Food control authority of the municipality where the site is located.
<p>Hygiene passport</p> <p>Employees who handle perishable, unpackaged foodstuffs must have a hygiene proficiency certificate, i.e. a hygiene passport. (Enterprise Finland 2014g)</p>	Evira
<p>Notification of catering premises</p> <p>A written notification shall be made on catering premises (restaurants, cafes, etc.). (Enterprise Finland 2014g)</p>	Police and rescue authority of the location
<p>Premises</p> <p>The premises must be approved as catering premises (restaurant, cafe, bar, etc.). (Enterprise Finland 2014g)</p>	Building supervising authority of the location
<p>Music and videos</p> <p>As music is played and videos are shown in Cinxtant Coffee Shop, a copyright compensation regarding them will be paid to the copyright associations. The license fee to have music played in the background in Cinxtant is 19.04 euros according to Teosto (Teosto 2014). Cinxtant will get the license for movies from Elokuvalisenssi. It is charged per room. The yearly cost for each room is 690€ (exl.VAT). (Eero Tenhola, 05 Feb 2014)</p>	Teosto, Elokuvalisenssi
<p>Quarterly notification</p> <p>The licence holder must inform on a quarterly basis the Regional State Administrative Agency of sales and personnel information. (Enterprise Finland 2014g)</p>	Regional State Administrative Agency of the location

Table 5. Liable tax and other mandatory contributions for Cinxtant

Tax or Mandatory Contribution	Tax Rate	Tax Base
<p>Entrepreneur's Pension Insurance Contribution</p> <p>This type of social allowance will secure a reasonable subsistence for entrepre-</p>	18.17%	Gross Salaries

<p>neurs when they get old-age, retirement, sickness or disability. With the ownership form of limited partnership, the co-authors might have to pay attention to obligatory matter of pension insurance. If the entrepreneur's work-related income is estimated to surpass EUR 7,430.59 annually, the co-authors have to fulfil the mandatory self-employed person's pension insurance from YEL, the Finnish Centre for Pensions after four successive months of venture commencement. In 2014, the payment is 18.17% of work income for the first 48 months. (Uusyrityskeskus 2014, 40-42.)</p>		
<p>Employee's Pension Insurance Contribution</p> <p>Since the co-authors would recruit and pay salary to staffs at Cinxtant coffee shop, indirect personnel cost such as employee pension insurance needs to be taken into account. The pension contribution would be paid on average 23.5% of the employee's salary while employers as co-authors are able to withhold 5.55% of personnel share. (Uusyrityskeskus 2014, 40-42.)</p>	18%	Gross Salaries
<p>Health Insurance</p> <p>The co-authors would recruit and pay salary to staffs at Cinxtant coffee shop, indirect personnel cost such as health insurance needs to be taken into account. (Uusyrityskeskus 2014, 40-42.)</p>	2.14%	Gross Salaries
<p>The Accident Insurance</p> <p>The co-authors would recruit and pay salary to staffs at Cinxtant coffee shop, indirect personnel cost such as accident insurance needs to be taken into account. (Uusyrityskeskus 2014, 40-42.)</p>	0.1 – 7.0%	Gross Salaries
<p>Group Life Assurance Premiums</p> <p>The co-authors would recruit and pay salary to staffs at Cinxtant coffee shop, indirect personnel cost such as Group Life Assurance Premiums needs to be taken into account. (Uusyrityskeskus 2014, 40-42.)</p>	0.67%	Gross Salaries
<p>Corporate income tax</p> <p>A limited company is regarded as an independent taxpayer. This means that the limited company's income is taxed as the company's own income, and the company's income does not affect the taxation of individual shareholders. (Uusyrityskeskus 2014, 35)</p>	20%	Taxable Profits
<p>Social Security Contributions</p> <p>(Doing Business 2012)</p>	2.12%	Gross Salaries
<p>Value Added Tax (VAT)</p> <p>VAT is a tax on consumption, which the seller adds to the sales price of goods or services. The intention is that the consumer ultimately pays the VAT. VAT is generally paid monthly on the basis of sales and purchases. The form of the enterprise is not relevant. (Uusyrityskeskus 2014, 35.)</p>	23%	Net Sales

There are some legal issues about employment obligations between employer and employee at Finland that co-authors need to address. Depending on employee's skills and experiences, employers as co-authors would consider paying a reasonable salary since there is no universal minimum wage in Finland. For instance, with a full-time position of working at 8 daily hours and 40 weekly hours, the wage per month could be 1,720 euros per month, 80 euros per day or 10 euros per hour. Besides the normal wages and a rest period of at least 30 minutes like lunch break, employee would be entitled to receive some interests according to collective agreement. Overtime additional pay will be increased by 50% for the first two daily hours and by 100% for the following hours during weekdays, except Sunday work with doubled wages. After working for Cinxant coffee shop at least a month, staff could be compensated to sick-leave payment for nine days. Then, employees also have the right to be paid on normal wages during annual holiday leave (2.5 days for each holiday credit month or maximum annual length of 30 days). (Tyosuojelu 2013.)

Economic

Beside political environment, economical factors also might affect consumer buying power and spending patterns which is indirectly creating opportunities or posing threats to business venture (Kotler, Armstrong, Wong & Saunders 2008, 197). With modern infrastructure, functional communications, highly competitive operating cost and strategic-accessible location in Northern Europe, Finland is an open and business-friendly market that offers great opportunities for success and solid growth in establishing business here. By using euro as the national currency, Finland is the only Nordic highly-developed country that takes advantage of economic integration in the Eurozone. (The American Chamber of Commerce in Finland 2011, 2.) In 2012, the unemployment rate of Finland was only 7.7% with the net saving rate in household disposable income of 1.1% annual growth (Oecd-ilibrary 2013a). The Finland market is stable and highly integrated in the global economy so that it is expected to grow as well as Finnish people will have more disposable income to spend on. The co-authors should pay attention to these economic indicators because they could affect the business's cost of capital, price of services and therefore to what extent business venture's

operation of high-tech coffee shop will grow and expand in Finnish market. While a competitive environment such as Finnish market could impede the existence of state monopoly, inefficient business ventures might lose market share or go bankrupt. Therefore, rather than offering services with low prices, entrepreneurs like co-authors need to think more about combination of good quality of service at a fair price.

Nowadays, Porvoo is a vivid and attractive city thriving for a full range of commercial and public services as the economic region of the eastern part of the Uusimaa region. With high volume of retail trade, Porvoo has become one of the biggest municipal provinces in Finland due to the fact that a lot of people from wide surrounding areas come to the town to do their shopping. (Porvoo 2013.) The population in Porvoo had about 49,425 inhabitants with population ratio from 15 to 64 years old was 65% in 2012 (Porvoo 2014). On the other hand, turnover in service industry including food service activities had generated increasing values in Finland, with amount of EUR 2.2 billion, of which 41% coming from the highly concentrated region of Uusimaa (Statistics Finland 2014a; Statistics Finland 2013a). Hence, the co-authors had decided to make a start-up business plan for establishing potential high-tech coffee shop here in Porvoo.

However, the average inflation of Finland was 1.5% with the seasonally increasing labour costs in 2013 when compared with the respective period of the year before (Statistics Finland 2014b; Statistics Finland 2013b). With these factors, like other countries in the world experiencing economic recession, Finland consumer buying power would seem to be reduced as well as Finnish customer would spend money more carefully. As a result, they might try to be more value-driven in the services they purchase. Due to this reason, the co-authors of this business plan would need to think more carefully about unique features of café service that they want to bring new experiences to satisfy customer expectations at the coffee shop.

Social

Social factors in macro environment's analysis would not only make an indication of population demand for certain goods and services but also forecast growing market

opportunities of a nation (Kotler, Armstrong, Wong & Saunders 2008, 185). English language is commonly used in a highly international business community like Finland throughout large proportion of population, especially among the younger generations (Embassy of Finland 2014). This could make it less difficult for the co-authors to find important practicalities and local information when preparing set up business in Finland.

From the 1940s onwards, Finnish people have been living in Nordic welfare state model while urbanisation, modernisation and creation of service economy happened rapidly and largely at the same time (Embassy of Finland 2012). According to Finland statistics, the average monthly earning have grown most to EUR 3,206 from 2003 to 2012, with the median salary of EUR 2,853 (Statistics Finland 2013c). In addition to high level of living standards, Finland even scores high in the indulgent dimension of Geert-Hofstede model. In general, it means that Finnish people exhibit a willingness to realise their impulses and desires with regard to enjoying life and having fun. They could put higher importance and favour on incentives such as their leisure and free time, act as they please and spend money as they wish. (Geert-Hofstede 2014.) Furthermore, nowadays, the amount of free time for Finns has grown by 1 hour/per week over the 2000s, with the average of 47 hours per week (Statistics Finland 2011). With these social indicators, the co-authors of this business plan might need to concentrate on what kind of marketing and service activities would be designed to attract customer's awareness and retention.

Technological

Technological factors consist of forces that create new technologies, creating new product and market opportunities for the business venture. (Kotler, Armstrong, Wong & Saunders 2008, 208). Internet is a crucial factor as a successful business nowadays needs to integrate internet (with its various channels) into their business activities to connect to prospects and customers. It has a great influence on the 3D cinema coffee shop, especially on the 3D cinema coffee shop operational and marketing plan. In Finland, the use of the Internet is becoming ever more widespread. The Internet users per 100 people in Finland are 86 in 2010 (Embassy of Finland 30.112014b). Finns use the

Internet most for everyday matters, information search and communication. In the past three months, 44 per cent of the population had made online purchases or placed online orders. The media is also commonly followed on the Internet. (Statistics Finland 07.11.2013.). More information would be in the sub-Chapter 7.2.

3DTVs are more expensive than regular high definition televisions. In addition, 3D technology has only actually become well-known and widely developed in recent years. (Media College 2014.). 3DTVs are not for common users at the moment as major electronics companies are still developing and marketing 3-DTVs as the next big thing in HD. Thus, typical family might not want to spend a lot of money to equip a full 3D home movie theatre system at home. That is why 3D cinema coffee shop is there to provide customers full movie experience like real movie theatre with a free choice of movie to watch. (howstuffwork 2014, 1.)

In addition, TVs get cheaper after time (howstuffwork 2014, 8). Therefore by the time this business actually runs. The owners can own TVs with cheaper price or better quality TVs with the same price as planned. In term of sound system, a set of speakers for 5.1 can be customized and upgraded to 7.1 surround sounds. Six channels of sound are provided by 5.1 surround, including a channel dedicated to bass, while 7.1 adds two extra rear channels into the mix to increase the "surround" effect. This gives the business owners more options as they can go with just 5.1 sound system to save some budget and upgrade to 7.1 when the business is stable. (howstuffwork 2014, 5)

5.2 Competition Analysis

The five competitive forces model is a framework that helps entrepreneurs understand the structure of an industry. The framework which was developed by Harvard professor Michael Porter is consisting of the forces that determine industry profitability. The authors choose to use this model to determine whether the 3D Cinema Coffee Shop business should enter the Finnish market in general or Porvoo market in particular, and to see what aspects that need to be taken into consideration more carefully. These forces are the threat of substitutes, the entry of new competitors, rivalry among existing firms, the bargaining power of suppliers, and the bargaining power of buyers.

(Barringer B. R. & Ireland R.D. 2010, 181) Moreover, the understanding of these competitive factors could help the business venture understand its position and the opportunities/threats that are available to attain competitive advantages in the coffee industry, especially in Porvoo (R.Barringer & Ireland 2010, 185).

In case of the co-author's business venture, there are few products or services could substitute for the services being served in the high-tech coffee shop. The alternatives for coffee could be other drinks such as soft drink, soda, juice, and beer/wine while competitive products with Instant camera and 3D home movie theatre system from the high-tech coffee shop could be mirror-less camera, laptop or other electronic devices. However, the threat of substitutes would mostly come from consumer behaviours when spending money on leisure time. For instance, instead of paying expenses for having coffee and using theatrical services at the coffee shop, people could have coffee in a convenient store or brew their own coffee and watching movies at home. As a result, it could be said that the **threat of substitutes** within coffee shop industry is **high**. It is suggested that the high-tech coffee shop model from co-authors should have fresh coffee drinks, high quality of unique service, pleasant and cosy atmosphere with fair price in order to prevent target customer from switching to alternatives.

Finland is an open and business-friendly market therefore it seems that there are less governmental restrictions or low entry barriers for coffee industry. Rapid development of modern technology and communications has brought more opportunities for entrepreneurs to find useful practicalities related to open small coffee business venture such as finding rental premise or applying licences from public authority. Since the business simply integrates already-made products and equipment in its service therefore it means that there is no new invention (mentioned in Political in PEST) and the concept of the business will not be protected from replication from other coffee. Therefore the **threat of new entrants** would be **high**. As a result, Cinxtant might need to focus on maintaining its uniqueness and at the same time conducting constantly creative marketing campaigns in order to be acknowledged as the first 3D Coffee Shop in Finland.

After studying and researching cautiously from many secondary sources, especially searching from the list of registered coffee businesses provided by Posintra Oy (a professional partner with city of Porvoo, specialized in advisory and consultancy services for business start-up at Porvoo) and remarkable cafes from Porvoo tourist information, it is likely that there are no direct-competitors who offer services similar to the start-up model of 3D cinema coffee shop from co-authors (Yrityshaku – Porvoon kaupunki 2014; Traveller’s Porvoo 2014a). However, **rivalry among existing firms**, especially among indirect competitors of co-authors’ business venture at Finland is **high** in general. These competitors could be defined as firms who offer close substitutes to the product/service the new business venture completely sells. Their products/services could also target the same basic need of recreational activities that is being met by the new firm’s product. (R.Barringer & Ireland 2010, 186.) In particular, there are few local rivals at Porvoo such as Coffee House, Café Rongo or even in other industries (BioRex Cinema) with different product/service differentiation. In order to gain market share and increase the volume of customer visits, distinctive services with reasonable pricing strategies are crucial for the high-tech coffee shop from co-authors.

Due to many competitive suppliers, the **bargaining power of supplies** in coffee shop industry at Finland is quite **low**. For example, coffee bean commodity is standardized and varied from different suppliers/traders such as Paulig Group, Meira and other intermediaries such as K-city market, Prisma or S-market. Due to high market demand from the Finns and the stably imported supply from developing countries such as Brazil, Columbia and Mexico, the price of raw materials for coffee is likely secured (Etl 2012; Viisi tähteä 2009). On the other hand, high-tech facilities such as Instant camera and 3D home movie theatre system could be selected and purchased from varied electronic and online stores such as VerkkoKauppa, Anttila, Gigantti, Expert, Mustapörssi, EBay or Amazon. Accordingly, the expenses for electronic products could be diversified but made a great contribution to the high fixed costs of the start-up.

The co-authors think that the **bargaining power of buyers** in Finland coffee shop industry is quite **high**. To illustrate this point, it could be seen that Finnish customers currently have many options to choose from different café with different prices. Buy-

ers could have their own coffee drinks from a variety of places such as Starbucks, Presso and Coffee House franchising chains from S-Group, etc while watching movies from BioRex and Finnkino. Furthermore, the frequency of customers' preferences on brand loyalty could be likely to switch more regularly depending on their behaviours, budget and shopping habits. As a result, word of mouth and customer retention would influence critically to the dependency of the high-tech coffee shop.

Conclusion

In conclusion, the 3D Cinema Coffee Shop is a mixed business of coffee shop and home movie theatre therefore the competition will be rather intense according to the result of five forces model. However, on the bright side, it is a unique business in Finland and if it targets the right customer segments, it can enter the market and co-exist with other popular indirect competitors. To succeed, the business will need to take cautious steps as well as have effective marketing campaigns to reach targeted customers.

5.3 SWOT analysis

SWOT analysis, which stands for Strengths, Weaknesses, Opportunities and Threats analysis, is a powerful tool that, with a little thought, can help user uncover opportunities that he wants to exploit. In addition, by understanding the weaknesses of the business, the entrepreneur can manage and eliminate threats that would otherwise catch his unawares. (Mind Tools 2014.) Strengths and weaknesses are often internal to the organization, while opportunities and threats generally relate to external factors. (Mind Tools 2014) Based on the information in the Market analysis, Customer and Competitor analyses, as well as the company products and services, the following SWOT analysis is created.

Table 6. Cinxtant SWOT Analysis.

Strengths	Weaknesses
<ul style="list-style-type: none"> - Good location in Porvoo - Provide more affordable price and more privacy in Cinema service compared to 	<ul style="list-style-type: none"> - High investment in equipment for 3D home movie theatre, 3D paintings and Instant camera's films as well as movies

<p>Cinema</p> <ul style="list-style-type: none"> - Improve customers engagement by giving customers interesting and unique gifts which old and tangible photos with old-school style - 3D Paintings are unique decorations which bring great cinematic environment to the shop. - Provides Vietnamese coffee, good coffees, convenient and time-saving service. - Limited Partnership requires low capital investment to establish the business venture. 	<p>licenses while owners' budget is rather limited.</p> <ul style="list-style-type: none"> - New movies are updated later in the shop compared to Cinema
<p>Opportunities</p>	<p>Threats</p>
<ul style="list-style-type: none"> - 3D movies trend - Internet is growing which provides multiple platforms for the business to interact and communicate with customers - Stable inputs as the bargaining power of supplier is low - Attract investors, partners and expand business by franchising if the model succeeds in Porvoo as the business concept is new - Attract a lot of students because HAA-GA-HELIA University at Porvoo campus are located close to the shop location. 	<ul style="list-style-type: none"> - Fast development of technology make home movie theatre technology the shop uses may become old and out-of-date in the near future. - The bargaining power of buyer is high since there are many substitute products from indirect competitors (watching movies in Cinemas, watching movies at home, having drinks in other coffee shops, taking digital photos by smartphones)

By knowing the strengths and opportunities, Cinxtant will concentrate on keeping its uniqueness and utilize its budget to conduct marketing campaigns in order to introduce its differentiated image, especially on 3D feature of the shop, to the potential customers by multiple channels from point-of-purchase, websites to social media. Once the business is well-known, there will be a great opportunity for developing the concept of the shop more and franchise it.

Regarding weaknesses, firstly, since the business requires a fairly high investment on facilities and equipment, Cinxtant will need to focus more on experience-based marketing activities instead of price-based ones (discount) in order to be able to earn great revenues and reach the break-even more quickly. Secondly, Cinxtant is not able to get the latest movies at the time it is screened in the cinemas. Thus, to compensate for that factor, Cinxtant will need to pay attention to growing its available movies in the shop in various genres so that customers can have a chance to watch their favourite movies or the movies they once missed, at their convenient time with the high-quality visual and sound effects. As for threats, technology is advancing rapidly and there is little the shop can do to prevent the home movie theatre equipment in the shop become out-of-dated. However, to minimize this risk, Cinxtant can have equipment maintenance on the regular basis to remain its quality and make sure everything operates as it should in the long term. In term of competition threat, on one hand, the coffee shop might need to listen to its targeted customers' opinion and feedback through future researches in order to adapt the business better to the Finnish environment. On the other hand, once again, it is constant and creative marketing campaigns that matter to the business that to some extent might reduce the threat of competition.

5.4 Empirical Researches

In order to write the business plan for 3D cinema coffee shop, the co-authors will implement desk study which is concentrated on finding and collecting relevant secondary data (existing sources) such as literatures on internet, statistics of industry profile and demographic trend from government published data, books, articles and etc. The advantage of desk study is likely time-savings, less costly and used as the benchmark in the implementation process, especially in the theoretical framework of this thesis. (Management study guide 2014.)

Besides the secondary sources, the co-authors will carry out exploratory research to collect responses from targeted population segment. As a result, the co-authors could understand more about potential customer's buying behaviour in term of price, marketing and values to offer at Cinxtant coffee shop. Findings and responses from empirical researches are served as new (primary) data. Regarding exploratory research, re-

searchers employ it when little is known about the topic while previous theories or ideas do not apply. In other words, this type of research will help to clarify the researchers' understanding of a problem. As for descriptive research; it is done with a specific research question in mind. As a result, it gives a set view of the subject, population, market segment or problem. The exploratory research is conducted first to generate hypotheses. Hypotheses then will be tested by descriptive research. (HubPages 2011) In this case, the forms of this exploratory research are focus group discussion and personal interview.

A focus group is a group interview from six to ten people that focuses clearly and thoughtfully answers upon a particular issue, product, service or specific topic and encompasses the need for interactive discussion and deep insights among participants inside a convenient and comfortable environment. Participants in a focus group are selected as they might have certain characteristics in common that would relate to the topic being discussed. Moreover, they are encouraged to discuss and share their points of view without any pressure to reach a consensus. (Saunders M., Lewis P. & Thornhill A. 2007, 339.) The focus group will be guided and monitored by co-authors as the role of experienced moderator and assistant secretary. Specifically, both authors already had experiences of organizing and conducting focus group for past school projects before. The moderator often does a variety of tasks such as to introduce and explain the purpose/context of the focus group in the opening time, to ask the designed questions for further input of discussion on track with neutral position, support the assistant secretary to arrange the room setting in a U-shaped seating and manage the allotted time limits closely. On the other hand, the assistant secretary must take note, run the tape recorder during the whole session and ensure all participants of focus group filling in the consent form. (Blank 2012; Eliot & Associates 2005.) For this business plan, young Finnish students among the age of 20 to 30, studying and living in Porvoo, are selected to be participants as they are the targeted and potential customers of the 3D coffee shop. The size of the group is expected to be 7 students. They will be asked questions and topics related to the business concept, product and service of Cinxtant coffee shop. By discussing with this focus group, the co-authors expects to get the ideas and opinions of how feasible the new business model is and what needs to be amended or

improved. Moreover, the co-authors could test their assumptions and learn more rich knowledge related to Cinxtant business plan that they have ever addressed.

In the empirical research of Cinxtant coffee shop, Skype application was used as an alternative method of data collection for cost-effective personal interviews with respondents who were not able to take part in the physical face-to-face discussion in focus group. Skype program is a new technology and user-friendly system that enables co-authors to approach these individuals much easier and more convenient. The in-depth interviews could be implemented in a web-based arena of synchronous environments which comprises real-time interaction and provide a virtual experience similar to face-to-face interviews with reasonable quality. (R. Sullivan 2013; Saumure and M. Given 2010.) Even though some members were unwilling to download Skype software for their computers or smart-phones, all participants have been using the popular social media platform of Facebook. Due to this, by using Facebook Plug-in feature on Skype account, the co-authors could make free calls to contact these individuals directly throughout as their Facebook friends.

Population and sampling

Defining population and sampling method is one of the crucial steps before conducting a research. A research population is generally a large collection of individuals or objects that is the main focus of a scientific query. It is for the benefit of the population that researches are done. However, due to the large sizes of populations, researchers often cannot test every individual in the population because it is too expensive and time-consuming. This is the reason why researchers rely on sampling techniques. (Explorable 2014a.) A sample is simply a subsection of the population. The sample must be representative of the population from which it was drawn and must have proper size to warrant statistical analysis. The main function of the sample is to allow the researchers to conduct the study to individuals from the population so that the results of their study can be used to derive conclusions that will apply to the entire population. (Explorable 2014a). Population sampling is the process of taking a subset of subjects that is representative of the entire population. (Explorable 2014b) For the particular researches in this paper, population is determined to be Finnish university students

living and studying in Porvoo from the age of 20 to 30. Sample is students from HAAGA-HELIA University of Applied Science Porvoo Campus specifically. In addition, the authors attempted to get participating students from different programmes in order to keep the participants' ideas varied and reduce the inhibitions among them (they feel comfortable with each other and sharing their ideas).

The sampling technique used in the researches is convenience sampling. It is one of the non-probability sampling techniques. Non-probability sampling is a sampling technique where the samples are gathered in a process that does not give all the individuals in the population equal chances of being selected. (Explorable 2014c). Specifically, convenience sampling method involves selecting subjects that is the most conveniently accessible and proximate to the researchers. The authors use this sampling technique not just because it is easy to use, but because it allows the authors to obtain basic data and trends from the sample units without the complications of using a randomized sample, especially when the business concept of Cinxtant coffee shop is considerably new and fresh in Finland. (Explorable 2014d) The general information of participants in the focus group and personal interview researches will be illustrated in the below tables.

Table 7. General information of participants in the focus group research

Age	Gender	Occupation	Relationship Status
20	F	Students	Single
21	F	Students	Single
23	F	Students	Dating
23	M	Students	Single
23	M	Students	Single
25	F	Students	Single
31	M	Students	Single

Table 8. General information of participants in the personal interview research

Age	Gender	Occupation	Relationship Status
20	F	Students	In a relationship
21	F	Students	Single
22	F	Students	In a relationship

23	F	Students	Single
24	F	Students	Engaged
25	F	Students	In a relationship
26	F	Students	Single
26	F	Students	Single
27	M	Students	Single

Data collection process

After the question form was re-written for final adjustment, the process of recruiting interviewees and booking venue for the empirical research were conducted during the week 11 in 2014. Invitation letter had been sent to web-based platform of Facebook and network contacts from co-authors. There were a total of 16 voluntary members who were identified and selected to follow up with the field study by co-authors. Only 7 participants were successfully able to take part in the focus group discussion on the pre-determined date of 17th March 2014 at HAAGE-HELIA University of Applied Sciences, Porvoo campus. Confirmation by email was reminded to all these participants before two days of scheduled group. Prior to focus group session, there were 9 respondents who had overlapping timetables with the above schedule of group discussion. In order to reduce the time-consuming, resources cost and take advantage of remote flexibility for geographical distance with the rest of participants, the co-authors decided to arrange personal interviews with each of them through Skype calling during the week 12, from the date of 18th to 21st March 2014. For the discussion of both focus group and personal interviews, nine questions related to the topic of Cinxtant coffee shop were asked, thus, all the answers/ primary data were documented for analysis through written notes and tape recorder's transcript by co-authors. Furthermore, the whole focus group session took nearly one hour to collect all necessary results while the duration for each personal interview last for maximum 30 minutes.

Questions

A general question form is designed for both focus group discussion and personal interviews for yielding useful information for designated topic. In order to make the question form available, the questions are edited and proof-read by co-authors and their thesis supervisor as well. From the questions, co-authors want to understand

more about the target Finnish customer's perceptions and behaviours on this new business concept of Cinxtant coffee shop, especially for the group of young students. As a result, the data or feedbacks from questions answered by chosen participants could help the authors improve their venture idea. Hence, without using dichotomous questions ("yes" or "no" questions), the open-ended and semi-structured ones were asked in order to give participants in focus group and personal interviews an opportunity to be spontaneous and freely share their own opinions about the focused topic.

At an early stage, the first three questions were asked to have a general understanding of Finnish participants' leisure behaviour in coffee shop. Moreover, it is good for target participants to think back about their past experiences when going out to a coffee shop. For foreigners as co-authors, the answers from chosen participants could briefly tell their habits when having coffee in a café. Nevertheless, demographic information from the chosen participants such as age or gender was collected with the focus group and personal interview findings beforehand. In addition, these introductory questions were good and simple enough to warm up the session of both focus group discussion and personal interviews. Then, after the detailed introduction of Cinxtant coffee shop concept was presented to participants for fully understanding the questions posed, follow-up questions 4 and 5 were asked to inspire interviewee responses in depth from general to specific topic that co-authors are interested in. The answers from both these questions could describe the points of view and awareness of target Finnish young students about the unique services that co-authors will offer to potential customers in the future. The concept of 3D private home movie theatre and printed Instant Camera services would be compared with regard to the using of large movie theatre and digital pictures in term of value and price. Next, the key questions 6 and 7 were aimed to point out major issues of positive factors and the downside which might whether or not encourage the target group of participants to visit and use new services from Cinxtant coffee shop. The question 8 was linked to find out to whom these respondents suggest to be interested in the concept of high-tech coffee shop from co-authors. At last, the ending question 9 would allow interviewees to actively express their overall view or feeling on the discussed topic of Cinxtant coffee shop. Consequently, value suggestions and productive recommendations were given to co-authors to co-create

and develop the new venture idea. In brief, all questions were responded openly and honestly by each of own participant. In particular, with the case of focus group discussion, all questions were discussed not only to other members but also to the moderator at the session. The detail list of questions could be found in the “Appendixes”.

5.4.1 Key results from field study

Findings and data from both focus group discussion and personal interviews were debriefed in the two following sub-headings.

Focus group discussion

In the first two questions 1 and 2, most of the focus group members answered that they go to coffee shop with friends, family, for a date with lover or alone once a week. Only a few go 1-3 times a month. About the question 3, the answers are given similarly to the outcomes from question 6 so that the authors decided to combine both data under question 6 which will be described shortly later.

Regarding the question 4, the focus group members are asked to tell their opinions about the private cinema service in Cinxtant coffee shop. All of them thought that it is an attractive idea. They could pay more for this private cinema service in Cinxtant than for the typical movie theatre service if there was a wide selection of movies and the quality of audio and visual experience was exceptionally good. In order to even make the cinema idea more interesting and enhance the customer’s experience in the private room, some of the participants suggested the authors to consider for allowing or providing alcohols as well as a variety of food and drinks selections. In term of price for the cinema service, charge for 5 to 10 euros per person is the common idea generated from the majority of focus group members. 20 euros per room for a movie is also a suggestion from another participant.

Next, in question 5, the focus group members were asked how they think about printed photos and the instant camera service in the coffee shop. They all agreed that printed photos are more valuable and have more personalities then the digital ones. If the quality of photos was decent, they would use the “Instant photo” service. As for the

price, 6 participants said that charges from 1 to 4 euros per an instant photo taken could be the reasonable price. The other two members believed that the price should be less than 1 euro.

In the question 6, all participants in the focus group shared the same opinion that the different activities of cinema and Instant Camera services with affordable price at Cinxtant coffee shop would urge them to experience this new type of high-tech café. Moreover, good customer service with tasty coffee, nice atmosphere with colourful and relaxing interior (pillows, Fat boys), and music background inside the coffee shop might impulse them not only to meet and interact with their friends there but also to spend personal leisure time.

Then, in the question 7, different opinions to factors that could prevent seven members in the focus group to visit and use services at Cinxtant coffee shop were given to co-authors. Two of seven participants in the focus group emphasized the point of bad customer service. This could be explained that staffs showed rude behaviours and unsmiling mood when interacting with customers, instead of open and friendly manner. Furthermore, expensive pricing of coffee drinks and the lack of vivid atmosphere with colourful furniture (chairs and tables) could make them feel bored and irritated. On the other hand, other two members among seven people in the focus group discussion mentioned another factor that might prevent them from going to Cinxtant is the quality of audio and visual in the movie rooms. If the quality did not meet their expectations to fully experience the high quality of 3D or Blu-ray films, it would be a great disappointment. Besides, the unsuitable opening hours of the café, the inconvenience of location and movie booking system are additional factors addressed by the rest of the focus group that could impact the customer's decision.

At the question 8, the target groups of students, young couples and youngsters were selected again by the whole focus group as the most likely interested in this new concept of high-tech coffee shop from co-authors. While youngster could be defined as young students or teenagers staying in school, the term of hipster would belong to the demographic group of people at the age of 20's who are independent and open-

minded to follow the latest trend of movie gadgets. Nevertheless, one person suggested the potential group of stay-at-home parents who could bring and enjoy both private home movie theatre and Instant Camera services with their children at the same time.

For the last question number 9, co-authors gained some valuable feedbacks from the focus groups participants to improve the attractiveness of Cinxtant coffee shop at Porvoo. Firstly, the venue for high-tech coffee shop by co-authors was preferred to locate near Porvoo centre where people could easily meet and hang-out together. Secondly, the use of social media as a marketing strategy should be focused on through Facebook, Twitter and Instagram in order to foster the modern and youthful image of Cinxtant coffee shop to the target and potential customers at Porvoo area. Thirdly, the operating hours for movie services should be adjusted flexibly, especially later than usual at night time while different choices of additional snacks such as sushi or candies might be served, instead of normal menu from large movie theatre outside with only popcorn and soft drinks. Next, the decent quality of Instant Camera service, reasonable pricing of coffee drinks, professional staffs and good system of movie reservation would contribute to the success of this new venture from co-authors. Finally, a variation of movies with high quality from many genres should be changed quite often to keep customers coming to this coffee shop over and over again.

Personal interviews

The answers to questions 1 to 5 from personal interviews are mostly similar to the answers from the focus group presented earlier. However, there are still some slight differences. The first difference is the time interviewees often go to a coffee shop. In particular, they usually go in the afternoon, either early (1-4pm) or late (from 6pm). Secondly, when a majority of the participants in the personal interviews find the cinema idea interesting, only 2 interviewees are not likely interest in it. One prefers watching movie at home and the other one just goes to coffee shop for social interaction. Last but not least, regarding the price for an instant photo, more than half of the interviewees thought that it should be 1 euro or less than 1 euro. The rest believed that they are willing to pay from 2 to 5 euros for an instant photo.

In the question 6, the concept of private cinema service is considered as an important factor that encourages the customers to visit the Cinxtant coffee shop by five interviewees among nine people. Particularly, the home cinema rooms with various selections of movies inside this coffee shop would not only be a cosy and spacious place to hang out with friends but also offer a great opportunity for couples to go on a date. Referred to the rest of the interviewees, other factors like different choices of good coffee and affordable prices could bring them to this new type of café as well.

On the other hand, in the question 7, while three out of nine interviewees felt quite comfortable with the idea of this new coffee shop, other factors such as highly expensive pricing, bad customer service and the unhygienic might prevent the rest from visiting and using services at the Cinxtant coffee shop.

At the question 8, similar to the focus group, youngster and hipster were mentioned by most of interviewees as persons that might be likely interested in the new concept of high-tech coffee shop presented in the paper. In the last question, number 9, some suggestions for making the Cinxtant coffee shop attractive in Porvoo were given to co-authors when interviewing the group of nine people. In particular, the co-authors are recommended to maintain the modern style of both interior and exterior design such as the 3D wall-art paintings, the glass window and the new concept of high-tech coffee shop including home movie theatre and “Instant photo” service. As a result, Cinxtant café would be suitable for youthful people as well as be unique and differentiated with other coffee shops at Porvoo. In addition to the advantage of the expected premise, which is close to the city centre, the Cinxtant coffee shop should serve more choices of drinks and snacks for the movie rooms with reasonable price.

5.4.2 Summary conclusions

In general, the concept of Cinxtant coffee shop is perceived as an interesting and fascinating business among the participants. According to them, the business should be located in Porvoo Centre in order to avoid competition with Coffee House and Biorex and attract more people to the coffee shop. Regarding the general coffee products and service, good customer service, tasty and reasonable food and drinks, together with

modern and comfortable interior and exterior facilities are stated to be the key to the success of the coffee shop in the future. In addition, some of participants recommended the shop to open until evening. Considering the whole pack of the shop's products and services, youngsters, hipsters, young couples (parents), and kids are suggested to be the ones that likely to be interested in the business.

As for the home movie cinema service in particular, participants agreed that it is an attractive idea. They also suggested that there should be a wide selection of movies, variety of food and drinks selections, as well as good quality of audio and visual home movie theatre equipment. They also opined that the shop should consider allowing and offering alcohols if the shop targets a more matured customer segment. The price for a per-son per movie was majorly agreed to be 5-10 euros.

In term of the Instant Camera service, it is seen as an amusing idea served as an additional instance for the coffee shop. However, the instant camera service should not be considered as a main service or source of profit like home cinema because most of the research participants agreed that they might only use this service occasionally. About the price per an instant photo, half of the participants preferred it to be from 1 to 4 euros, the others wanted it to be less than 1 euro.

5.4.3 Validity and reliability

Reliability, in simple terms, describes the repeatability and consistency of a test. Validity defines the strength of the final results and whether they can be regarded as accurately describing the real world. (Explorable 2014e) The focus group and personal interview researches are considered reliable. Both researches were conducted in different time and in different format, yet, the answers received in the two researches are objectively identical which means that the information and ideas answer to the research questions are substantially consistent and saturated.

Regarding the validity, both researches are valid to some extent as it follows step-by-step all of the requirements of the scientific research method of focus group and personal interviews as well as had participants from the age of 20 to 30. However, their

results can only be representative for a certain group in the entire research population. Specifically, the focus group research findings are valid which assemble majorly the idea of single (not in a relationship) students, while the personal interview findings are valid in a way that generalizes the opinions of female students mostly.

Despite some limitations in validity of the researches, the findings and results did show the positive perspectives of the research participants towards the concept of the coffee shop. Moreover, they help the authors look into some critical aspects that might influence the Finnish students who are living and studying in Porvoo and consider improving the business functionalities and operation.

6 Value Propositions

In this Chapter, specific values that Cinxtant brings to its customers in this business will be determined according to the Value Propositions Building Block in the business Model Canvas.

At core, Cinxtant offers its customers three distinct features which are privacy, intimacy, and convenience. Being a customer of the shop, you can either enjoy your coffee in the public area inside the shop or rent your own PRIVATE room, which is equipped with 3D home movie theatre system, to have a great time with your close ones. In addition, the coffee shop also brings the INTIMACY between its customers and their close ones to the fore by providing the “Instant photo” service, music in background, sampling photos of customers and exceptional 3D paintings décor hanging on the walls. Lastly, Cinxtant will appear in its customers’ eyes as a CONVENIENT place where they can grab their drinks quickly and chill out on the Fat boy beanbags with plenty of soft pillows scattering around to hold onto, or where they can watch selected movies in their convenient time instead of following a fixed schedule in local cinemas.

7 Channels, Customer Segments and Relationship

In this Chapter, what type of customer groups are potential and which means Cinxtant Coffee Shop used to interact, communicate and manage its relationship with customer

segmentations will be determined based on the Customer Segments, Channels and Customer Relationship Building Blocks in the Business Model Canvas.

7.1 Customer Segments

Following the Business Model Canvas, Customer Segment will be analysed in this section. Specifically, the concept of the business is fairly complex which serves multiple customer segments with different needs and characteristics, the shop's customer segments are considered to be diversify. Thus, the customers segments will be defined according to the purpose of the customers when visiting the shop which are either come for drink purpose or come for private (3D) cinema experience purpose as well as based on demographics which are gender, age ethnicity, geography and income. (The Alameda County SBDC 2014).

Underage, university students (20-30 years old) and couples living and working in Porvoo centre area are determined to be the most important customer segments. According to the researchers conducted, young people in general (hipster, youngster) are suggested to be the ones that likely get interested in the coffee shop concept. Thus, underage is determined to be one of the key customer segments. Regarding students, they are to some extent independent in their own finance and schedule as well as willing to try new things. Hence, they are also in this list. As for couples, they really treasure their private time together therefore the (3D) cinema rooms in Cinxtant will be a great service that provide them absolute private space and time to enjoy great movie experience with each other.

Table 9. Customer segmentations for Cinxtant coffee shop

Targeted Customer Segment	Specification	Why?	Segment population
Underage (Teenager)	Up to 19	-Has really limited choices of "playground" in Porvoo (cannot go to the club, cannot drink, etc) -Have desire to try new things -Can organize birthday party in	Porvoo population accounts for 0.9 percent compared to Finland population (48700/5427000). The

		<p>Cinxtant with financial support from the parents</p> <p>-Spread the words about Cinxtant to their friends and relatives through multiple channels, especially the internet such as social media, websites, and forums.</p>	<p>total number of underage in Finland is 895880 , the estimated number of underage that are potential customers for the business would be approximately 8062.92. (Statistics Finland 2014d; Porvoo 2013)</p>
University students	<p>-Age from 20 to 30. According to data published as part of the eurostudent project, the average age of new university students in finland is 21.6 years. This is in contrast with students from countries such as france and italy (and australia for that matter), in which the great majority of first-year students are younger than 20. The median age of finnish graduates is 28. Thus, it is reasonable to state that the targeted university students in porvoo of the business have the age range from 20 to 30.</p>	<p>-Independent</p> <p>-Ready to spend time on their interests and hobbies</p> <p>-Able to afford entertainment activities</p> <p>-Have desire to try new thing</p> <p>-Have a need of socializing.</p> <p>-spread the words about Cinxtant to their friends and relatives through multiple channels, especially the internet such as social media, websites, and forums.</p>	<p>There are approximately 1390 university students, 1100 from HAAGA-HELIA (HAAGA-HELIA University of Applied Sciences 2014), and 290 from Laurea University of Applied Sciences (Laurea University of Applied Sciences 2014) studying in Porvoo centre area. The number is considerably promising for a start-up business.</p>
Couples	<p>(1) Low and average finance Couple.</p> <p>(2) Couples without children.</p> <p>(3) Couples with children (Parents).</p>	<p>(1) They can't afford an expensive home movie theatre system at home.</p> <p>(2) They need private place, need memorable experience with each other.</p> <p>(3) Couples with children (Parents).</p> <p>They don't really have a space for themselves at home while their children are around. Therefore the shop cinema can be where they can get away from that for a moment and enjoy their time together. In addition, the cinema rooms</p>	<p>Porvoo population accounts for 0.9 percent compared to Finland population (48700/5427000). The total number of couples in Finland is 1283885, the estimated number of couples that are potential customers for the business would be approximately 11555 cou-</p>

		<p>can be a great place for the couples/parents to organize their children celebration with friends such as birthday by having a small party and movie time. According to a research of Statistics Finland, parents, in particular mothers, spent less time with their children aged fewer than 10 than ten years ago. (Statistics Finland 2014c.) It proves that parents are spending more time on other activities which open a door to better opportunities for the business to reach the Parents segment compared to 10 years ago.</p>	<p>ples. (Statistics Finland 2014d; Porvoo 2013)</p>
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7.2 Channels

Online and offline are the main means used by Cinxtant to interact and communicate with customers, the shop really focuses on the emotions of the customers and it is clearly indicated in the vision of the company. The vision of Cinxtant Coffee Shop is to link people and bring memorable experiences to customers in unique and intimate settings that inspire moments of happiness. To follow the vision, there are some marketing activities will be organized when the shop starts running.

Online

Online consists of Social Media, Cinxtant website, Google Places for Business, and “check-in” channels. Regarding social media channel, the business will make use of some of the most popular platforms such as Facebook, Twitter, YouTube and Instagram to communicate and interact with customers as well as organize marketing activities to raise the brand awareness. For example, Cinxtant can constantly updates information about its special offers and events on social networks such as Facebook, Twitter or uploads promotional videos and pictures about Cinxtant products, services and experiences on YouTube and Instagram. Some examples of the events, contests and sweepstakes in Cinxtant social media channels could be the instant photo contest (person has the most likes of his/her instant photo uploaded will be the winner), a lucky

draw (person answers correctly a basic question and select a 3 digits number by himself/herself that is coincided with the numerical selection chosen by co-authors will become the winner), or a charity fund raising event.

Next, Cinxtant will also have its own website to introduce and present its products and services to the customers as well as help the customers to select movie and make movie room reservation. As for Cinxtant website channel, Cinxtant will illustrate its images, themes and emotions that it wants the customers to picture in their mind. It will be created and optimized to rank highly in the search engine and catch attention from the visitors as well as make them see its vision. To be able to do so, proper website design (proper colours, related theme and background, fast and easy navigation) and Search Engine Optimization, such as selecting keywords that represent Cinxtant's brand and products/services in its website content, and having many external links (from other websites) to the website, will be conducted. The authors believe that constant engaging activities will make customers picture Cinxtant as a happy house where people come to relax and enjoy their moments.

Concerning "Check-in" channel, it is defined as the activity of sharing and saving the places a person visit on social media through a mobile device. Cinxtant will have constant activities such as free instant photo shots for the customers to encourage them to "check-in" in order to make the shop one of the popular coffee business in Porvoo. (Foursquare 2014c). There are many sites that people can do "check-in" such as Facebook, Foursquare, Tripadvisor. In a nutshell, it is an advanced version of "word-of-mouth" practice.

Regarding Places for Business, it is a service from Google which help a registered business appear in Google Search or Google Map when a user looks for a business in that specific location. Cinxtant will use this service to maintain its online presence to the customers.

Offline

As for offline means, product bundling, seasonal promotions, freebies, Cinxtant Diary, and school projects will be used. In term of product bundling, it is chosen in order to promote the sales of different services at the café simultaneously. Product bundling is a complementary way of offering two or more products/services together into a combined one that could bring greater value, convenience and enhance more offerings to customers (Berry 2014). For example, with each of target customers such as young couples, families or group of underage or students, special bundled packages including movies, pre-selected drinks, combo snacks and commemorative gift of Instant Camera services would be offered correspondingly with preferential price in total. To be more specific, customers would feel more attractive with benefits from purchasing and using a single and mixed cluster of all services than paying for each of individual items with higher price.

Regarding seasonal promotions, in special occasions such as corporate anniversary or global special fates, special treats (drinks, movies, new experience) will be offered to customers to promote their emotions. For example, in Valentine Day, customers as couples will receive some chocolates or in Halloween, those who wear costumes will get discounts/a free instant photo or in Christmas, children will be give small gift boxes, candies or colourful balloons. The treats may be small but they might help Cinxtant go one step closer to its vision which is to inspire the moments of happiness. On the other hand, unbundled solutions of encouraging new customers to use private home movie theatre service could be provided in the form of discount and voucher. In term of price discount, customers could get concession when watching movies at Cinxtant coffee shop during the operating hours in the morning and at noon or paying a lower cost in “movie-lover” day chosen by co-authors (only one fixed price for using private cinema service at any time on Thursday or Wednesday) than usual. Moreover, loyal customers who have used the movie service frequently will get membership card as a grateful tribute with combo vouchers of drinks and snacks. For separate clients like kid with guardians or group of friends, the same benefit could be applied also with coupons of drinks and “Instant photo” service. Consequently, the co-authors want to transmit a message to potential customers: “It is much more fun and inexpensive with more people around you to experience private home movie theatre service at Cinxtant

coffee shop.” Another seasonal promotions will be deployed includes changing and introducing weekly specials of featured drinks and movie selections on the easel at the front door of Cinxtant coffee shop. Specifically, this method would encourage customers to regularly have trials with a variety of coffee preferences served by Cinxtant coffee shop like Italian and Vietnamese beverages or to experience with new-released movies in different genres.

On the other hand, the use of freebie marketing would help co-authors to promote the “Instant photo” service to customers. Freebies are one type of promotional methods whereby a business gives away goods or services to attract new customers and improve customer retention (Polevoi 2013). For instance, camera demonstration of free instant photo samples could be applied to customers who tagged “check-in” on Cinxtant coffee shop to Foursquare or TripAdvisor website through their smart-phones at the shop. By tapping and sharing the positive reviews of high-tech café to these online travel-related sites as a mean of virtual word of mouth, the publicity and image of Cinxtant café could be spread to other new and potential customers. Another free-of-charge try with Instant Camera service might also be offered to the first 5 customers who visited Cinxtant coffee shop during its opening time on each day. This could reduce the shyness and self-conscious of customers to the quality and unique experiences with instant camera service.

Besides freebie (product sample), co-authors also plan to set up a particular corner as Cinxtant Diary which consists of a notebook for customers to put their notes or comments and Instant photo pin board. Photos with memories and sweet comments could be retrieved from past customers who have visited and experienced the “Instant photo” service at Cinxtant coffee shop before and pinned on the board. When new clients saw those appealing printed pictures taken by instant cameras at the high-tech café, they might be fostered to try and have their own instant photos for themselves. As a result, this could boost the sales of “Instant photo” service and contribute to the profit of Cinxtant coffee shop.



Figure 13. Example of instant photo pin board (Inspirations by D 2010)

As to school projects, Cinxtant plans to provide projects for students in institutions in Finland to further research or develop the business. HAAGA-HELIA University of Applied Science is expected to be the partner of Cinxtant in this matter. By this way, besides the benefit of gathering new ideas and researches from the students' work, the coffee shop also get its image more well-known, especially among students as to be able to complete a project with flying result, students need to study a lot about the commissioned organization. Thus, this is also an essential channel that Cinxtant should take into consideration.

7.3 Customer Relationship

Regarding Customer Relationship analysis, it aims at explaining what type of relationship that the Customer Segments expect the business to establish and maintain with them, and how costly they are. Before sales, customers can be assisted if they call to Cinxtant to check on the availability of the cinema rooms or to make a cinema room reservation in advance. Cinxtant provides many channels and platforms such as social networks, phone, Cinxtant website, point of purchase to help customers find what they want.

During sales in this business, the Customer Relationship used is mainly on Personal Assistance. Personal Assistance is assistance in a form of employee-customer interaction. Thus, during their time in the 3D cinema coffee shop, customers will be personal-

ly assisted. They will be given menu, receive drink and food introduction or suggestion if requested, have their drink made, and have their table cleaned by barista. In addition, they can also receive introduction and instruction of the Instant camera and movie services. For instance, they can learn how to use the instant cameras or how to select movie, use the facility and keep the facility safe.

After spending their time in the shop, customer can leave reviews, feedbacks, comments or notes on “Cinxtant Diary”. Based on what the customer put in the diary, Cinxtant will be able to learn more about how customers see Cinxtant and its services, then make adjustments to make the business better. Moreover, Cinxtant will update regularly information about special offers and events on channels such as social media or through customers’ email to keep them in touch with the shop.

8 Infrastructure

8.1 Key Activities

Through the focus group research conducted by the authors, customer service is perceived as one of the key factors that influences the customers’ decision. Thus, maintaining a good customer service and customer relationship inside Cinxtant is the key activity of the coffee shop. Employees and employers must always show the professional and friendly manner in serving customers as if they are gods like a saying motto in Vietnam “Customers are the gods”. A visual way to describe specifically how Cinxtant cafe serves its customer will be demonstrated in the Customer Journey Map later in this section. In addition, since the concept of this coffee shop is considerably fresh and new in Finland therefore one of the key activities that Cinxtant needs to focus on is conducting continual different marketing campaigns in order to get the idea of the shop heard, attract more people and to retain its customers. Details on the marketing activities are already described specifically in Chapter 7.2. Movies stocking and licensing are interrelated activities that also need to be taken into consideration. Cinxtant needs to pay attention to stocking all types of movies physically and digitally as well getting the latest movies constantly in order to stay in competition with local cinemas. Movie content is highly protected therefore to be able to display movies,

movie licensing is especially crucial. Laws and regulations sometimes can be amended, thus, it is worth keeping them posted and adjust the licensing matter accordingly if there is any sudden change. Equipment accounts for a great portion of Cinxtant therefore frequent equipment maintenance is also one of the key activities to keep the business operating normally in the long run.

Customer Journey Map

As the concept of the business is rather fresh in Finland, it should be a great idea to illustrate how Cinxtant operates through the customers' eyes. The activities in Cinxtant Coffee will be depicted through the Customer journey map. A customer journey map is explained as a vivid and structured visualisation of a service user's experience. The map will detail and identify the touch points where customers interact and engage to the service. The overview map should be visually and easily accessible that provides real detail of factors influencing into the customer journey being displayed. (Stickdorn M. & Schneider J. 2011, 158-159.) By generating customer's point of view and user insights through real observation and experimentation at different cafes at Porvoo, the co-authors want to deliver the actual and key elements of service progress at 3D cinema coffee shop to readers with visual figure and diagram. Moreover, the customer journey map can help co-authors to see which part of the services provided in 3D cinema coffee shop might need to improve in order to bring value propositions to customer. From the figure below, the method illustrates the customer's perception and experience from the making decision stage until leaving the shop.

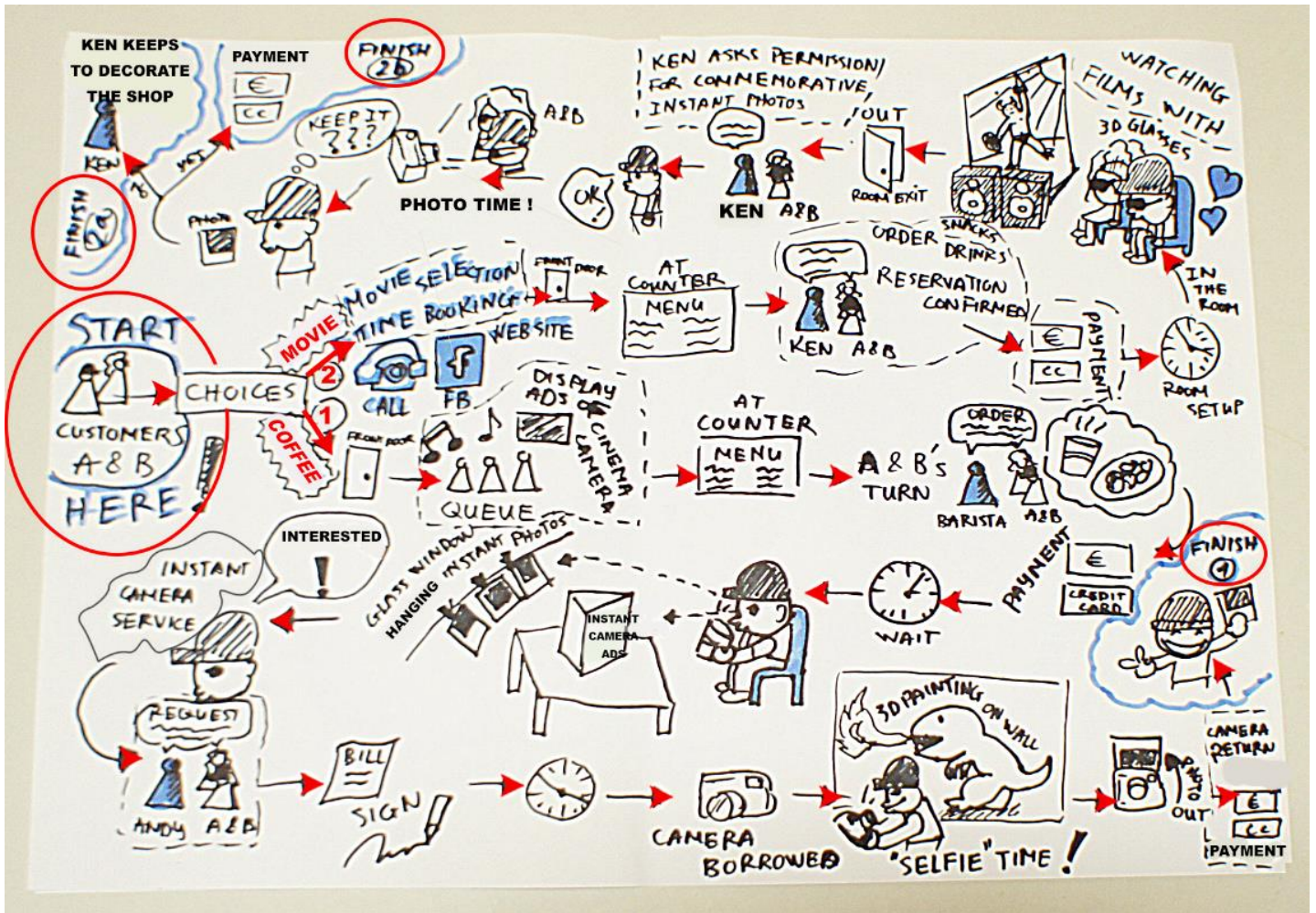


Figure 14. Cinxtant Customer Journey.

Let's begin with both A&B customers journey to Cinxtant. In A&B's perspective, there are two choices for them to make when they decide to head to Cinxtant Coffee Shop, either going to Cinxtant for coffee purpose or movie purpose. Regarding the former choice, assuming that A&B don't know much about Cinxtant aside from the fact that it is a coffee shop, after going through the shop front door, they wait in a queue for their turn. When waiting A & B don't feel bored because A & B really enjoy the background music in the shop. Also, their attentions are caught into the ads on the LCD Display about Cinema and Instant camera services in Cinxtant, and into the big 3D painting of a giant dinosaur hanging on the wall. At this time, they are starting to realize that this isn't just a coffee shop.

After ordering and paying for their drink and food, A&B found an available table next to the shop glass window. While enjoying their orders, A&B look around the shop and

spot many instant photos of happy people hanging everywhere, especially on the glass window. “Ohh! There is also a flyer about the Instant camera service of Cinxtant on our table.”, A&B realized. A&B customers read it and start getting interested in the Instant camera service. Now, they want to take several instant photos for themselves to keep the good memories of them being together right in their wallets. They decide to try the service and come to one of the owners, Andy. After scanning through the price list, camera instruction, checking the camera condition and signing into the liability contract (to make sure that the camera will be returned without damage), A&B have the instant camera borrowed. They came close to the 3D painting and start taking photos. 4 photos come out after a few minutes. They return the camera and look very happy now. They proceed to payment for their instant photos and leave the shop. A&B customers still feel great about the experience. They think that the next time they go to Cinxtant they might take some more instant photos so that they can hang them at home and might even try the Cinema service of Cinxtant introduced in the LCD display they saw during waiting in the queue.

On the other hand, the second choice that both customers A & B could make when deciding to go to Cinxtant is for movie purpose. As a result, customers A & B can decide to choose their suitable times during the shop opening hours for selecting and watching their favourite films at the Cinxtant coffee shop. In order to impulse quicker movie service and reduce the waiting time in queue at the coffee shop, Cinxtant provides a really flexible, reliable and convenient way which enables A & B to book their time and selection of movie beforehand by phone or online. Details of the coffee shop’s contact and bank account number would be listed through the café’s own website and the Facebook page. In the process of booking, customers are required to pay in advance at least 50% price of the movie service value and the rest would be paid directly at the counter of shop front.

After the booking, A&B arrive Cinxtant. They meet and talk with one of the owners, Ken, to confirm their reservation and take order of drinks or snacks. Then, they proceed to payment for the movie service (the total payment could be made by cash or by credit card to the terminal of chip card reader at the coffee shop). After few minutes of

setting up the movie room, customers A & B step in and enjoy their sweet times by watching pre-selected films with 3D glasses and home movie theatre systems. After the movie experience, they feel happy as they could immerse themselves in their own universe and got away from everyone and everything outside the room. However, customer journey of customers A & B for movie purpose would not simply end at this stage. When A&B customers exit the Cinema room, they meet Ken again. Ken kindly asks A&B the permission for taking commemorative instant photos of them. There are two possibilities that might happen after A&B have the photo taken and printed out. The first possibility is that Ken will keep the photo to add to the customers' photo collection of the shop, which is used for decoration. In A&B's particular circumstance, they ask Ken to take 2 instant photos so that each of them can own a photo to put into their wallets. Now A&B customers are really satisfied with the experience they received in Cinxtant. They promise to come to the shop regularly and introduce Cinxtant to their friends.

8.2 Key Resources

The key resources of Cinxtant coffee shop could be analysed by following three categories: Physical, Human and Financial. Physical could include core assets such as movie facilities and 3D wall-art paintings that co-authors will purchase to run their business venture. On the other hand, when Human comprises of employers and employees at Cinxtant coffee shop, Financial could be defined as funding resources of loan and investment from guarantees.

8.2.1 Physical sources

Home movie theatre system equipment

There are 2 Cinema rooms: Cinema 1 and Cinema 2. The room Cinema 1 is served for a couple only while the Cinema 2 offers room for up to 8 people therefore the facilities in each room will slightly differ from each other. However, the facilities still need to reach the requirement of a 3D home movie theatre system in order to bring exciting experience to customers in the way that makes them want to go to the 3D Cinema Coffee Shop. A basic set of 3D home movie theatre system for a

small room requires a 3DTV or projector with screen, a video source (3d compatible), 5.1 sound systems, and a home theatre A/V Receiver. For Cinema 1, the set consists of equipment showed in Table 10 considering their working efficiency and fair price.

The room Cinema 1 is served for couple only. The equipment set consists of these as showed in Table 10 considering their working efficiency and fair price.

Table 10. Core equipment of Cinema 1 (For Couple)

3D TV	LG 3D LED 55LM7600 Comes with 6 Passive-shutter 3d Glasses	LG 3D LED 55LM7600 is selected because it serves well for a small room like Cinema 1. It is the 2014 Best 3D TV granted by TiptenReviews. The LG 55LM7600 has 55 inch screen, vibrant, realistic video and fantastic audio. The refresh rate and the colour quality are nothing short of dynamic. This TV is an excellent choice for any home movie theatre. The LG 55LM7600 is a passive 3D TV, the same technology used in local multiplex, and it comes with a surplus of passive 3D glasses for up to six people. (TiptenReviews 2014.)
3D Passive Glasses	LG Cinema 3D glasses	Regarding active and passive 3D technology, there are advantages and disadvantages to both passive and active 3D — the differences exist mostly in the glasses. Passive 3D glasses are much cheaper and more comfortable to wear than their active equivalent. A bundle of two pairs from LG costs just \$19. They are more affordable and comfortable to wear because they don't have any batteries, Bluetooth or complicated circuitry built in — all they are is a pair of plastic frames and two polarised plastic lenses. In contrast, active shutter 3D glasses from the big brands like Panasonic, Sony and Samsung cost \$100 or more, with premium models costing as much as \$150. There are more differences in the quality of visual in passive and active 3D. However, as suggested from PC World Australia, passive might be a better choice for watching a lot of 3D, but only if users are sitting far enough away (or TV is small enough) that they can't see the flaws. (PCWorld 2011.)
Video	DUNE BASE 3D +	Movies will be loaded from the set-up network (internet or

source: HD Player (3D compatible)	HDD WD 2TB	LAN) or from the attached HDD in the HD media player or streaming online. (Home Theater About 2014.) In this business model, the HD Media Player selected is Dune Base 3D. Dune Base 3D can handle just about any video or audio format at the moment, through any source. It has a front-mounted USB port that'll work with a flash drive or portable hard drive, and a front access door to a hot-swappable 3.5-inch internal hard drive bay. (GoodGear-Guide 2014)
AV Receiver	Sony STR-DN840	The Sony STR-DN840 is selected for its extraordinarily well-featured for the price, with its built-in Wi-Fi, Bluetooth, and AirPlay, allowing for convenient wireless streaming from nearly any mobile device. There are six HDMI inputs, which is enough to cover almost every home movie theatre. In addition, its sound quality is solid, although not a standout. (CNET 2013.)
5.1 sound system	Pioneer SP-PK52FS	5.1 surround sounds has 6 sound channels, and so 6 speakers. It includes a centre speaker, subwoofer (for low frequency effects, such as explosions), left and right front speakers and left and right rear speakers. As it has a smaller number of speakers and is the industry standard, it is simpler to set up, cheaper and suitable for small or medium-sized rooms. The 5.1 sound systems can be upgraded to 7.1 by adding extra two side speakers. Thus, for a start-up business, 5.1 sound system seems to be a good choice to save some budget. (Diffen 2014b.) The Pioneer SP-PK52FS breaks new ground for quality sound at a budget price. The 5.1 speaker system is highlighted by two tower speakers in the front, plus a 100-watt, 8-inch powered subwoofer completes the system. And although it's not stylish, the curved wooden cabinets look better than a cheap boxy speaker. (CNET 2014.)

As for Cinema 2, room with the capacity of up to 6 people, the set of equipment is the same as in Cinema 1 except for 3DTV. 3DTV is alternated by a projector with a 120 inch screen in order to provide a wider view of movies for customers. To be able to

watch 3D effect in this set, customers will need active-shutter 3D glasses. The Table 11 will show the core equipment needed in room Cinema 2.

Table 11. Core equipment of Cinema 2 (For Group)

Projector	Epson PowerLite Home Cinema 3020e	This projector is the Editor's Choice product by PCMag. The projector offers a range of brightness settings that lets it serve nicely in either role. This projector can work with Full 1080p 3D movie. In addition, it works directly with HDMI 1.4a devices like Blu-ray players and cable TV. Moreover, it provides the WirelessHD transmitter with 5 inputs (which help to connect to other devices such as game console, Blu-ray player wirelessly). (PCMag 2014.) The projector uses the active 3D technology so to be able to watch 3D, there needs to be active-shutter 3D glasses in the set. The authors decided to use the active-shutter 3D glasses from the projector manufacturer mentioned above, Epson.
Active 3D glasses	3D Glasses For Epson	
Screen	VApex Standard Electric Projector Screen VAPEX9120SE	The VAPEX9120SE is a 120 inches screen which will provides customers of Cinema service a greater movie visual. In addition, it has good brightness uniformity with no blatant hot spots, and it reveals a clean, neutral image without introducing its own artefacts. It is really easy to set up the screen as well. (Hometheaterreview 2013.)
Video source: HD Player (3D compatible)	DUNE BASE 3D + HDD WD 2TB	Same as in Cinema 1
AV Receiver	Sony STR-DN840	Same as in Cinema 1
5.1 sound system	Pioneer SP-PK52FS	Same as in Cinema 1

With global online marketplaces such as EBay and Amazon platforms, the co-authors could purchase movie equipment and facilities through PayPal (an international verified method of money transfers in e-commerce). Payment would be made with top-rated sellers who have received a track record of positive feedbacks from buyers' rat-

ings. Some goods could receive free international shipping; otherwise buyers like co-authors have to pay for shipping cost and other additional charges of customs processing duties and import taxes. Then, the sellers would frequently ship goods to buyers within one normal weekday after receiving receipt of cleared payment.

3D Paintings

It is not difficult to stick 3D paintings on the wall, especially wrapped and stretched on durable wooden frame. Various types of 3D wall-art painting which are made from environmental friendly oil and 100% handmade paint will be purchased from Xiamen Links, Xiamen Gusmo and Shenzhen Yinte Painting Art & Craft Co., Ltd by co-authors. Depend on different times; the decoration of 3D paintings will be applied occasionally to create the unique theme and freshness of Cinxtant coffee shop. Same to commodities of coffee stock required, multiple options of suppliers for 3D wall-art painting was listed out in order to prevent the risk of dependency and high bargaining power from a primary dictator in term of price, quality, availability and shipping schedule. (BDC 2014, 54.) In particular, the business owners like co-authors might select several alternatives of available sources to purchase reasonable and affordable items with their circumstances.



Figure 15. Front and back side of 3D wall art painting sample (Alibaba 2014a)

The payment of using Paypal would be chosen by co-authors when buying items from these Chinese vendors on their specified e-commerce platform of “Alibaba” site. Number of days for delivery time will depend on the order quantity and size of paintings from co-authors. Moreover, the co-authors could order specification of painting photo before starting the payment. The finished products would be checked and inspected for correction through email to buyers like co-authors. Then the goods could be shipped by air, sea and parcel post from an express forwarder like DHL or FedEx. (Alibaba 2014b.)

8.2.2 Human sources

Management Team is a critical section of a business plan. It shows a brief profile of each member of the management team, starting with the founders of the firm. Title of the position, Duties and responsibilities of the position, previous industry and related experience, previous successes, and Educational background of the management team will be described in details in this Chapter. (Barringer B. R. & Ireland R.D. 2010, 50)

Cinxtant is owned by Nguyen Tran and Hai Ha Hoang who operate as general managers. Both Nguyen Tran and Hai Ha Hoang hold a Bachelor’s Degree in Business Administration focusing in Marketing from the University of Applied Science HAAGA-HELIA Porvoo campus in Finland. They had been working together before in many projects related to marketing, research, event organization, as well as customer service. As a result, they decided to partner to start Cinxtant, a 3D cinema coffee shop. Although they are both general managers, each person has his own duties and responsibilities in the firm in accordance with his strengths. Particularly, Nguyen Tran is skilful in design, audio and video production, as well as has a wide knowledge in technology therefore he is responsible for Marketing and Equipment Maintenance. Regarding Hai Ha Hoang, he is organized, detailed and great with financing. Thus, he is obliged to take care of Accounting, and Warehouse Management (getting materials and supplies).

In term of personnel, it is very crucial for co-authors to recruit right people who could support and implement most of traditional tasks from the coffee shop activities, espe-

cially in making and serving coffee drinks to customers. Prior to opening the small-scaled venture like Cinxtant coffee shop, co-authors as in the position of employers would employ three Finnish skilled staffs to assist for the operations, including one full-time person who will have a regular and total of eight working hours per day or 40 hours per week, one part-time employee at weekends (on Saturday and Sunday) and one labour who could do the shift-work from late afternoon at 16.00 during five weekdays (from Monday to Friday). With one permanent position and two temporary vacancies in expected duration of at least 3 months; the co-authors also had defined few similar duties/tasks for the title of coffee shop barista. At first, potential employees need to do multitask, especially in taking, preparing quickly and correctly several customer orders/preferences according to different speciality Italian coffee drinks at the same time. Secondly, they have to register and handle the cashier work; organize preparations at the counter as well as carry out the housekeeping chores in order to keep the café tidy and sanitary. Thirdly, all employees must always greet and interact to customer with smile in order to develop rapport by learning their favourite drinks, educating and suggesting them the appeal coffee types by following to the menu set of recipes. Finally, these staffs should participate actively in all promotional activities instructed by employers of the high-tech coffee shop.

To match with the job description of coffee shop barista, the co-authors would look for potential candidates with the following background and skills: friendly and strong customer service skills, passion and good understanding of roasting, brewing different varieties of coffee and making appealing design of coffee presentations by using in-house equipment like coffee maker and automated espresso machine, qualifications of higher education in hospitality or catering management, previous relevant experiences in restaurant industry or preferred equivalents in coffee shop, hygiene passport (a certificate of safety and proficient food handling) and excellent command of interpersonal and communication skills in Finnish and English (knowledge of Swedish would be an advantage). Moreover, they should have positive moral, punctuality, politeness and professional attitude at all times when working in a fast-paced and highly demanding environment at coffee shop. In addition, the right people that co-authors would choose need to be self-motivated, trustworthy, responsible and flexible to work varied

and overtime hours/days based on business needs. (Education portal 2014; Cutting board 2013; Wetherspoon jobs 2014.) In order to find and recruit these appropriate employees, the co-authors as employers will publish the open vacancies for filling position of coffee shop barista to the online website of employment service (mol.fi) or through direct contact with experts from the organisation of local TE office (Ministry of Employment and the Economy). The co-authors believe that a positive, polite and respectful workplace like Cinxtant coffee shop will attract good employees to contribute their values to the success of the business. All staffs will be treated equally and fairly by fulfilling different aspects such as wages for hours worked, indirect bonus of overtime and holiday pay, annual leave, occupational health care, social insurance premiums and fringe benefits (employee discounts). (Enterprise Finland 2014c; Enterprise Finland 2014d.)

8.2.3 Financial sources

Besides the source of personal funding, the co-authors could find further financial support from outside to cover the initial expenses at the early stages of establishing a start-up business. Then, if the operation is profitable, the revenue stream generated from income could secure the requirement from these investments or loans. At first, entrepreneurs as co-authors could increase the capital investment through limited partners, for example, their friends, family members or acquaintances. Secondly, external financing aid could be calculated through loans from commercial banks or special financing company such as Finnvera. For example, the six-month Euribor interest will be charged as the reference rate for Finnvera loans. (Finnvera 2014b.) In the small-scaled business like Cinxtant coffee shop from co-authors, the minimum amount of financing support from Finnvera could be provided with 5,000 euros while the loan period is normally around 4 years. In addition, the repayment term would begin in the second year in general, at three monthly intervals for each instalment in particular. (Finnvera 2014c ; Finnvera 2014d.)

Thirdly, based on the line of business and location of support area, subsidies from business organization such as the Centres for Economic Development, Transport and the Environment (ELY centres) could be granted for the development support of busi-

ness venture like Cinxtant coffee shop. Specially, the maximum 20% of investment's acquisition cost such as material, machinery and equipment purchases could be covered for the micro business at Porvoo area. (Enterprise Finland 2014e.) Finally, discretionary support such as start-up grants from local Employment and Economic Development Office (TE) could be obtained to persons like co-authors working and operating a start-up business at the initial stage as future entrepreneurs on full-time basis. In 2014, start-up grants might be granted with amount of EUR 700 to 1120 per month for a period of six months or maximum to 18 months to ensure the livelihood of entrepreneur. (Uusyrityskeskus 2014, 21.)

8.3 Key Partners

Choosing the key partners for a venture business will always be a significant decision. Specifically, Cinxtant coffee shop could cooperate with other business organizations for strategic development as well. In the operational plan, potential partners for cooperation with Cinxtant coffee shop would be described briefly in the table below.

Table 12. Potential partners for Cinxtant coffee shop.

Type	Partners	Contact	Activities
Co-branding	Tourist department of Porvoo City	http://www.visitporvoo.fi/en/extramenu/contact_us	The co-authors could work in alliance with local tourist information to promote the attractiveness of Porvoo city. With unique concept and services, Cinxtant coffee shop could become an alternative for both Finnish residents and international tourists to explore and experience the new cafe side of Porvoo city. At the same time, by having its visibility in the section of "Eat and drink" from Porvoo city tourist website and the official travel guide brochure, the image of Cinxtant coffee shop could be propagandized to a larger scale population of potential customer, both inside and outside

			Porvoo market.
Business development ideation	Haaga Helia University of Applied Sciences	http://www.haaga-helia.fi/en/frontpage	Co-authors will co-operate with Porvoo campus to provide projects for business students so that they can study more about Cinxtant, spread a word to publicity as well as contribute their fruitful ideas and plans for future development of the new coffee shop venture.
Movie source subscription	Netflix	https://www.netflix.com/?locale=en-FI	For 2D and 3D movies, co-authors will choose Netflix as the dedicated internet streaming website for watching movies through compatible mediums like PC, Internet-ready TV and Blu-ray player. For instance, Netflix will offer unlimited streaming for \$7.99 per month. It has the most extensive selection, with literally thousands of titles to choose from. Netflix has licensing deals with CBS, ABC, Fox, NBC, Starz, BBC, Sony, and DreamWorks, all of which contribute titles to the library. (Curtis J. 2014)

9 Financial Planning

This chapter will indicate Cinxtant cost structure, revenue stream and breakeven point. The detailed calculation is shown in the Attachment 5.

9.1 Cost structure

Fixed and variable costs are expenses incurred to operate the Cinxtant coffee shop by co-authors. While factors such as salaries, rent, camera equipment and 3D movie facilities are characterized by fixed costs, the volume of coffee sold or services served for customers is considered as variable costs.

Fixed costs

The total fixed cost is € 169,155.07, which is made up by salary and insurances cost, location cost, equipment and furniture, licenses cost, interest, and other expenses. At first, management salaries, insurances and other social duties for both employer and employee are compulsory fixed costs that Cinxtant coffee shop must perform.

SALARIES					
	amount	salary	months	Salary per year	
Full-time Staff	1	€ 1,700.00	12	€ 20,400.00	
Shift-work Staff	1	€ 1,300.00	12	€ 15,600.00	
Weekend Staff	1	€ 1,640.00	12	€ 19,680.00	
			Total	€ 55,680.00	
STAFF INSURANCES					
	Rate		Full-time Staff	Shift-work Staff	Weekend Staff
Employee's Pension Insurance Contribution	18%	staff's salary	€ 3,672.00	€ 2,808.00	€ 3,542.40
Health Insurance	2.14%	staff's salary	€ 436.56	€ 333.84	€ 421.15
The Accident Insurance	3%	staff's salary	€ 612.00	€ 468.00	€ 590.40
Group Life Assurance Premiums	0.67%	staff's salary	€ 136.68	€ 104.52	€ 131.86
Social Security Contributions	2.12%	staff's salary	€ 432.48	€ 330.72	€ 417.22
			€ 5,289.72	€ 4,045.08	€ 5,103.02
					€ 14,437.82
EMPLOYER SALARIES					
Employer	Salary	Months	Sum		
Ken	€ 2,000.00	12	€ 24,000.00		
Andy	€ 2,000.00	12	€ 24,000.00		
			€ 48,000.00		
EMPLOYERS INSURANCES					
	Rate		Ken	Andy	
Employer's Pension Insurance Contribution	18.17%	employer's salary	€ 4,360.80	€ 4,360.80	
Social Security Contributions	2.12%	employer's salary	€ 508.80	€ 508.80	
			€ 4,869.60	€ 4,869.60	€ 9,739.20

Figure 16. Salary and insurances for Cinxtant's employers and employees

The second cost that contributes to the total fixed cost is the rent cost for location. To better illustrate the possible rent and information of the future location of the coffee shop, the authors take two available premises at the moment as examples. Please read Table 13 for more details about examples of possible location premises.

Table 13. Examples of possible location premises

Address	Area	Rent/m ²	Description	Deposit
Aleksanterinkaari 3, 06100 Porvoo	112 - 417 m ² (Lila, E. 11 March 2014)	25 € / M ² + VAT Eljas Lila	The building offers a total preferably from about 4 500 m ² rooms on four floors. It will be released in September 2015. The building is close to educational institutions, supermarkets, Art Factory area, river, Porvoo centre, and Porvoo Old Town. (Toimitilat 2014a)	12000 € (Lila, E. 11 March 2014)
Piispankatu 34, 06100 Porvoo	160 m ² (Toimitilat 2014b)	25 € / M ² + VAT (Toimitilat 2014b)	The building is located next to the Tiimari, Danske Bank, Realty World, K-Shoe, City Market, Nordea and across from City Sokos. The bus station is a block away. There are three car parks around. (Toimitilat 2014b)	12000 € (Toimitilat 2014b)

RENT				
Rent per m2	Business Area (m2)	Rent per month	Months	Rent per year
25	100	€ 2,500.00	12	€ 30,000.00

Figure 17. Rental fee for premise

Thirdly, physical camera equipment, movie facilities and related licences maintain high proportion in the fixed costs of Cinxtant coffee shop.

Table 14. Equipment and facilities price

Equipment & Facilities	Price	Reference
3D TV	€ 1,046.00	(Amazon, 2014a)
HD Player+ 3T HDD	€ 378.00	(Amazon, 2014b)
AV Receiver	€ 325.00	(Amazon, 2014c)
5.1 Sound system+ speaker wire	€ 516.00	(Pioneerelectronic, 2014)
Active 3D glasses	€ 57.00	(Amazon, 2014d)
Projector	€ 1,337.00	(Amazon, 2014e)
Screen	€ 214.00	(Amazon, 2014f)
Instant Camera (Instax mini 25)	€ 59.00	(Amazon, 2014g)
Instant Camera (Instax 210)	€ 43.00	(Amazon, 2014h)
Fatboy	€ 170.00	(Amazon, 2014i)

3D Painting	€ 30.00	(Alibaba, 2014c)
Espresso machine	€ 2,200.00	(Metos, 2014a)
Boiler	€ 460.00	(Metos, 2014b)
Kitchen tools	€ 500.00	Assumption
Kitchen furniture	€ 1,000.00	Assumption

Equipment and facilities can be used for more than 1 year therefore depreciation number will be included in the Total Fixed Cost instead of the Equipment and Facilities total investment.

	EQUIPMENT & FACILITIES			DEPRECIATION			
	Amount	Price	Sum	Salvage	Lifespan	Depreciation per year	
3D TV	1	€ 1,046.00	€ 1,046.00	€ 300.00	4	€ 186.50	
HD Player (3D compatible)+ 3T HDD	2	€ 378.00	€ 756.00	€ 150.00	4	€ 151.50	
AV Receiver	2	€ 325.00	€ 650.00	€ 110.00	4	€ 135.00	
5.1 sound system + speaker wire	2	€ 516.00	€ 1,032.00	€ 300.00	4	€ 183.00	
Active 3D glasses	6	€ 57.00	€ 342.00	€ 60.00	4	€ 70.50	
Projector	1	€ 1,337.00	€ 1,337.00	€ 400.00	4	€ 234.25	
Screen	1	€ 214.00	€ 214.00	€ 60.00	4	€ 38.50	
Instant Camera (Instax mini 25)	1	€ 59.00	€ 59.00	€ 30.00	4	€ 7.25	
Instant Camera (Instax 210)	1	€ 43.00	€ 43.00	€ 20.00	4	€ 5.75	
Fatboy	4	€ 170.00	€ 680.00	€ 80.00	4	€ 150.00	
3D Painting	4	€ 30.00	€ 120.00	€ 15.00	5	€ 21.00	
Espresso machine	1	€ 2,200.00	€ 2,200.00	€ 500.00	5	€ 340.00	
Boiler	1	€ 460.00	€ 460.00	€ 70.00	5	€ 78.00	
Kitchen tools	1	€ 500.00	€ 500.00	€ 150.00	5	€ 70.00	
Kitchen furniture	1	€ 1,000.00	€ 1,000.00	€ 300.00	5	€ 140.00	
			8479			€ 1,811.25	

Figure 18. Depreciation of Equipment and facilities in Cinxtant

To be able to operate the coffee shop, music and movies licences are required as there are two Cinema rooms which display movies and music playing in background. Each room is required to have a separate movie licence at 690 euros each year, while the licence for background music is 19 euros each month. Cinxtant uses Netflix as a movie source, thus, there is also a monthly subscription charge for the service. As is described in the Figure 19, the total cost for licences is 1608 euros.

MUSIC & MOVIES LICENSES				
	Cost	Amount	Months	Sum
Movie License per a Cinema room a year	€ 690.00	2		€ 1,380.00
Music per month	€ 19.00	1	12	€ 228.00
Netflix Subscription per month	€ 5.80	12		€ 69.60
			Total	€ 1,608.00

Figure 19. Music and movie licences for Cinxtant

Next, interest expense from funding resources of loan and investment by guarantees could contribute to the fixed cost of Cinxtant coffee shop. According to Chapter 8.2.3, Cinxtant is expected to receive fund from Entrepreneur, ELY centre, and Finvera. Only Finvera charges Cinxtant with 0.4% interest rate on 2 instalments in a year while the others two do not at all. Therefore the total interest cost Cinxtant needs to pay for the first year is only 40 euros. The following Figure 20 will show the funds received from each organization and the interest Cinxtant needs to pay a year.

FUND						
Organization	Fund a month	Months	Total fund	interest rate	Instalments per year	Interest a year
TE centre	€ 1,120.00	12	€ 13,440.00	0		€ -
ELY centre			€ 1,695.80	0		€ -
Finvera			€ 5,000.00	0.40%	2	€ 40.00
			€ 20,135.80			€ 40.00

Figure 20. Fund interest for Cinxtant fixed cost

Finally, other operating expenses such as water, electricity, marketing, etc. should be addressed as well. In term of electricity fee in Porvoo, the basic is 27.50 € per month and 4.92 € for power charge per kW (Porvoon Energia 2014). Regarding water costs, it is 1.36 € for water and 1.93 € for drain per square meter. The basic monthly rate is managed by the housing companies. (Porvoon Vesi 2014). Cinxtant website domain is expected to be www.cinxtant.fi. It is an available domain at the moment provided by Finnish Communication Regulatory Authority which cost €50 for five years domain usage (Fi-domain Finnish Communications Regulatory Authority 2014). The figure below will demonstrate the assumption of electricity, water and other operating expenses like internet and domain usage.

OTHER OPERATING EXPENSES			
	Months	Cost	Sum
Electricity			€ 2,000.00
Water			€ 1,000.00
Marketing	12	70	€ 840.00
Internet	12	50	€ 600.00
Telephone	12	50	€ 600.00
	Cost	duration	Cost per year
Domain	€ 50.00	5	€ 10.00
		Total	€ 5,050.00

Figure 21. Operating expenses for Cinxtant

Variable costs

The figure below will present all the inventory costs and variable cost per a sales unit. Sales units are the end-products produced from an inventory. For example, a 500 g pack of traditional coffee (inventory) is able to produce 50 cups of traditional coffee (sales units) to serve customers. A pack of instant camera film (inventory) has 20 films (sales units). There is no variable cost for the movie service as the cost for the service is solely investment in home movie theatre equipment, which is completely fixed cost.

Table 15. Inventory cost.

Inventory	Cost	References
Traditional Coffee(500g)	€ 3.5	Assumption
Espresso Coffee (250g)	€ 4	Assumption
Trung nguyen Coffee (250g)	€ 3.9	(aasialaista-ruokaa.fi, 2014)
Instant Camera Film (Instax mini 25)	€ 9.7	(Amazon, 2014j)
Instant Camera Film (Instax 210)	€ 11.8	(Amazon, 2014k)

Inventory	Cost	Sales Units produced from an inventory	Sale Unit	Variable Cost per a sales unit
Traditional Coffee (500g)	€ 3.50	50	A Cup of Traditional Coffee	€ 0.07
Espresso Coffee (250g)	€ 4.00	50	A Cup of Espresso Coffee	€ 0.08
Trung Nguyen Coffee (250g)	€ 3.90	25	Trung Nguyen Coffee	€ 0.16
Instant Camera Film (Instax mini 25)	€ 9.70	20	An Instax mini 25 photo	€ 0.49
Instant Camera Film (Instax 210)	€ 11.80	20	An Instax 210 photo	€ 0.59

Figure 22. Cinxtant variable cost

The table and figure above indicate the Inventory cost and variable cost per a sales unit. Sales units are units produced from an inventory. For example, a pack of tradi-

tional coffee 500g can be used to produce 50 cups of traditional coffee. If the inventory cost is taken and divided by sales units produced, the variable cost for that specific inventory will be gotten out.

9.2 Revenue Stream

The revenue stream Cinxtant coffee shop generates from customer will be based on the three payment methods of asset sale, usage fee and renting. In term of asset sale, consumer could purchase physical product of different coffee drinks when visiting Cinxtant coffee shop. On the other hand, the usage fee generates revenue from the particular “Instant photo” service. The more instant camera service is used, the more photos customer has to pay. Then, renting benefit of private cinema room might create revenue stream when customers decide to experience the 3D movie services in a fixed and limited time at Cinxtant coffee shop. The figure below illustrates the products and services price with VAT in Cinxtant Coffee Shop.

Products & Services	Net Sales	VAT	Price with VAT
A Cup of Traditional Coffee	€ 1.60	23%	€ 1.97
A Cup of Espresso Coffee	€ 2.90		€ 3.57
Trung Nguyen Coffee	€ 4.00		€ 4.92
An Instax mini 25 photo	€ 1.50		€ 1.85
An Instax 210 photo	€ 2.00		€ 2.46
Couple Cinema (2 hours)	€ 12.00		€ 14.76
Group Cinema (2 hours)	€ 30.00		€ 36.90

Figure 23. Prices of products and services in Cinxtant

9.3 Break-even Analysis

A small company’s breakeven point is the level of operation at which it neither earns a profit nor incurs loss. At this level of activity, sales revenue equals expenses- that is, the firm “break even”. By analysing costs and expenses, an entrepreneur can calculate the minimum level of activity required to keep a company in operation. (M. Scarborough, 2011, 378). This section will analyse and indicate the break-even point of Cinxtant. To see full calculations, please find the Attachment 5.

$$\begin{aligned} \text{Breakeven Sales Volume} &= \frac{\text{Total Fixed Cost}}{\text{Selling Price} - \text{Variable Cost per unit}} \\ &= \frac{\text{Total Fixed Cost}}{\text{Gross Margin per unit}} \end{aligned}$$

Figure 24. Breakeven Sales Volume Equation 1 ((M. Scarborough, 2011, 380)

Selling Price less Variable Cost per Unit equals **Gross Margin per unit**. However, since Cinxtant has a wide range of products and services, which collaterally have different price, variable cost per unit, therefore makes different **Gross Margin per unit** for each Cinxtant product and service (as can be seen in column 4 in Figure 27). In this case, the equation has become.

$$\text{Breakeven Sales Volume} = \frac{\text{Total Fixed Cost}}{\text{Gross Margin per average customer}}$$

Figure 25. Breakeven Sales Volume Equation 2

Gross Margin per average customer is the profit generated from all products and services in Cinxtant regarding an average customer. Every customer who comes to the shop will have certain preferences and needs level on the shop's products and services. As a result, to calculate **Gross Margin per average customer**, the authors create a **Customer Profile** column which shows assumptions in percentage on customers' preferences and needs on each product and service in Cinxtant. The equation to calculate Gross Margin per average customer is as follow.

$$\begin{aligned} &\text{Gross Margin per average customer} \\ &= (\text{Gross Margin per unit} * \text{Customer Profile})\text{Product1} \\ &+ (\text{Gross Margin per unit} * \text{Customer Profile})\text{Product2} + \dots \\ &+ (\text{Gross Margin per unit} * \text{Customer Profile})\text{Productn} \end{aligned}$$

Figure 26. Gross Margin per average customer equation

Products & Services	Variable Cost per a sales unit	Net Sales per product	Gross Margin/unit	Customer Profile	Contribution Margin
A Cup of Traditional Coffee	€ 0.07	€ 1.60	€ 1.53	15%	€ 0.23
A Cup of Espresso Coffee	€ 0.08	€ 2.90	€ 2.82	42%	€ 1.18
Trung Nguyen Coffee	€ 0.16	€ 4.00	€ 3.84	15%	€ 0.58
An Instax mini 25 photo	€ 0.49	€ 1.50	€ 1.02	8%	€ 0.08
An Instax 210 photo	€ 0.59	€ 2.00	€ 1.41	8%	€ 0.11
Couple Cinema (2 hours)	€ -	€ 12.00	€ 12.00	7%	€ 0.84
Group Cinema (2 hours)	€ -	€ 30.00	€ 30.00	7%	€ 2.10
				Gross Margin/ average customer	€ 5.12

Figure 27. Gross Margin per average customer calculation

As can be seen in the figure 27, the **Gross Margin/ average customer** in Cinxtant is determined to be **5.12 euros**. With the total fixed cost in the Cost structure and the Gross Margin/ average customer calculated, the **Breakeven Sales Volume** now is **33009.0885** as is shown in the Figure 29. This number represents the total sales volume of all products and services in Cinxtant per year at the breakeven point. To break this number down to **Sales quantity** for each product and service, the **Breakeven Sales Volume** per year has to multiply by **Customer Profile**.

$$\begin{aligned}
 & \text{Sales quantity per year of Product 1} \\
 & = \text{Breakeven Sales Volume per year} \\
 & * \text{Customer profile of Product 1}
 \end{aligned}$$

Figure 28. Sales Quantity of each product and service equation

Following the equation above, **Sales Quantity** per year, per month, and per day is demonstrated as follow.

Products & Services	BREAKEVEN SALES VOLUME	Customer Profile	Breakeven Sales Quantity/year	Breakeven Sales Quantity/month	Breakeven Sales Quantity/day	Revenue per year
A Cup of Traditional Coffee	33009.0885	15%	€ 4,951.36	€ 412.61	€ 13.75	€ 7,922.18
A Cup of Espresso Coffee		42%	€ 13,863.82	€ 1,155.32	€ 38.51	€ 40,205.07
Trung Nguyen Coffee		15%	€ 4,951.36	€ 412.61	€ 13.75	€ 19,805.45
An Instax mini 25 photo		8%	€ 2,640.73	€ 220.06	€ 7.34	€ 3,961.09
An Instax 210 photo		8%	€ 2,640.73	€ 220.06	€ 7.34	€ 5,281.45
Couple Cinema (2 hours)		7%	€ 2,310.64	€ 192.55	€ 6.42	€ 27,727.63
Group Cinema (2 hours)		7%	€ 2,310.64	€ 192.55	€ 6.42	€ 69,319.09

Figure 29. Breakeven Sales Volume, Sales Quantity, and Revenue Calculation

From the figure 29, to be able to breakeven after a year, each day Cinxtant has to sell 13.75 cups of traditional coffee, 38.51 cups of Espresso coffee, 13.75 cups of Trung Nguyen coffee, 7.34 Instax mini 25 photos, 7.34 Instax 210 photos, 12.84 movie hours in Couple Cinema, and 12.84 movie hours in Group Cinema. The total revenue per year at this point is 174,221.97 euros.

To better illustrate the break-even point, the Break-even Chart is generated. The Break-even chart is a line graph used in breakeven analysis to estimate when the total sales revenue will equal total costs; the point where loss will end and profit will begin to accumulate. (Businessdictionary.com, 2014)

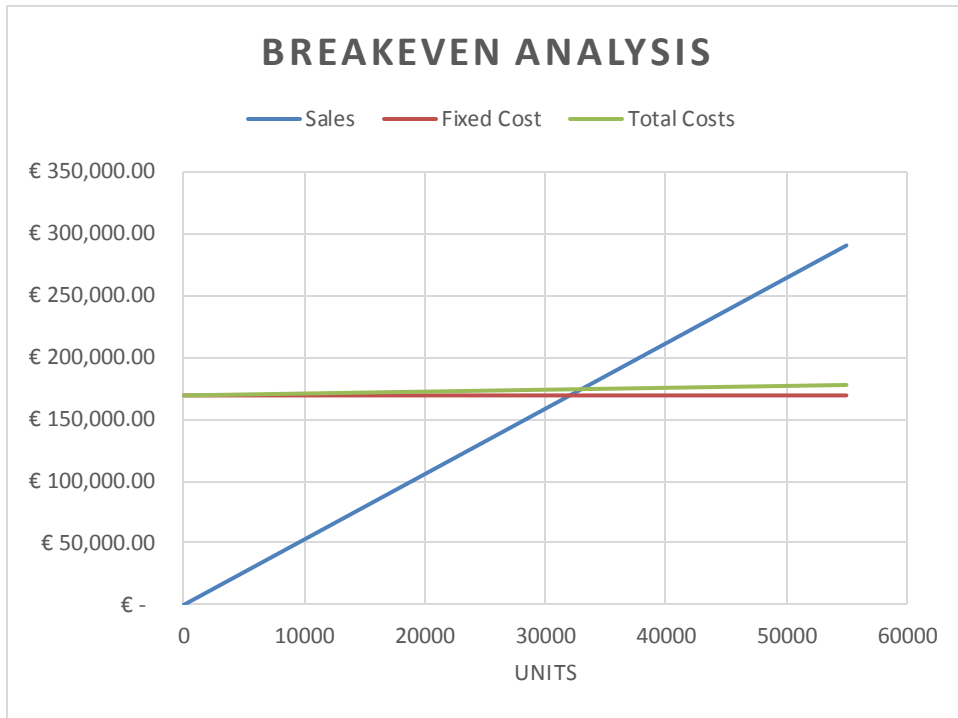


Figure 30. Breakeven Chart

The number of units is plotted on horizontal ('X') axis and total sales euros on vertical ('Y') axis. Point where Total Costs equals Sales is the break-even point.

10 Overview and Recommendations for further development

This business is feasible and it is possible to reach break-even point in one year. After analysing different building blocks in the Business Model Canvas, this table below will summarize all key points and give reader overall picture of co-authors' business plan in brief.

Table 16. Cinxtant Business Model Canvas

Key Partners -Porvoo city tourist information for co-branding -Business development: Haaga-Helia University of Applied Sciences -Movie source: Netflix	Key Activities -Marketing -Movie stocking and licencing -Equipment Maintenance -Maintain good customer services and CRM	Value Propositions Movie and instant camera integrated services -Private -Intimacy -Convenience	Customer Relationship Before sales -Updates products, services, special offers, event on online channels and email -reservation service (phone, online)	Customer Segments -Couples -Students -Underage (Teenager)
	Key Resources -Home movie theatre equipment -3D wall art painting -Management team -Employees -Financial support from Finvera, ELY centre, TE centre		Customer Relationship During and after sales: -Personal assistance -Cinxtant Diary -Updates products, services, special offers, event on online channels and email	

Cost Structure	Revenue Streams
-Equipment & furniture	-Cinema rooms rental
-Employees	-Coffee drinks purchases
-Music and movie licences	- Instant photos fee
-Premise rental	

Based on the actual work implemented for this thesis paper, some recommendations are given by co-authors for further development in the future. First of all, further researches (both quantitative and qualitative) need to be conducted in a larger scale of population sampling on all the preferred customer segments (couples and students). Due to the time constrain, the authors only manage to conduct a qualitative research on a small group of Finnish students at Porvoo Campus. Secondly, this business plan can still be improved more feasible by getting consultation and feedback from professional advisory expert. For examples, TE offices or other Finnish Enterprise agencies could provide training courses and free services for entrepreneurs to evaluate and develop the business idea's profitability. Last but not least, modern home movie theatre facilities would take an essential part in this business venture. Nowadays, with the fast-paced and rapid development of technology, it is important to consider whether or not to take advantage and purchase newer equipment with innovative features in order to bring better service experiences to customer.

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Appendixes

Attachment 1. Invitation letter for focus group discussion

My partner Hai Ha Hoang and I (Ky Nguyen Tran) are building up a business plan for high-tech coffee shop in Porvoo, Finland. If you are Finnish from the age of 20 to 30, currently studying and living at Porvoo, we would like to invite you to join a small group of other Finnish young people to help us understand the Finnish customer's behaviours, expectation, and perspective on this new type of coffee shop. The session will take place in an appointed day during the third week (17th- 21st) of March in HAAGA-HELIA Porvoo Campus and will last around 30 to 60 minutes. Specific time and venue will be announced later through emails. If participate in this focus group, we would be gladly to give you some small grateful incentives as well.

We appreciate your help. Thank you in advance! If you are interested in, please directly inbox me at this Facebook <https://www.facebook.com/kngtran> or email us at nguyen.tran@myy.haaga-helia.fi with the following information

Name:

Phone:

Email:

Your available date(s) and time(s) in the third week of March:

(We will select the date and time that most suit the group according to this information)

Attachment 2. Confirmation letter for taking part in focus group discussion

Hello,

Thank you for your willingness to participate in our focus group. As mentioned in the invitation, we would like to hear your ideas and opinions on our new concept of coffee shop in Porvoo. You will be in a group with 6 to 8 of other Finnish. The session will take place on Monday 17th of March at 4pm, room 2422 in HAAGA-HELIA Porvoo Campus, and last around 30 to 60 minutes. Your responses to the questions will be kept anonymous. Small incentives will be offered to you.

Should you have any questions regarding the focus group, please don't hesitate to address them to us at this Facebook page <https://www.facebook.com/kngtran> or email nguyen.tran@myy.haaga-helia.fi/hai.ha.hoang@myy.haaga-helia.fi or number 0449 150 423 (Ken)/ 0417 490 290 (Andy). We look forward to seeing you.

Sincerely,

Ken & Andy

Attachment 3. Consent agreement in focus group

The purpose of the group is to try and understand the Finnish customer's behaviours, expectation, and perspective on the high-tech coffee shop concept in Porvoo. The in-

formation will be used in our business plan. Although the focus group will be tape recorded, your responses will remain anonymous and no names will be mentioned in the report.

There are no right or wrong answers to the focus group questions. We want to hear many different viewpoints and would like to hear from everyone. You hope you will be honest even when your responses may not be in agreement with the rest of the group. In respect for each other, we ask that only one individual speak at a time in the group and that responses made by all participants be kept confidential.

I understand this information and agree to participate fully under the conditions stated above:

Signed:..... Date:.....

Attachment 4. Form of questions

Age:

Gender:

Relationship status:

1. How often do you go to a coffee shop? At what time?

.....

2. With whom do you usually go to a coffee shop?

.....

3. What are your most and least favourite experiences when going out to a coffee shop?

.....

Introduction of the business concept we are working on

Cinxtant coffee shop is a place which not only serves Espresso coffee drinks and other Italian beverages like mocha, latte and cappuccino, but also provides 3D home theatre, and “Instant photo” services at the same time. Specifically, there are 2 separate rooms

used for movie purpose. One is for couple and the other one is for a group of friends. When using the private home movie theatre service, customers could decide to rent a private room for watching selected (3D or Blu-ray) movies from home-theatre systems at the shop. There is another common room used for coffee purpose. In this room, customers are able to borrow an instant camera provided by the owners for taking printed photos of their self-portrait. Customers will pay for each photo taken.

4. How do you think about using a private 3D cinema service (just for you and your partner or friends) in a coffee shop at a cheaper price compared to watching from a large movie theatre?
.....

a. At what price would you prefer for this private 3D cinema service?
.....

5. What do you think about the value of printed photos compared to the digital ones?
.....

a. What do you think about using an instant camera to take and get real photos quickly considering that it might cost you a little bit?
.....

b. At what price would you prefer per photo?
.....

6. Which factors encourage you to visit this coffee shop?
.....

7. Which factors might prevent you from visiting this coffee shop and using its products and services?
.....

8. Who do you think that would be likely interested in this type of coffee shop?
.....

9. What would you suggest us to make this coffee shop attractive in Porvoo/Finland while still keeping its uniqueness?
.....

Thank you for your contribution!

Attachment 5. Finance calculation

Double click here  to open the Finance calculation