

How to Ensure Your Coffee Shop is a Success!

As a successful businessman with many years experience of running a shop fitting company and setting up and running coffee shops, Don Clarke knows the two most important factors for a successful shop are location, location, location and staff.

With regard to managing staff, Don quickly realized something that was contradictory to accepted beliefs: the customer does not come first - your staff should come first! If your employees are happy, then they will give excellent service to your customers, and your customers will be happy. So, it is worth taking note of the following points:

1. Teach your staff how to handle difficult situations. If you observe them handling a difficult situation badly, do not criticize. Tell them "I don't know how I would have dealt with that problem - I'll need to think about it"
2. Treat your staff with courtesy and respect. They will usually give the same in return.
3. Discuss your training requirements with your supervisors before you begin to train your staff, so that your management structure is cohesive and working towards the same goals.
4. Set weekly or monthly training sessions. Use these sessions to highlight strengths and weaknesses of your staff, and ask your staff if there are any points they wish to raise.
5. NEVER reprimand any member of staff in front of other staff or customers. If you have a complaint with their work, discuss this in private.
6. If you have a problem with a member of staff, raise the problem you wish to discuss and finish with praise. If you manage your staff with tact, they will listen to your complaint without resentment.
7. Finally, remember - you are creating a team, without your team you do not have a business.

With regard to the location of a coffee shop, many people overlook this starting point. They look for a shop that will cost them the least rent and tell themselves that their shop will be run so well that people will flock to it. But remember, consumers are fickle! And lazy! If your shop is not in the right place, whatever you do and whatever you offer, your business will be limited by its location.

So, don't commit yourself to any premises until you know how many people will pass by your shop each day. You will be investing a huge amount of your time and money into your new business and you really won't want it to fail. Put aside as much time as possible to find the best position for your shop. Take a clipboard and stand outside a popular coffee shop - count how many people walk past the shop and how many stop for a coffee. Do this at different times of the day, and different days of the week. Take a note of the nearby shops that are attracting shoppers - you need your coffee shop to be convenient for people who "shop 'til they drop" and then need refreshment.

On average, customers tend to spend around £4 a head in a coffee shop, perhaps slightly more in expensive areas. You can use this as a basis to work out how many customers you will need per day to cover your costs and make a profit. So, if your operating costs, which will include repayment of setting up costs, wages, food, utility bills and last, but not least, profits, require you to make £3500 per week, you will need at least 125 people per day spending a minimum of £4 each, to give you the £500 needed per day, based on a 7 day working week.

So remember - do the maths first and foremost and make sure your shop is in a location where it will have enough passing trade to cover your costs. Treat your staff well and you are on the way to turning coffee into gold

About the Author

Tracey Beaney has collaborated with Don Clarke to write a 136 page guide to setting up a coffee shop which is available in digital and printed form. It is being translated by a Turkish publishing company for sale in Turkey, and a version edited for the US market is now available. The guide has been favourably reviewed by the trade magazine, Cafe Culture. For a free newsletter and Don's Top 10 Tips, visit:

<http://www.howtsetupacoffeeshop.co.uk/newsletter.htm>

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