

Czech University of Life Sciences Prague

Faculty of Economics and Management

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Abstract of the Diploma Thesis

*Feasibility study of a tearoom on Czech University of Life
Sciences campus in Prague*

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Summary

The work deals with a possibility to open a tearoom on a campus of the Czech University of Life Sciences in Prague. The aim of the work is to determine whether there is a demand in this area and thus a sufficient market for this kind of a small business. Methodology of the thesis is based on computer-assisted survey spread by internet where it was filled by 247 students from the university and paper-based survey done on the campus with 500 students as potential customers. Collected data were put into *SAS Visual Analytics* tool and there are results provided in a business plan in the practical part of the thesis. There was also done a research among competition. There is a Cash flow overview in financial part prepared. Next aspects affecting the tearoom are prices of commodities mostly used in the tearoom and therefore there was Median, Mode, Average and Maximum and Minimum price calculated with prices of tea and there is an information about prices of milk and sugar. There are used SWOT and PEST analysis which are both important tools for the new businesses, Marketing mix and seven P's. Theoretical part was used as a background for the business plan. In the conclusion there is a research question answered and the business plan is summarized.

Keywords

Tearoom, tea, SAS Visual Analytics, Business plan, survey

Objectives

Main aim of the diploma thesis is to answer the research question and thus find out if there is a demand for the tearoom on CULS campus.

Secondary aims of the thesis are:

- To find a theoretical background for preparing a business plan
- To find a theoretical background for all kinds of tea and its history as well as for tearooms
- To do a survey in the area of potential customers
- To do a research in the area of competition
- To create a business plan for start-up of a tearoom on CULS campus

Research question

The main aim of the diploma thesis is to answer research question: *“Is there a demand for the tearoom on the CULS campus?”*

Methodology

Practical part of the work is based on computer-assisted and paper-based survey. The paper-based survey was done on the CULS campus with 500 students as potential customers of the tearoom on the CULS campus. The computer-assisted survey was done by internet and it was filled by 247 students.

Collected data were put into SAS Visual Analytics program and in practical part there are results provided. The data collected were transformed into insights that give a fresh perspective on new business. It is important to think about how to use it and which data to compare with which data. The research question of the thesis can be answered on the basis of this tool and the decision can be made whether or not open the tearoom at CULS university campus in Prague. This is provided in the conclusion.

With this survey there are also other aspects affecting prospective tearoom as is price of tea, milk and sugar. There was Maximum price, Minimum price, Average, Median and Mode calculated with prices of tea and there is an overview of prices of milk and sugar.

The tearoom is also examined by SWOT and PEST analysis as both are important tools for a new business.

Practical part also includes every part of potential business plan as is marketing plan which is based on the survey and history of tea which is overviewed in theoretical part. In the marketing plan there is also specified the marketing mix and its seven P's.

There is also financial plan in the practical part which is processed with Excel table as a Cash flow overview.

The most important of the thesis is conclusion where is a research question answered and the business plan is summarized and evaluated.

Results and conclusion

The research question "Is there a demand for the tearoom on the CULS campus?" can be now answered due to the survey done among students of the Czech University of Life Sciences in Prague that there is a demand for the tearoom on the CULS campus.

747 students were asked via internet and personal questionnaires if they would visit a tearoom on the CULS campus and 647 of them responded that they would visit it and also all of them provided estimated amount of money they would spend there.

For the business plan the result that students as potential customers are on the campus mostly two or more times per week is important because they can become regular customers.

Due to the Treemap which resulted from the survey can be said that people that are younger than 22 years on average would visit the tearoom.

Also interesting and important result when deciding whether or not open the tearoom there is that 85 students would still not visit a tearoom on the university campus but 247 students who are not used to visit tearooms would visit the tearoom on the CULS university campus and 543 students would buy something to eat at the tearoom.

The main points from the SWOT analysis which should be concluded are that one person from the management team has experience in the field of marketing and that there is the possibility to be a part of Fairtrade. The opportunity which should be used to its maximum is that there is an increasing demand for healthier food. There is no one in the management who is educated in the area of tea at this time but this weakness can be eliminated by additional study. Threats for the tearoom are other restaurants and pubs on the university campus. Anyway, the tearoom is so unique that this should be balanced by a good marketing. The marketing could be also a solution for the time when semester is limited because people are on the university campus about 30 weeks only.

In the PEST analysis there are listed the main institutions from which permission is needed to open the tearoom. There is also an economic aspects overview so the future business should take this into consideration. There was found out that people in the Czech Republic are influenced by advertising so there is again the recommendation to do a good marketing. Proper equipment is needed but practically the service is the most important. In the tearoom there has to be a Wi-Fi connection so students can work on their project there.

For the marketing plan there is most important to do the event planning and to digitize the business on social media and digital channels. None of the tearooms have menu in other language than Czech but in the tearoom on the campus there should be the menu translated because of the students from abroad.

The price has to be chosen carefully because customers have their own image about what is the product worth for. If the price is too low customers will think it does not have a good quality. The target market is focused on students though so the prices have not to be too high.

The thesis was interesting for the author because she would like to realize the project right on the campus of the Czech University of Life Sciences in Prague.

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