Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Economics

Bachelor Thesis

Business patterns for a coffeehouse: a case study of German and Russian companies

Zarina Yessenbekova

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

Zarina Yessenbekova

Economics Policy and Administration
Business Administration

Thesis title

Business patterns for a coffeehouse: a case study of German and Russian companies

---

Objectives of thesis

The main aim of the present Bachelor thesis is to identify main determinants of coffeehouse efficient performance using comparative analysis of business plans of two sucessfully operating coffeehouses in Russia and Germany.
To achieve this goal the following research questions are formulated:
- Who are the World's leaders in coffee beans production?
- What countries are the World's biggest importers/exporters of coffee beans?
- What factors define the quality of coffee?
- How a business pattern may be defined?
- What is the difference between business plan and business pattern?
- How to open a Coffeehouse with the right business pattern?
- What particularities of doing business related to Coffeehouse do exist in Russia and Germany.

These questions will be gradually answered in the literature review and practical part of the Bachelor thesis.

Methodology

The analysis and synthesis of relevant information (gathered from various reliable resources represented by printed literature, scientific articles, web sources, surveys, some financial and managerial documents of selected companies) will be done and used then in the practical part of the Bachelor thesis.

Both theoretical and practical parts will rest on descriptive analysis, thematic synthesis and statistical inference. Own research work will be mainly based on the comparative techniques and SWOT analysis.

The proposed extent of the thesis

40-60

Keywords

Business plan, Business pattern, Coffeehouse, Economic performance, Russia, Germany

---

Recommended information sources

BAYE, M. *Managerial Economics and Business Strategy + Data Disk.* 2005. ISBN 9780073050195.

FREDERICK, W C. – DAVIS, K. – POST, J E. *Business and society : corporate strategy, public policy, ethics.* New York: McGraw-Hill, 1975. ISBN 0-07-015613-1.

MCCARTHY, E J. – PERREAULT, W D. *Basic marketing : a managerial approach.* Homewood: Irwin, 1990. ISBN 0-256-06865-8.

PARENTE, D E. *Advertising campaign strategy : a guide to marketing communication plans.* Mason: South Western/CENGAGE Learning, 2006. ISBN 978-0-324-42282-5.

RICHARDSON, B. – RICHARDSON, R. *Business planning : an approach to strategic management.*.

ROMER, D. *Advanced macroeconomics.* Boston: Irwin/McGraw-Hill, 2006. ISBN 0-07-287730-8.

STŘIHAVKOVÁ, H. – HAVEL, J. – ČESKÁ ZEMĚDĚLSKÁ UNIVERZITA V PRAZE. INSTITUT TROPICKÉHO A SUBTROPICKÉHO ZEMĚDĚLSTVÍ. KATEDRA TECHNICKÉHO A EKONOMICKÉHO ROZVOJE VENKOVA TROPŮ A SUBTROPŮ. *Problems of marketing and coffee consumption in Latin America, especially in conditions of Mexico : PhD thesis.* 2003.

WIERENGA, B. – BRUGGEN, G H V. *Marketing management support systems : principles, tools, and implementation.* Boston: Kluwer Academic, 2000. ISBN 0792386159.

Expected date of thesis defence

2020/21 SS – FEM

The Bachelor Thesis Supervisor

Mgr. Elena Kuzmenko, Ph.D.

Supervising department

Department of Economics

Electronic approval: 14. 2. 2021	Electronic approval: 15. 2. 2021
prof. Ing. Miroslav Svatoš, CSc.	**Ing. Martin Pelikán, Ph.D.**
Head of department	Dean

Prague on 13. 03. 2021

Declaration

I declare that I have worked on my bachelor thesis titled "Business patterns for a coffeehouse: a case study of German and Russian companies" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 15.3.2021 ______________________________

Acknowledgement

I would like to thank Mgr. Elena Kuzmenko, Ph.D., the supervisor of my bachelor thesis, for her advice and support during my work in this thesis.

Business patterns for a coffeehouse: a case study of German and Russian companies

Abstract

This work is focused on the study of business patterns of selected coffeehouses and analysis of the selected coffee markets (Germany and Russia). The main aim of the bachelor thesis is to identify main determinants of coffeehouse efficient performance using comparative analysis of business plans of two successfully operating coffeehouses in Russia (Cofee House) and Germany (Tchibo). The analysis and synthesis of relevant information (especially ICO statistics, professional literature) is done and used then in the practical part of the bachelor thesis. Both theoretical and practical parts are rest on descriptive analysis, thematic synthesis and basic statistical methods. Own research work is be mainly based on the comparative techniques and SWOT analysis. The analysis shows, that Germany and Russia are considerable importers of coffee, but German market has significantly export orientation due the high saturation of domestic consumption. Russian market is not so saturated and there are great opportunities for coffee houses development. However, there is also a high risk of new competition. Franchising is a good business model of coffeehouses in both markets. The results of the analysis of the Tchibo and Coffee House franchises have shown that they make it possible to achieve market success and profits. They are based on proven know-how and a strong brand. The differences between the Tchibo and Coffee House business patterns lie in the area of the degree of control and the volume of assistance provided by the main companies.

Keywords: business plan, business pattern, coffee, coffeehouse, economic performance, Russia, Germany

Obchodní modely pro kavárnu: případová studie německých a ruských společností

Abstrakt

Tato práce je zaměřena na zkoumání obchodních modelů vybraných kaváren a analýzu vybraných trhů s kávou (Německo a Rusko). Hlavním cílem bakalářské práce je identifikovat hlavní determinanty efektivní výkonnosti kavárny pomocí komparativní analýzy podnikatelských plánů dvou úspěšně fungujících kaváren v Rusku (Cofee House) a Německu (Tchibo). Analýza a syntéza příslušných informací (zejména statistik ICO, odborné literatury) je provedena a použita v praktické části bakalářské práce. Teoretická i praktická část se opírají o deskriptivní analýzu, tematickou syntézu a základní statistické metody. Vlastní výzkumná práce je založena hlavně na komparativních technikách a SWOT analýze. Analýza ukazuje, že Německo a Rusko jsou významnými dovozci kávy, ale německý trh je díky vysoké nasycenosti výrazně exportně orientovaný. Ruský trh není tak nasycený a existují zde velké příležitosti pro rozvoj kaváren. Existuje však také vysoké riziko nové konkurence. Franchising je dobrým obchodním modelem kaváren na obou trzích. Výsledky analýzy franšíz Tchibo a Coffee House ukázaly, že umožňují dosáhnout tržního úspěchu a zisků. Jsou založeny na osvědčeném know-how a silné značce. Rozdíly mezi obchodními vzory Tchibo a Coffee House spočívají v oblasti míry kontroly a objemu pomoci poskytované franchisory.

Klíčová slova: business plán, obchodní model, káva, kavárna, ekonomická výkonnost, Rusko, Německo

Table of content

List of pictures

List of tables

List of diagrams

List of abbreviations

ICO – International Coffee organization

1 Introduction

The segment of restaurants and cafes often attracts aspiring entrepreneurs. Business sharks, owners of global chains of restaurants, coffee shops and coffee houses, also work in this area.

When planning to open the own coffee house, it is needed to draw up a clear plan of action. Budget developing should be started based on the results of the market analysis. Especially the analysis of the competitors and demand in certain area should be make, as soon as the specifics of the macroeconomic environment should be noticed. A successful business is not only about the implementation of creative plans. The bulk of the work falls on mathematical calculations. It is important to know what prices for the goods are set, how many employees are available to hire, how many customers to serve per day. At the first stage, it is necessarily to decide on the format of the coffee house: e.g. coffee to go, coffee house with seating places, large coffee house with many tables and top service etc.

Each country / region has its own specific social and cultural factors. The same cafe concept can be differently successful in different markets. This work is focused on the study of business patterns of coffee houses in selected markets – Germany and Russia.

The German market consists of purely European customers, but also many migrants and tourists from non-European countries. There are large student towns and "single brand towns" (eg Herzogenaurach), tourist mountain resorts, etc. Russia is a very large market that is difficult to unite – due to the large size of the country and the cultural differences of nations, this market combines elements of European and Asian culture, urban and rural culture. Coffee plays an important role in the life of every inhabitant in these countries.

Analysis and comparison of the business patterns in different countries is useful especially from the point of view of young entrepreneurs and franchise builders. It is also relevant from a higher perspective – the coffee business is an important element of national economics, import and export, stock market.

2 Objectives and Methodology

2.1 Objectives

The main aim of the bachelor thesis is to identify main determinants of a coffeehouse efficient performance using comparative analysis of business plans of two successfully operating coffeehouses in Russia and Germany.

To achieve this goal the following research questions are formulated:

- Who are the world's leaders in coffee beans production?
- What countries are the world's biggest importers/exporters of coffee beans?
- What factors define the quality of coffee?
- How a business pattern may be defined?
- What is the difference between business plan and business pattern?
- How to open a Coffeehouse with the right business pattern?
- What particularities of doing business related to Coffeehouse do exist in Russia and Germany?

2.2 Methodology

Research questions are gradually answered in the literature review and practical part of the bachelor thesis. The analysis and synthesis of relevant information (gathered from various reliable resources represented by printed literature, scientific articles, web sources, surveys, some financial and managerial documents of selected companies) is done and used then in the practical part of the bachelor thesis.

These indicators of the market are analysed: crop and coffee production and import, by regions and countries, 2016-2019, in 60-kg bags. The shares of individual countries in global production are calculated (%). Year-in-year changes of indicators are calculated (%). Also world prices of coffee are explored.

Both theoretical and practical parts are rest on descriptive analysis, thematic synthesis and statistical inference. The comparison of models of selected coffee-houses is performed on the basis of the criteria of the business pattern model described in the theoretical part of the work: front-end business activities (value proposition, customers, distribution channels, revenue structure) and back-end business activities (key activities, key partners, key resources, cost structure). The available profits of coffee-houses are defined by the available data. Own research work is be mainly based on the comparative techniques and SWOT analysis.

3 Literature Review

The word „coffee” comes from Arabic, specifically from the word “qahhwat al-buchta” which means “wine beans”. Coffee berries are edible fruits, inside which are hidden seeds – coffee beans (Plšek, 2017, p. 9).

Coffee has been the subject of scientific research for more than 200 years, and scientists claim that coffee must have existed since the time of Homer (Thorn, 2000, p. 13). More detailed documentation of the first documented mentions of coffee is quite problematic. Coffee history is accompanied by many stories and legends rather than verified information. The history of coffee is full of brave men, wars, sieges of cities, adventures and bold business plans (Šlik, 2018, p. 89).

The first mention of the coffee tree comes from before Christ. One of the legends about consuming coffee as a drink tells of the Arabian shepherd Kaldim. One day he noticed that the goats he was watching were playing miserably when they grazed berries from a bush near the pasture. So he tried this berries on himself and was surprised by their stimulating effects. This effect was then used by a monk in a local monastery. They stayed until the early hours of the morning during prayers without any signs of tiredness (Plšek, 2017, p. 5).

However, most of such legends are quite inaccurate. The authors (Thorn, 2000, p. 13; Veselá, 2010, p. 47; Plšek, 2017, p. 5) agree that, the most reliable information from historians about the coffee tree dates back to the 6th century. At that time, coffee was grown in plateaus in central Ethiopia and Yemen. The first cafes in Cairo and Mecca changed the way people look at coffee – it was no longer just a stimulant, but also a passion (Plšek, 2017, p. 5).

In Europe, the history of coffee began much later than in the Arab world or in the exotic countries where it was grown. Coffee growing became more popular just in the 15th century, and it began to spread throughout the world from that time very slowly. Due to the unwillingness of Arab growers to share their knowledge, it was a very lengthy process. Coffee was exported from the country only in a state that was used for direct consumption. It was therefore not possible to reproduce it further. No source tells exactly how coffee spread from Arabia to the rest of the world. Here, too, it is possible to rely only on unverified information (Thorn, 2000, pp. 8-9).

One of the opinions is that coffee was brought to Europe by Dutch merchants in the 17th century and transported across the ocean in 1720 by the French knight Gabriel Mathieu de Clier. It is said that the French authorities refused to provide Gabriel with coffee tree shoots for their spread to the colonies in the Caribbean, so he should have stolen them and transported them risky on a ship. The plant grew well in the Caribbean and in a relatively short time spread throughout Central and South America, as well as in Africa, Arabia and Indonesia (Šlik, 2018, p. 88).

England, for example, probably introduced coffee in the 16th century, and along with extensive colonization processes coffee spreads to other countries. For example, in America it gained popularity after the Boston Tea Party – an action by American colonists to protest against the British government in 1773. So American colonists turned away from British tea and started drinking more coffee. In the mid-19th century, Americans were the largest consumers of coffee — consuming about a quarter of the world's coffee production at that time (Easto, Willhoff, 2018, p. 12).

3.1 Coffee production: world retrospective analysis

In the past, commodity coffee sold to the masses was (and is not always today) of poor quality, but it must be acknowledged that quality has not been a decisive factor in many countries for most of the history of coffee (Easto, Willhoff, 2018, p. 13).

The growing antipathy to poor coffee among consumers has gradually stimulated the development of the coffee market. For example, in America in the 70s-80s. companies emerged that fought for completely new values – quality and community (eg Peet's Coffee & Tea in 1966, Starbucks in 1971). In 1974, Erna Knutsen introduced the term "selected coffee", which she used in the Tea & Coffee Trade Journalk to describe the best-tasting coffee beans that were grown in special microclimate using special procedures (de Almeida, Spers, 2020, p. 263).

The history of coffee is closely connected with the development of commodity foreign trade and the stock market. In the past, companies usually traded in commodity coffee, or coffee sold and bought on the commodity market as wheat or sugar, or bought in the future on stock exchanges such as the New York Mercantile Exchange and the Intercontinental Exchange. Today, as in the past, commodity coffee is surrounded by a wide intertwined network of producers, exporters, importers, investors, buyers and sellers and, of course, prices, which are highly variable for many reasons related to politics, weather and speculation. (Easto, Willhoff, 2018, p. 13).

In world trade, in terms of the volume of sales and purchases, coffee is the second (stands by only by oil). The global coffee market was valued at 102,15 billion U.S. dollars (USD) in 2019 and it is expected, that it'll reach 155,64 billion USD by 2026 (Research and Markets, 2020). For a number of countries, coffee beans are the main source of profit. Millions of people are involved in the production and trade of coffee. In terms of plantation area, coffee is ahead of such crops as tea and cocoa.

3.1.1 Main coffee producers

More than 70 countries, which have tropical climates, from all over the world produce coffee, but only 44 of them produce coffee in any significant quantities (ElevenCoffees.com, 2020). In total, more than 9 billion kilograms of coffee is produced annually (Statista, 2020). Statistics (e.g. from the International Coffee Organization – ICO) are often given in units of 60-kg bags. So, 9 billion kilograms is 150 thousand 60-kg bags. According to ICO (2021) the world production of coffee crop was 167,2 million 60-kg bags and production of coffee was 168,8 million 60-kg bags. It is a decrease (year-on-year: 2018-2019) of -4,3% for crops and -2,5% for coffee. Data about crop and coffee production by world regions in the period 2016-2019 are given in table 1.

Table 1 Crop and coffee year production by world regions, 2016-2019, in thousand 60-kg bags

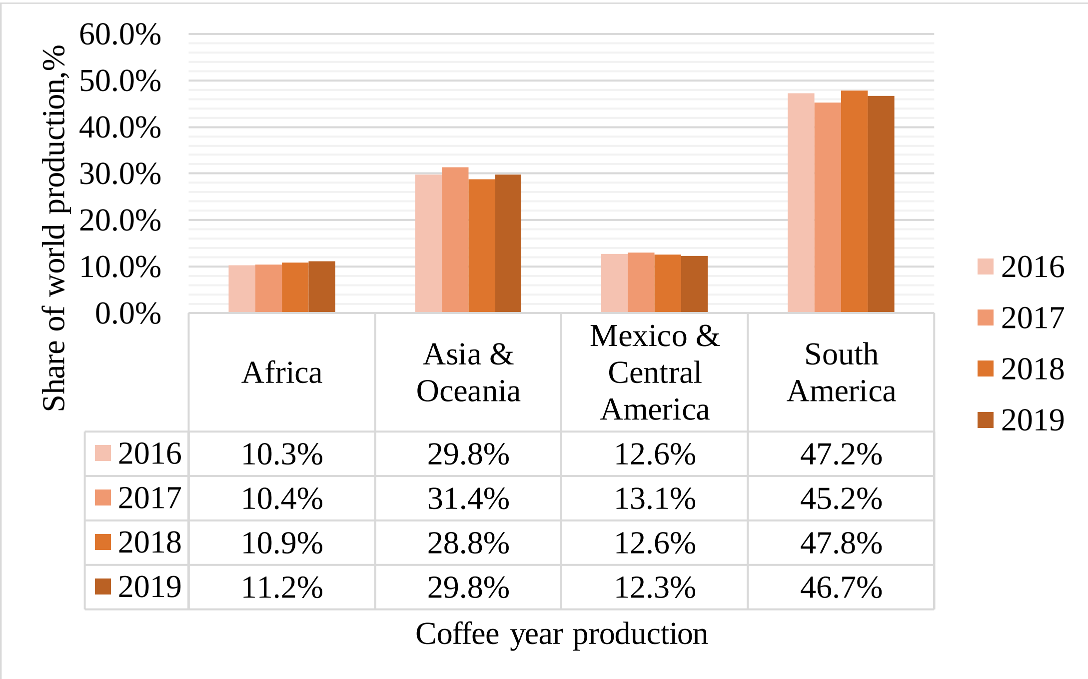
Crop year production	2016	2017	2018	2019	% change 2018-19
TOTAL	162020	163518	174626	167179	-4,3%
Africa	16559	17204	18911	18816	-0,5%
Asia & Oceania	48218	52443	49430	50344	1,8%
Mexico & Central America	20320	21719	21741	20759	-4,5%
South America	76923	72152	84544	77260	-8,6%
Coffee year production	**2016**	**2017**	**2018**	**2019**	**% change 2018-19**
TOTAL	160713	166476	173088	168836	-2,5%
Africa	16539	17307	18858	18855	0,0%
Asia & Oceania	47930	52203	49806	50357	1,1%
Mexico & Central America	20322	21727	21742	20760	-4,5%
South America	75921	75240	82682	78865	-4,6%

Source: made by author based on International Coffee Organization data (ICO, 2021)

The shares of individual regions in the total crop and coffee production are calculated. The results do not differ much – the proportions both in terms of crops and in terms of coffee are almost the same in each region. Diagram 1 therefore illustrates only the results for a more important indicator – the share of regions on the coffee production.

Coffee production in Africa grew during 2017-2019, but its share of world production remains low: 11,2% in 2019. A slightly larger share is in Mexico and Central America: 12,3%. During the years 2016-2017, share of this region on coffee production grew, but in 2018-2019 it decreased by 4,5% year on year. The Asia-Oceania region accounted for 29,8% of world coffee production in 2019. The share of this region is growing steadily, with the exception of 2018, when the share fell (mainly due to the significant growth of the South American region). South America is the most important coffee producer among these regions: it represents almost the half of the world coffee production (46,7 % in 2019).

Diagram 1 Coffee year production by world regions, 2016-2019, share in world production, %



Source: made by author based on International Coffee Organization data (ICO, 2021)

Coffee plays an important role in the economies of Latin American and African countries. Today the 5 main suppliers of coffee to the world market are Brazil, Vietnam, Colombia, Indonesia, Ethiopia. In addition, coffee is grown in countries such as Guatemala, El Salvador, Costa Rica, Kenya, etc. The list of TOP 10 countries – the largest producers of coffee according to ICO data from 2016-2019 is given in table 2. Less then 4000 thousands but more then 2000 thousands of 60-kg bags of coffee was produced also by Guatemala (3750 thousands 60-kg bags in 2019), Nicaragua (2900 thousands), China, Côte d'Ivoire (2000 thousands). The largest increases in 2019 were recorded in Indonesia (11,7% year-on-year increase compared to 2018) and Uganda (11,6%), Mexico (8,0%). On the contrary, a decrease was recorded in Honduras (-15,4%), Brazil (-6,1%) and Peru (-4,0%).

Table 2 Countries – main coffee producers in 2020, in in thousand 60-kg bags

Coffee year production	2016	2017	2018	2019	% change 2018-19	Share in world production, 2019, %
1. Brazil	55776	55838	63348	59500	-6,1%	35,2%
2. Vietnam	27819	33432	31283	30750	-1,7%	18,2%
3. Colombia	14634	13824	13858	14100	1,7%	8,4%
4. Indonesia	11369	10544	10013	11185	11,7%	6,6%
5. Ethiopia	7143	7347	7541	7700	2,1%	4,6%
6. Honduras	7457	7560	7328	6200	-15,4%	3,7%
7. India	6161	5813	6002	6000	0,0%	3,6%
8. Uganda	4962	4597	4704	5250	11,6%	3,1%
9. Mexico	3635	4485	4351	4700	8,0%	2,8%
10. Peru	4237	4275	4173	4005	-4,0%	2,4%

Source: made by author based on International Coffee Organization data (ICO, 2021)

Brazil

It is likely that those of colonists, who brought coffee to Brazil could not even imagine the real expansion and impacts of their business. This step was so significant for Brazil that it is today the world's largest grower and exporter of coffee. On top of that, Brazil has been the highest global producer of coffee beans for over than 150 years (Szenthe, 2020). According to ICO data (2021) Brazil accounted for more than a third of total world coffee production 35,2 % in 2019. About three quarters of the Brazil production comes from small growers and is mostly Arabica sort (Pössl, 2010, p. 14). According to most coffee lovers, coffee made in Brazil tastes amazing (Tobolak, 2019), which is probably the reason for the popularity and high production of Brazilian coffee.

Vietnam

Since coffee was brought to Vietnam in 1875 by the French, coffee growing has grown steadily. A significant historical period for coffee took place at the beginning of the 20th century. Coffee production has evolved from a small industry into a massive commodity. In terms of the national importance of agricultural products in this state, coffee was second only to rice (Tobolak, 2019). Now Vietnam is one of the major coffee growing countries in Asia, coming in 2nd in the list worldwide according to 2019 ICO statistics (18,2% share of world production in 2019).

Colombia

Colombian coffees are considered to be some of the best ever. The basic division of Colombian coffees distinguishes between Excelso and Supremo, and these two types differ in grain size. In this division, the only distinguishing element of any coffee is whether the grain falls through a 16/64 inch mesh sieve (then it is excelso) or whether it falls through an 18/64 inch mesh sieve. However, such sorting is used more for the cheapest coffee beans, for which the exact origin of the coffee is not obvious and the coffee is bought from the whole region at minimal prices. The main growing areas in Colombia include Antioquia (administrative city of Medellin), Caldas, Tolima, Risaralda, Cauca and Huila (Café Montana, 2020).

Indonesia

Apart from India, Indonesia is the oldest coffee producer after the African continent. This country grows Robusta grains and more than 20 different species of Arabica beans. The island of Sumatra is known for producing coffee with a delicate, sweet and complex taste. Many farms are certified as organic and a small farm includes 90% of the country's coffee growers (Tobolak, 2019).

Ethiopia

Ethiopia is where it all began, the undisputed birthplace of Arabica coffee beans. This country is also associated with the legend of shepherd and invention of the stimulating effects of coffee. The plant was named after this place "Kaffa", from which we get the words coffee and café (Tobolak, 2019).

Although coffee production in Ethiopia ranks first on the list of producers on the African continent, it ranks fifth in the world (4,6% share in 2019) (ICO, 2021). Half of the country's product is consumed on the domestic market, as opposed to exports. Ethiopia has four distinct growing regions, which include Harar, Lima, Sidamo and Yirgacheffe. These four regions are kept completely separate in terms of production, marketing and trademarking. And even with today's advanced technology, coffee growing in Ethiopia is still largely done by hand (Tobolak, 2019).

Honduras

Coffee grown in Honduras is often used in mixtures or grains and is therefore less well known to consumers. The country's economy is dependent on the production of this crop, reaching five million bags a year, and many jobs in various sectors are related to this (Megaloto, 2020).

India

India is said to be one of the earliest coffee-producing countries outside the Arab world. Many experts claim that coffee beans were brought to India in the 17th century through smugglers (Tobolak, 2019). India was now the 7th in the world for the highest volume of coffee per year in 2019 (ICO, 2021). Most of the country's cafes and plantations are located in southern areas such as Keral, Karnataka and Tamil Nadu. India began exporting coffee as early as British colonial times. Today, unlike the Arabica variety, the country specializes in the production of Robusta coffee (Tobolak, 2019).

Uganda

Today, Uganda's largest export crop is coffee. In 1991, the government established the Ugandan Coffee Development Authority to sell and export its products internationally. After being introduced from Ethiopia, Arabica coffee beans were naturalized in the best growing conditions in the area. Robusta grains are growing so fast in the country, and Uganda has enjoyed an up-tick in sales thanks to the marketing success of coffee “in the shadow of cultivated fruits” (Tobolak, 2019).

Mexico

At the end of the 18th century, coffee from the Antilles was introduced to this country. Mexico began exporting the product in 1870. Coffee has become Mexico's main export crop and is also the largest supplier of coffee beans to the United States. Coffee is produced and grown in the southern and southeastern regions of this nation (Tobolak, 2019).

Peru

In Peru, coffee grows on the eastern slopes of the Andean Mountains, where it has ideal conditions for its growth – lots of shade and an altitude of 1000 to 1800 meters above sea level. On the slopes of the Andean Mountains, locals collect ripe coffee berry by berry. They then pass them to a processing center located under the plantations, where the cherries of the coffee tree are dried in the sun according to the traditional method of the locals. Most Peruvian coffee producers are small farmers who own an average of three hectares of coffee plantations (Motmot, 2019).

Papua New Guinea

Coffee trees have only been grown here since 1950. Three quarters of the production comes from small farms hidden in the woods. There will be no mechanization and the transport of fertilizers and sprays would be very expensive. Therefore, it is mainly a biological method of cultivation there. Recently, the situation with fluctuating quality of local production has stabilized, traders have returned to the country and the price of quality grains has reached the world level (Pössl, 2010, p. 17).

Other coffee-producing countries are Ivory Coast, Indonesia, Hawaii, Mexico, Australia, Jamaica, Bolivia, Yemen, Taiwan and many more. However, it is a production of a smaller scale, although not of a smaller quality. For example, Jamaica produces one of the highest quality coffees in the world, Blue Montain (Pössl, 2010, p. 17).

3.1.2 Main coffee exporters

Based on the latest ICO data (2021), a table is created with the TOP10 countries of coffee exporters. Data on monthly volumes of coffee exports in November 2019 and November 2020 are given, and a percentage change is calculated (November 2020 to November 2019). Data on the total volume of coffee exports from October 2019 to November 2020 and from October 2020 to November 2021, incl. percentage year-on-year changes.

Brazil is the clear leader in the TOP - in the period October 2020-November 2021 it exported a total of 8795 thousand 60 kg bags of coffee. Viet Nam is in second place in this rating – the country's exports amounted to 2 900 thousand 60 kg bags of coffee. Colombia was in third place in the TOP coffee exporters and exported 2 900 thousand 60 kg bags of coffee.

The largest increases in terms of coffee exports were recorded in Brazil (26,5% increase in October 2020-November 2021 compared to the previous period), India (24,9%) and Mexico (29%). A decrease was found in exports of Ethiopia (-32,4%) and Viet Nam (-12,1%).

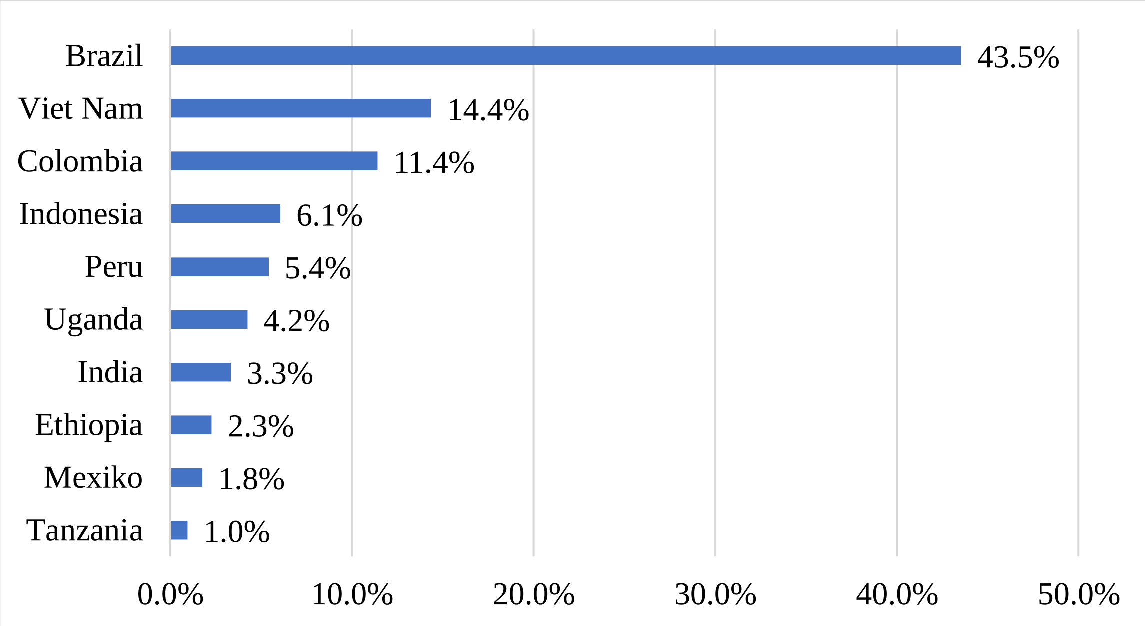
Table 3 Monthly export statistics, 2019-2020, in thousand 60kg bags

Coffee	November 2019	November 2020	% change	October-November 2019/20	October-November 2020/21	% change
TOTAL	9600	10149	5,7%	18973	20203	6,5%
1. Brazil	3281	4339	32,2%	6952	8795	26,5%
2. Viet Nam	1860	1400	-24,7%	3300	2900	-12,1%
3. Colombia	1161	1265	8,8%	2374	2304	-3,0%
4. Indonesia	637	732	14,8%	980	1224	24,9%
5. Peru	452	498	10,2%	1009	1094	8,4%
6. Uganda	439	430	-1,9%	817	858	5,1%
7. India	342	318	-6,9%	685	673	-1,7%
8. Ethiopia	268	250	-6,6%	683	461	-32,4%
9. Mexico	127	150	18,1%	277	357	29,0%
10. Tanzania	88	90	2,3%	184	193	4,9%

Source: made by author based on International Coffee Organization data (ICO, 2021)

Brazil's share of world coffee exports in October 2020-November 2021 was 43.5%. More than a tenth of world exports were made by Viet Nam (14,4%) and Colombia (11,4%). Less than 7% were exports from Indonesia (6,1%), Peru (5.4%), Uganda (4,2%). Diagram 2 illustrates country’s shares in world export.

Diagram 2 Coffee export by countries, October 2020-Novmeber 2021, share in world export, %



Source: made by author based on International Coffee Organization data (ICO, 2021)

3.1.3 Main coffee importers

The EU has the greatest influence on world demand, export and import of coffee (RetailNews, 2019). According to the latest ICO data (2021) the table 4 is made. There are data about coffee import in September 2019 and September 2020, and total import from October 2018 to September 2019, October 2019 to September 2020, including the % change.

Table 4 Coffee imports by selected importing countries, 2019-2020, in thousand 60kg bags

Coffee	September 2019	September 2020	% change	October-September 2018/19	October-September 2019/20	% change
TOTAL	10881	10577	-2,8%	136104	129983	-4,5%
1. EU	6536	6547	0,2%	80444	78317	-2,6%
2. Japan	594	594	-0,1%	8156	7344	-0,1%
3. Norway	64	82	28,1%	799	802	0,4%
4. Russia	497	488	-1,8%	5780	6218	7,6%
5. Switzerland	263	316	20,2%	3129	3410	9,0%
6. Tunisia	42	45	7,1%	514	527	2,5%
7. United Kingdom	448	442	-1,3%	5778	5004	-13,4%
8. USA	2437	2063	-15,3%	31502	28361	-10,0%

Source: made by author based on International Coffee Organization data (ICO, 2021)

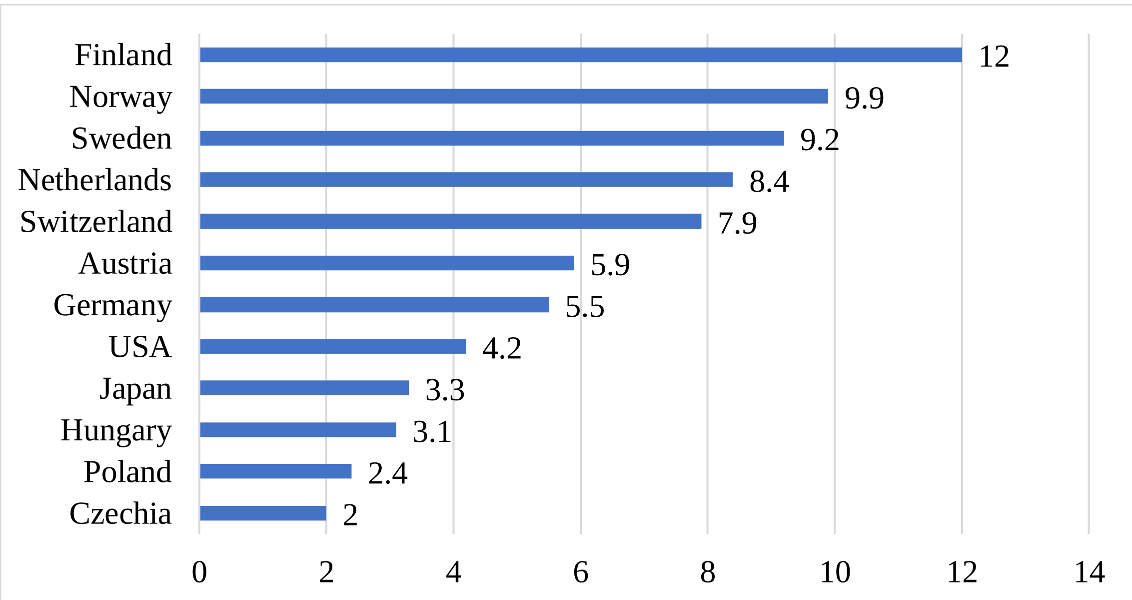
The largest import of coffee was realized in the EU in the period October 2019-September 2020: 78,3 million 60kg bags. The second largest export was made by the USA: 28,4 million bags. Other countries lag behind these most important exporters. Japan imported 7,3 million bags in the period under review, Russia – 6,2 million, United Kingdom – 5 million bags.

Growth in imports is evident in Switzerland, which imported 9% more coffee year-on-year in October 2019-September 2020, and in Russia (7,6%). On the other hand, less coffee was imported by the United Kingdom (-13,4%) and the USA (-10%) in the period under review.

3.1.4 Coffee consumption

According to expert estimates (Lavička, Krejčí, Kačer, 2019), 2,25 billion cups of coffee are drunk daily around the world. There are countless studies showing that regular moderate coffee drinking (two to three cups a day) is good for human health. But so are studies to the contrary. "*Based on our research, we cannot recommend that coffee be drunk more or less. The results of individual studies often become the subject of sensations.*" (Gunter in Lavička, Krejčí, Kačer, 2019). This is the view expressed in the German newspaper Die Welt by Marc Gunter of the British University of Reading, which also examined the effects of coffee. Coffee consumption in kg per person by countries is given in diagram 3.

Diagram 3 Coffee consumption by countries, in kg per person, 2019



Source: Lavička, Krejčí, Kačer, 2019

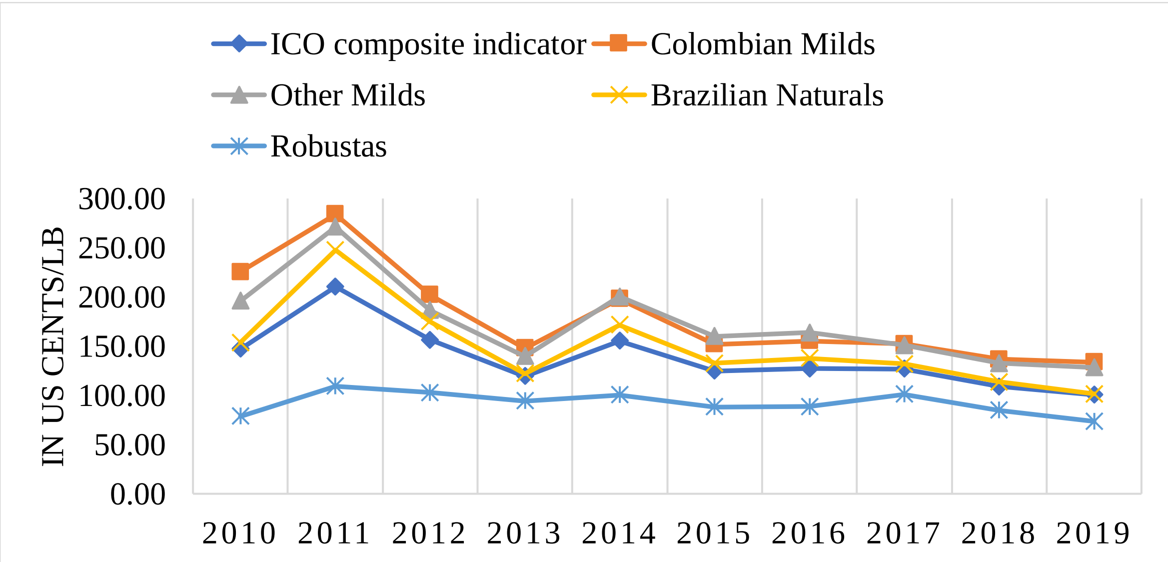
What do those who don't drink think about coffee? Germans and Austrians (more than 60%) said in a survey published in 2017 (Lavička, Krejčí, Kačer, 2019) that they simply did not like the drink. In the Czech Republic, 28% of people argue also in such way. A quarter of respondents in Czech Republic states that coffee is “unhealthy”, and another quarter was bothered by the caffeine content.

World consumption is estimated at 163,6 million bags in the period 2018-2019, which will increase the coffee supply by only a modest 3,3 million bags. Inventories will continue to rise, which should push prices down (Lavička, Krejčí, Kačer, 2019).

3.1.5 World prices of coffee

The development of historical coffee prices from 2010 to 2019 according to ICO data (2021) is illustrated by the diagram 4. There are coffee prices according to ICO composite indicators and prices for individual milds of coffee (Colombian Milds, Brazilian Naturals, Roboustas and other milds). The analysis of the dynamics shows that prices reached their maximum in 2011: 210,4 US cents per lb of coffee. Since then, there has been a significant decline – in 2013, prices were at the level of 119,5 US cents per lb. After a jump in prices in 2014 (155,3 US cents per lb), prices began to fall again – in 2019 it was 117,4 US cents per lb.

Diagram 4 Coffee prices – annual ISO composite and group indicator prices, in US cents/lb, 2010-2019



Source: made by author based on International Coffee Organization data (ICO, 2021)

The latest forecast of the World Bank is based on the assumed “overpressure” of the offer. It sees the average kilogram price of arabica coffee in the period 2019-2021 at around 2,93 USD per kilogram. Lower quality robusta coffee should be about a dollar cheaper. But it may be different, as Brazil, Vietnam, Colombia and other key producers expect a weaker harvest next years after this year's record seasons (predicted by American experts). Coffee plantations always have to “rest” after a year, so they produce less every year. Traders contacted by Reuters do not rule out that coffee will increase in price by up to a fifth. The price will be governed not only by supply and demand on the world market, but will also be affected by the development of the Brazilian real against the US dollar. If the currency of a key coffee bean producer strengthens, the price of coffee will go up (Lavička, Krejčí, Kačer, 2019).

3.2 Classification of coffee beans and prices

Coffee beans first differ in colour. It is one of the basic characteristics that can help at first look to determine at least approximately its type. The coffee bean is usually inside bright red, in some varieties is orange or yellow (figure 1). Fresh coffee beans have a light beige to light green colour before roasting (Plšek, 2017, p. 9).

Figure 1 Coffee beans

Source: Pössl, 2010, p. 17

Most coffees that consumer get in stores are a mixture of Arabica, or Arabica with a robust. If consumer chooses a coffee, he can therefore decide on the type of mixture and the specifics of each variety. Not only the freshness, the degree of roasting and the preparation of coffee affect the final taste and aroma of each espresso. Pössl claims (2010, p. 13), that hand-picked coffee fruits tend to be of higher quality because an experienced picker collects only ripe and undamaged fruits. However, when shaking, all the fruits fall off and despite the subsequent sorting, the result may not be 100% accurate.

There are four main varieties of coffee tree: Coffea arabica, Coffea canephora, Coffea excelsa and Coffea liberica. We most often encounter the terms arabica (Coffea arabica) and robusta (subspecies Coffea canephora) (Kavárník, 2013).

Arabica

Arabica is, thanks to its full taste profile, the most popular type of coffee. Its cultivation is quite demanding. It grows at least 1000 m above sea level. Growers are bothered by their susceptibility to fungi and pests. It contains up to twice as much sugar and fat as robusta. It therefore offers a much greater variety of flavors. Compared to robustness, however, it has three times lower caffeine content. Arabica accounts for about 70% of world coffee production. There are over 80 species of Arabica. You most often come across the following varieties: Typica, Bourbon, Caturra, Catuai, Catimor, Maragogype, Mundo Novo (Kavárník, 2013).

Coffee canephora – robusta

Compared to arabica, robusta is less demanding to growing. Its taste is rather earthy, woody with little or no acidity. It gained popularity for its high caffeine content. It has high productivity. It belongs to very durable coffees. It is grown at low altitudes. Robusta is added to espresso mixes because it forms a firm cream and adds a full body. However, it is not suitable for preparing filtered coffee. The price of robusta is significantly lower than the price of Arabica (Kavárník, 2013).

Other types of coffee tree

Coffee liberica has the largest grains, high productivity and is relatively resistant to parasites. Unfortunately, it bears fruit only every 14 months. Its coffee berries are harder, contain little juice and sugar, so it is not interesting in taste. The same is true for the lesser-known variety Coffea excelsa, which is very similar to robust.

3.3 Business pattern

In most cases, the word pattern is perceived as a model. This is also suitable if it is a proposal of a certain workflow, schema or database structure. According to the Cambridge dictionary (2020), the word “pattern” has the following meanings:

- *“a particular way in which something is done, is organized, or happens”,*
- *“any regularly repeated arrangement”,*
- *“something that is used as an example, especially to copy.”*

In the context of business, therefore, a pattern is a certain developed example that is often used to copy already proven successful behaviour. By Vymětal (2009, p. 26) are business patterns often used to determine best practices, partition economic processes etc.

Business Pattern can be defined as “*a set of recurring and/or related elements (business activities, events, weak or strong signals) that indicates a business opportunity or threat.*” (Galines, 2014, p. 1).

3.3.1 Differences between business pattern and business plan

A business pattern does not have to describe the whole business, but deals with the description of one or more products / services that the company supplies and their respective business models. A business pattern can be a part of a business plan.

“*A business plan is a written document to describe a business opportunity, the goals of the business and the methods to achieve the goals*.” (Ekanem, 2017, p. 1).

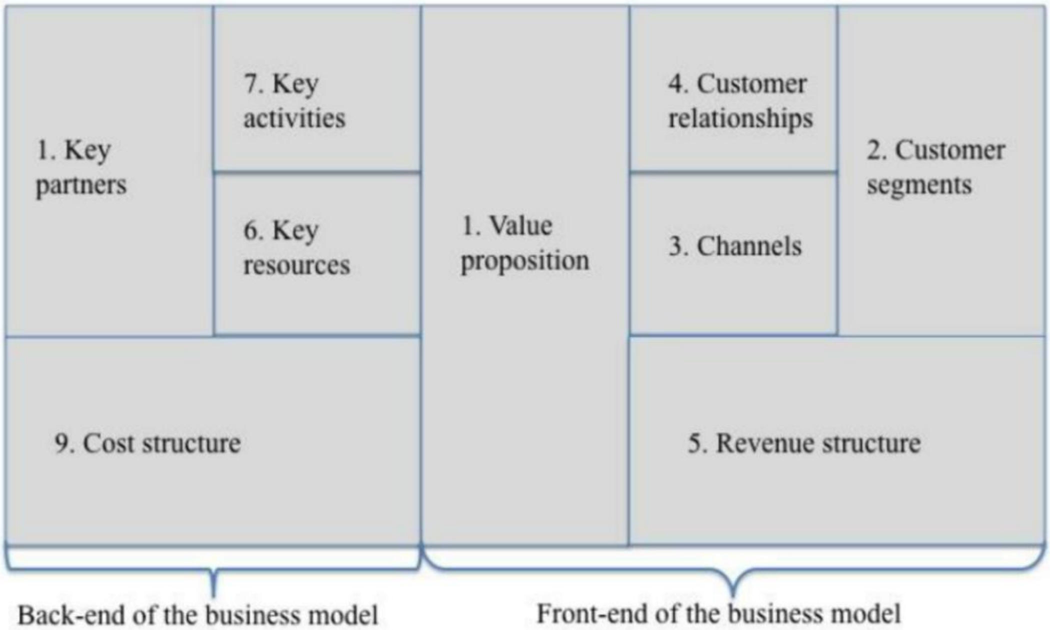
Business plan is a road map for the entrepreneur and a basis for making strategic decisions. In addition, the business plan is intended for a number of subjects, such as banks, investors, and partners (Ekanem, 2017, p. 1). From reading a business plan, it must be clear what the business is doing and how it plans to succeed.

Business pattern shows the certain mechanism through which the profit is generated. In other words, the business model is basically a holistic business concept that determines how to use all the company's tangible and intangible resources. With the help of these resources and their appropriate use, the company creates products or services in such a way that it can then provide them in an attractive and accessible form to its customers or clients. (Chwaszcz, 2010, p. 47).

3.3.2 Structure of coffee house business pattern

The popular method of the business pattern description is Business Model Canvas (figure 2). It consists of nine blocks of the back-end and front-end of the business model.

Figure 2 Nine-blocks of the Business Model Canvas



Source: Günzel, Holm, 2013.

This model is used in several studies, e.g. business pattern of the Indonesian coffee shop Klinik Kopi is analyzed based on this model (it also completed by the SWOT analysis) (Rahardjo, Hasbullah, Taqi, 2019).

A simpler approach is also used to define and classify coffee houses business models, which takes into account the specifics of customer requirements. Each model is designed to attract and satisfy a certain group of customers. These are, for example, the criteria of fast service, quiet atmosphere, top service, etc. In this approaches, 5 models of coffee houses are defined (FirmTree, 2020):

- Mass Appeal model,
- Fast and Friendly model,
- Craft and Comfort model,
- Café Style model,
- Morning & Late Night model.

3.3.3 Comparative indicators of business patterns

A successful business is not only the realization of creative plans. The bulk of the work falls on mathematical calculations. It is important to know what prices for the goods are set, how many employees are available to hire, how many customers to serve per day etc.

The ability to evaluate a business plan or business pattern is very important for an entrepreneur, creditors (for example, banks, investors) and partners. What criteria should be used for the assessment? It is clear that different indicators may be interesting and important for each person, but financial indicators are key for everyone. This is due to the fact that the main goal of a business is to achieve maximum profit, and accordingly the financial issue is very relevant – how much income a business can bring and what funds must be invested for this. With financial indicators, it is also possible to compare individual business patterns and understand which business is more profitable.

The choice of criteria for evaluating and comparing business patterns and the accuracy of the comparison results are limited by the available data. In this work, the comparison of business patterns will be carried out taking into account the structure of the business pattern shown above in Figure 2.

The criteria of costs, revenues and profit will be especially taken into account:

- total size of costs (initial investment, average monthly operating costs);
- shares of individual types of costs in the total (eg share of wages, share of rental costs, share of materials);
- total size of monthly / annual revenues;
- structure of revenues by type of customer segment (if data are available);
- total size of annual profit, share of profit on revenue.

These criteria can be used to compare business patterns. Data can be drawn from the annual reports of companies (financial statements), interviews with managers of these companies. The decision on which pattern is more successful can be made on the basis of selected financial indicators:

- the net profit,
- cost of operation (operating costs divided by revenues),
- ROI – return on investment (net profit divided by initial investment).

4 Practical Part

4.1 Coffee market in Germany

The trend of growing coffee consumption continues in Germany despite the tradition of the time of Friedrich the Great, who led a tireless, but as it turned out ineffective campaign against coffee consumption and merchants with this “Abel drink”. His army even set up strike units “Kaffee Schnufflers”, which were to uncompromisingly fight against processors and smugglers of coffee beans. However, his efforts were unsuccessful.

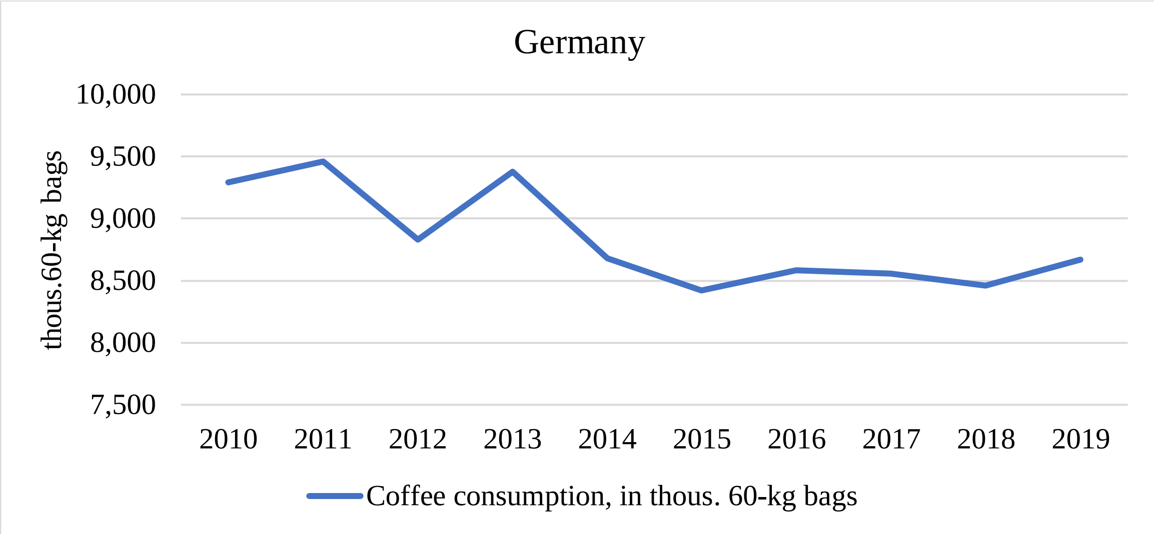
4.1.1 Coffee consumption and coffee import in Germany

According to the indicator of consumption of coffee as a beverage, Germany is one of the leading countries. The average consumption of coffee in Germany per capita even increased last year, this time by two liters to 166 liters. This amount corresponds to about one billion cups. The average German drinks almost 4 cups of coffee every day. Coffee thus remains the most popular beverage. It drinks more than mineral water (142 liters), according to the German Coffee Association (Deutscher Kaffeeverband). The Germans did not stop tasting coffee even during the pandemic. Its consumption outside the home fell by about three quarters between March and April 2020, but at home it drank about a fifth more year-on-year in Germany (Klánová et al., 2020, s. 51).

According to ICO statistics (2021), coffee consumption in Germany (in weight terms) remains at a relatively stable level since 2015 and represents approximately 8,5 million 60-kg bags. This is more than a fifth of total coffee consumption in the EU (21 % in 2019). In 2019, the coffee consumption year-in-year growth was 2 %. Diagram 5 illustrates the development of coffee consumption in Germany.

From the monitoring of dynamics, it can be concluded that the German market is relatively saturated, even supersaturated. Consumption of coffee has decreased, stocks have increased and this condition has been maintained for several years.

Diagram 5 Coffee consumption, thous. 60-kg bags, Germany, 2010-2019



Source: made by author based on International Coffee Organization data (ICO, 2021)

When monitoring the long-term trend, it is clear that consumption decreased significantly in 2014. This was probably related to the growth of inventories of green coffee in Germany (+ 18% increase in inventories in 2014 compared to 2013). Table 5 shows statistics of coffee consumption and invetrories in Germany.

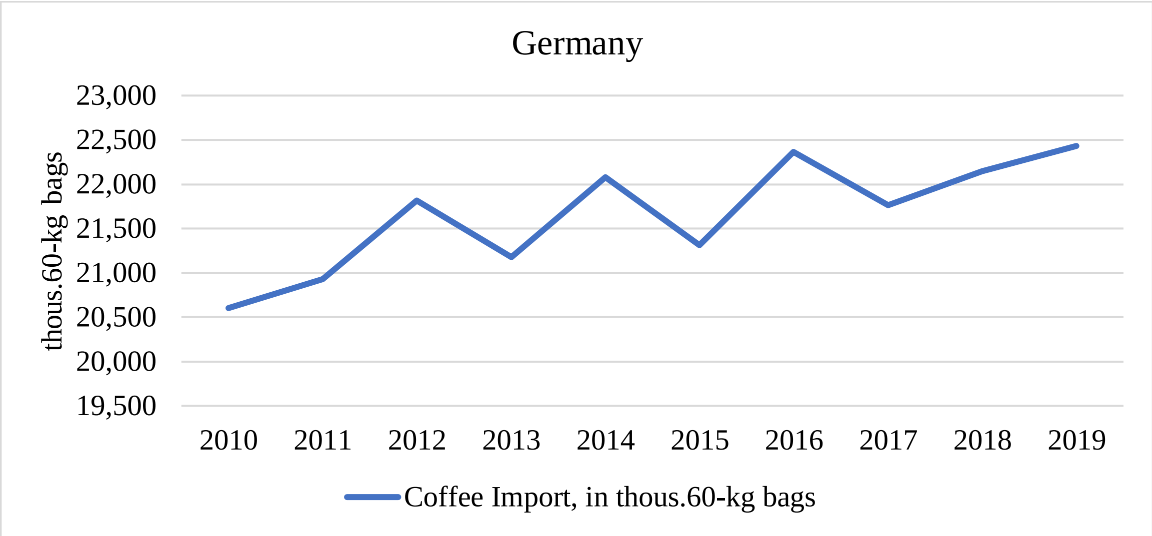
Table 5 Coffee consumption and invetories, Germany, 1990, 2000, 2010-2019

	Inventories, thous. 60-kg bags	**% change**	**Consumption, thous. 60-kg bags**	**% change**	**Consumption, share of EU, %**
1990	4 000		7 279		23%
2000	2 500	-37,5%	8 770	20,5%	24%
2010	2 680	7,2%	9 292	6,0%	24%
2011	2 462	-8,1%	9 460	1,8%	25%
2012	2 859	16,1%	8 830	-6,7%	23%
2013	2 636	-7,8%	9 378	6,2%	24%
2014	3 120	18,4%	8 682	-7,4%	22%
2015	3 519	12,8%	8 421	-3,0%	22%
2016	3 991	13,4%	8 583	1,9%	21%
2017	3 601	-9,8%	8 555	-0,3%	22%
2018	3 518	-2,3%	8 461	-1,1%	20%
2019	3 479	-1,1%	8 670	2,5%	21%

Source: made by author based on International Coffee Organization data (ICO, 2021)

Germany is now the largest importer of green coffee beans in Europe. Import increased between 2015 and 2019 – see Diagram 5. In 2019, Germany imported 22 432 thous. 60-kg bags of green coffee.

Diagram 6 Coffee imports, thous. 60-kg bags, Germany, 2010-2019



Source: made by author based on International Coffee Organization data (ICO, 2021)

Indexes of year-to-year growth are calculated in the table 5. In 2018 there was a 1,8 % growth of import and in 2019 – 1,3 % growth. In 2019 Germany imported 28 % of total European import (ILO, 2021) or 30 % of import sourced directly from producing countries (1,1 million tonnes valued at 2,3 billion EUR) (CBI, 2020).

Table 6 Coffee imports, Germany and EU, 1990, 2000, 2010-2019

	Germany, thous.60-kg bags	% change	EU, thous. 60-kg bags	% change	Germany's share of EU, %
1990	13 671		42 883		32%
2000	13 895	1,6%	50 038	16,7%	28%
2010	20 603	48,3%	65 522	30,9%	31%
2011	20 926	1,6%	66 053	0,8%	32%
2012	21 816	4,3%	68 137	3,2%	32%
2013	21 174	-2,9%	68 031	-0,2%	31%
2014	22 078	4,3%	71 893	5,7%	31%
2015	21 316	-3,4%	71 995	0,1%	30%
2016	22 368	4,9%	76 402	6,1%	29%
2017	21 765	-2,7%	74 221	-2,9%	29%
2018	22 147	1,8%	78 151	5,3%	28%
2019	22 432	1,3%	80 057	2,4%	28%

Source: made by author based on International Coffee Organization data (ICO, 2021)

Geographically, Germany's most important trading partners for the import of greeen coffee are Brazil and Vietnam. According to the latest data (ECF, 2019) from 2018, 30 % and 25 % of the total amount of green coffee was imported to Germany from these countries. Almost half of total imported roasted coffee comes from Italy (46 % in 2018). Coffee extracts and essences are imported from different European countries (18 % from Belgium, 16 % - United Kingdom, 13 % - Netherlands, 10 % - Poland) and from Ecuador (14 %). The table 6 shows the ECF data on the volume of coffee imports from different countries and calculates the shares of these countries in the total import of coffee to Germany in 2018.

Table 7 Coffee imports by type and country, in tonnes, Germany, 2018

Green Coffee			Roasted Coffee			Extracts, Essences		
Total	1 124 925	100%	Total	81 160	100%	Total	38 909	100%
Brazil	340 672	30%	Italy	36 982	46%	Belgium	6 930	18%
Vietnam	275 977	25%	Poland	11 535	14%	U.K.	6 334	16%
Honduras	101 774	9%	Netherl.	9 324	11%	Ecuador	5 394	14%
Colombia	61 900	6%	France	7 351	9%	Netherl.	4 874	13%
Peru	57 598	5%	Switz.	6 825	8%	Poland	4 061	10%
Others	287 004	26%	Others	9 143	11%	Others	11 316	29%

Source: made by author based on European Coffee Report 2018/2019 (European Coffee Federation, 2019, p. 26)

However, Germany is not a leader in terms of the volume of imports per capita (around 5,5 kg in 2019). For example, Norway imports 9,9 kg green coffee per capita per year, Finland – 12 kg, Switzerland – 7,9 kg, U.S. – 4,2 kg (Lavička, Krejčí, Kačer, 2019). The capacities of the German roasters are considerable, so it follows that a significant part of roasting capacity in Germany is export-oriented.

4.1.2 Main actors of German coffee market

The German coffee market includes many large companies: The Kraft Jacobs Suchard Group (KJS), Tchibo, Aldi, Eduscho, Melitta, whose products are sold almost all over Europe, as well as Dallmayer and Darboven. Kraft Foods and Tchibo roasts control more than half of the market. Other important players, that take part on the German market, are Keurig Dr. Pepper, J. M. Smucker and Lavazza. The most important players of the market segment of coffee out of home are Starbucks, Costa Coffee, Dunkin' Donuts, Caribou Coffee, Panera Bread. Total revenue of the coffee segment actors is expected to 20,8 millions USD in 2021 (2,93 %) (Statista, 2021).

The Kraft Jacobs Suchard Group (KJS) is the third largest food group in Germany after Nestlé and Unilever. Coffee is one of three key product categories of KJS: coffee sales make 42 % of operating revenues of KJS. Main coffee brands include Carte Noire, Jacobs, Kenco, Gevalia, Grand Mére, Splendid, Saimaza. Company employees 16,8 thousands people around the world. Since 1990, KJS has belonged to the American Multi General Foods, a subsidiary of Philip Morris. (Company-histories.com, 2019).

Jacobs Kaffee

Jacobs Kaffee joined KJS in 1895. This company was founded in Bremen in 1885 and can be traced to Johann Jacobs, born in 1869. He began to open stories a shops with chocolates, tea and coffee. The first roasting plant was opened in 1906 and in 1913 the Jacobs brand of coffee has been registered. The right marketing decision of Jacobs company – delivering freshly roasted coffee directly to different retail shops – brought a success to the company. Company used its own cars and realize delivery to the shops up tp four times a day. After the World War II, this delivering system has spread up. In the mid-1960s the company delivered coffee Jacobs to over 60 000 shops. New coffee brand names began to appear – Krönung, Privat, Tradition, Mocca, Edel. In the 1970s, there was an extensive expansion into foreign markets. In 1993, Jacobs' company was acquired by Kraft Foods and the brand was transferred to the Kraft Jacobs Suchard (KJS). (Company-Histories.com, 2019). Nowadays Jacobs is associated with these products: filter coffee, loose coffee, whole coffee beans, coffee specialties, coffee pads, Tassimo Jacobs capsules. (Jacobs Kaffee, 2021). Some products of Jacobs brand are shown on the Figure 3.

Figure 3 Jacobs products

Source: Jacobs Kaffee, 2021

Tchibo Holding AG

Tchibo Holding AG is a German company known for the production of the instant coffee of the same name, as well as branded clothing, household appliances and household items. Also it is engaged in travel and insurance activities.

Tchibo was founded in 1949 in Hamburg by Carl Tchilinghiryan and Max Hertz. The name "Tchibo" is derived from the surname Tchilinghiryan and the German word "Bohnen" (means "beans"). During the early years, Tchibo concentrated on the delivery of coffee beans. In 1977 the company entered into an agreement with another company, Beiersdorf, to become a distributor of Reemtsma cigarettes. In 2002, distribution rights were transferred to the sales organization Imperial Tobacco. After joining Tchibo distribution company Eduscho in 1997, Tchibo became the leader in coffee production in Germany: about 20 % of the coffee sold was under the Tchibo brand. In the 1990s, Tchibo stores began to open in other countries (now they are in Switzerland, Austria, the Netherlands, Poland, the Czech Republic and Turkey). In the early 2000s, it was planned to open a chain of its stores in the United States, but this idea did not find support. Now Tchibo promoted its brand Davidoff café in U.S.

Tchibo success is connected with its strong and effective franchising model – Commission-based Partner Concept. It is also called "Tchibo's Hybrid Franshising"): "*Franchising is used to leverage the franchisees' local business know-how and to limit the risks in remote locations where demand is low and/or unknown. Franchisees are required to make a small but symbolic investment in the business.*" (Alon, Lattemann, 2016, p. 25). "*The partner not only benefits from a 99 percent brand awareness in Germany, but also capitalizes from an over decades proven concept.*" (Tchibo.com, 2021).

Tchibo coffee is sold not only in Germany, but also in countries such as the U.S., Great Britain, Russia, Kazakhstan, Ukraine, Poland, Hungary, Turkey, Romania, Israel and Jordan. The company employees around 12,8 thousands people. (Reference for Business, 2021). Some examples of Tchibo coffee are shown on the Figure 4.

Figure 4 Tchibo products

Source: Tchibo, 2021

4.1.3 Summary

The analysis concludes that Germany is a major exporter of coffee, largely re-export oriented. The most important import item is green coffee, a smaller volume of roasted coffee is imported. Coffee consumption per capita is high in Germany, but lower than in some European countries (eg Finland, Switzerland). Kraft Foods and Tchibo roasts control more than half of the coffee market in Germany.

Kraft Foods' success was based on the right distribution marketing decision – the company imported fresh roasted coffee to retail stores several times a day. Tchibo's success was also based on the right distribution decision: to deliver what the customer wants, on time and in the right place. To make this feasible, the company decided to expand the range of stores and coffee shops. In order to achieve expanded growth, a special modified franchising system was created. A detailed examination of the concept of Tchibo coffee shops will be given in the chapter 4.3.

4.2 Coffee market in Russia

In general, the Russian coffee market can be characterized as sufficiently capacious and highly competitive. There is systematically demand on it and consumption is growing. In addition, over the past 10 years, significant changes in consumer preferences of Russians have been clearly observed, which, in turn, have a positive effect on the growing dynamics of the domestic coffee market. According to the NeoAnalytics suvey (2018), these trends effect Russian coffee market:

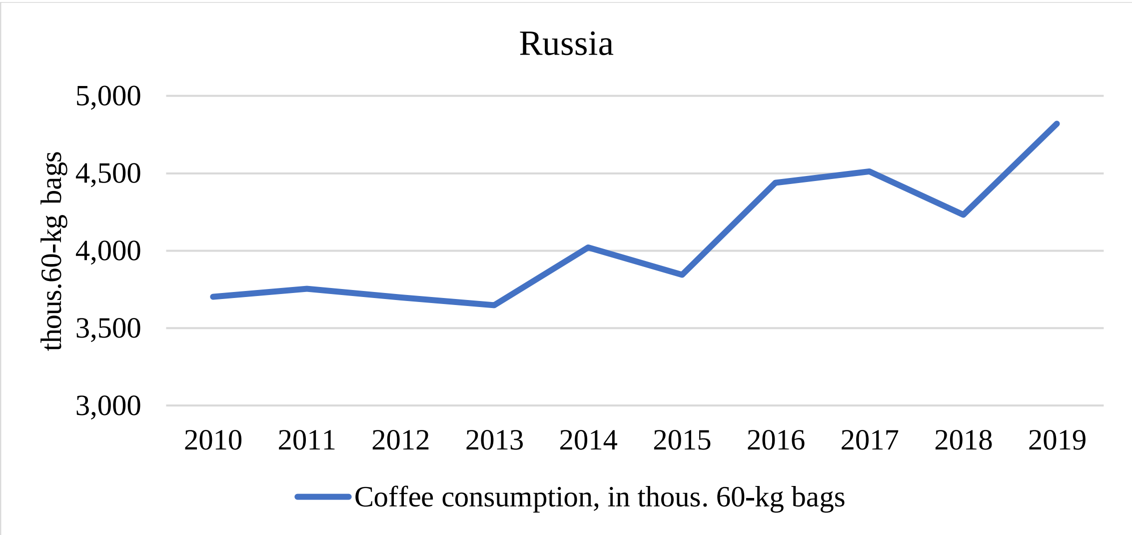
- coffee is the basic product of the consumer basket;
- there have been changes in the lifestyle and culture of coffee consumption, which has led to an increase in the attendance of coffee houses and their number;
- consumer spending on coffee is growing;
- there are changes in the structure of consumption – consumers are switching from cheap powdered coffee to a higher quality product;
- consumption of natural ground and grain coffee increases.

These trends are confirmed by the statistics data of consumption and import.

4.2.1 Coffee consumption and coffee import in Russia

Consumption of coffee in Russia (in weight terms) was 4 820 thousands 60-kg bags in 2019 (ICO, 2021). The dynamics of the indicator (Diagram 6) shows the growth of consumption, which has been continuing since 2013 and is particularly significant in the last years of the period under review. There is a difference compared to Germany, where consumption, on the other hand, began to decline and remained approximately stable after 2014. However, coffee consumption in Russia is still below the level of Germany (4 820 thous. 60-kg bags in Russia compared to 8 670 thous. 60-kg bags in Germany).

Diagram 7 Coffee consumption, thous. 60-kg bags, Russia, 2010-2019



Source: made by author based on International Coffee Organization data (ICO, 2021)

There are no ICO data about inventories of green coffee in Russia and no data about coffee consumption before 1992. An overview of coffee consumption statistics in Russia since 1992 is given in the table 7. The growth rates are calculated.

During 1992-2000, consumption increased by 35,3%, during 2000-2010 the growth was the highest: + 98,6 %. After that, growth slowed down, in 2012-2013 there was a decrease of -1,5 % and -1,3 %. Then, periods of growth and decline alternated each year. High growth rates were recorded in 2014 (10,2 %), in 2016 (15,4 %) and in 2019 (13,9 %).

When comparing the development of consumption in Russia with the dynamics of consumption in Germany, it is clear that in Germany the growth is less pronounced.

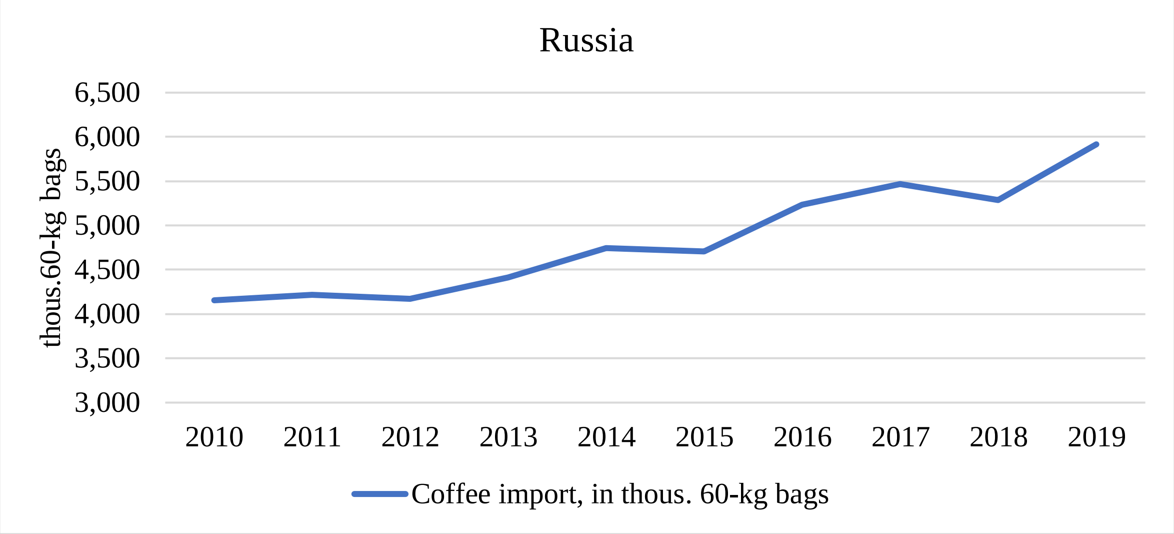
Table 8 Coffee consumption and invetories, Russia, 1992, 2000, 2010-2019

	Consumption, thous. 60-kg bags	% change
1992	1 377	
2000	1 863	35,3%
2010	3 700	98,6%
2011	3 754	1,5%
2012	3 696	-1,5%
2013	3 648	-1,3%
2014	4 021	10,2%
2015	3 846	-4,4%
2016	4 439	15,4%
2017	4 512	1,7%
2018	4 234	-6,2%
2019	4 820	13,9%

Source: made by author based on International Coffee Organization data (ICO, 2021)

Imports of green coffee in Russia show a positive trend towards growth (Diagram 7). In 2019, 5 917 thous. 60-kg bags of green coffee were imported to Russia. However, Germany's imports are much higher: they represent about four times the volume of Russian imports of green coffee. Russia's import volume is comparable to, for example, Netherlands (5 354 thous. 60-kg bags in 2019) and United Kingdom (5 554 thous. 60-kg bags in 2019).

Diagram 8 Coffee imports, thous. 60-kg bags, Russia, 2010-2019



Source: made by author based on International Coffee Organization data (ICO, 2021)

Indexes of year-to-year growth of coffee import in Russia are calculated in the table 5. In 2019 there was a 11,9 % growth of import. The growth rate of coffee imports is related to the growth rate of consumption in Russia.

Table 9 Coffee import, Russia, 1992, 2000, 2010-2019

	Import, thous. 60-kg bags	% change
1992	1 382	
2000	1 890	36,8%
2010	4 155	119,8%
2011	4 218	1,5%
2012	4 175	-1,0%
2013	4 410	5,6%
2014	4 747	7,6%
2015	4 710	-0,8%
2016	5 233	11,1%
2017	5 468	4,5%
2018	5 288	-3,3%
2019	5 917	11,9%

Source: made by author based on International Coffee Organization data (ICO, 2021)

Statistics on coffee imports in Russia by weight are not freely available on the Internet. However, it is possible to obtain import data in monetary terms. The table shows the TOP10 countries from which the most coffee was imported into Russia in 2019 (in millions of USD). Imports from Vietnam account for 17% of total coffee imports to Russia. The other most important countries in terms of this indicator are Sri Lanka (11.4% of total imports) and India (11.1% of imports). It is interesting that value of coffee import from Germany to Russia

(45.2 million USD in 2019) was high – 3,9 % of total imports to Russia. It is clear that Germany's export-oriented coffee market is largely dependent on imports into Russia.

Table 10 Coffee import by country, Russia, 2019

	Coffee import, mil. USD	Share, %
1. Vietnam	197	17%
2. Sri Lanka	132	11,4%
3. India	128	11,1%
4. Brazil	113	9,8%
5. Italy	105	9,1%
6. China	75,5	6,5%
7. Kenya	49,8	4,3%
8. Germany	45,2	3,9%
9. Indonesia	39	3,4%
10. Colombia	29,7	2,6%
Total Russian import	1 160	100 %

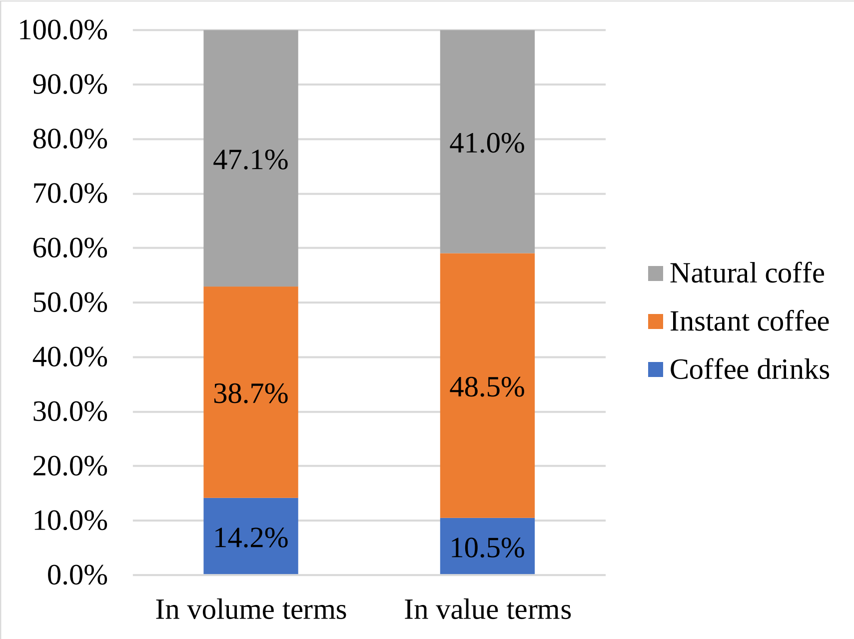
Source: made by author based on Ru-Stat, 2021

The intensive growth of the coffee market is confirmed by the increase in the amount of coffee consumed per capita in the Russian Federation over a ten-year period. If in 2001 this figure was 400 grams per one Russian per year, then in 2016 there were already 1.35 kilograms of coffee per person. Nevertheless, Russia lags an order of magnitude behind the developed European countries in this indicator, where it ranges from 6,2 to 12 kilograms. (NeoAnalytics, 2018).

The main type of coffee preferred by Russian consumers is instant coffee. Today, in the segment of instant coffee by consumption per capita, Russia ranks third in the world after the USA and Great Britain. The instant coffee segment has almost reached the saturation point. However, in the past few years, the ratio of consumption of instant coffee to roasted (ground and whole-grain) coffee has gradually changed in favor of the latter. (NeoAnalytics, 2018).

In 2016, the structure of retail sales in physical terms was dominated by coffee mixes, coffee concentrates and other coffee drinks with a share of 47,1%. The share of instant coffee was 38,7 %, and natural coffee – 14,2 %. In value terms, these indicators were, respectively, 41 %, 48,5 % and 10,5 %. At the end of 2017, no significant changes in the structure of retail sales of coffee by type are expected (Diagram 8).

Diagram 9 Structure of retail sales of coffee by type, Russia, 2016



Source: made by author based on NeoAnalytics, 2018

4.2.2 Main actors of Russian coffee market

Today, the main players in the Russia coffee market are: Nestle Russia, Kraft Foods Rus and Tchibo. These foreign companies have representations in Russia and are among the top three leaders in the Russian instant coffee market, with a share of over 50 % in value terms (NeoAnalytics, 2018).

Among domestic companies, the key company is Russian Product (Moscow), which produces instant coffee under the Ruscafe brand. It is also need to notice, that only one Russian company – Moscow Coffee House “On Payakh” has its own full-cycle freeze-dried coffee production in Russia. According to various estimates, the company's share in the freeze-dried coffee market is 3 to 5 %. Kraft Foods has now joined this producer. (Skobelev, 2011).

As for coffee beans, a little more than 60 % of this market is occupied by such manufacturers as Orimi Trade Group, Moscow Coffee House “On Payakh”, Tea and Coffee Company Grand and Paulig Rus (NeoAnalytics, 2018).

Today the Russian coffee market is highly competitive. Consolidation and absorption of players is underway. For example, Israel's Strauss Group is consolidating the coffee market by absorbing Russian players. Among the brands she acquired are Ambassador, Kaffa, Le Cafe and Black Card.

According to the forecasts of the Rosteacofe association, only 5-6 players will remain on the domestic coffee market in the long term, most of which will be represented by transnational companies, and the number of brands will decrease 2-3 times due to market consolidation. The market leaders will be players who are actively conducting advertising campaigns, as well as players who have increased their capitalization, including through consolidation processes. New foreign operators are expected to appear in the segment of natural roasted coffee. (NeoAnalytics, 2018).

Moscow Coffee House "On Payakh"

Moscow Coffee House „On Payakh" is a Russian food industry company, a coffee manufacturer. The company was founded in 1997. The original production base of the company included a roasted coffee plant. The company produced roasted and ground coffee, and imported and sold instant coffee under its own brand. In 2004, in the village of Tuchkovo near Moscow, a plant for the production of instant freeze-dried, granulated and powdered coffee was launched. In our production we use coffee from the best plantations in Colombia, Ethiopia and Brazil. In the production coffee from the plantations in Colombia, Ethiopia and Brazil are used.

Figure 5 Logo and products of Moscow Coffee House „On Payakh"

Source: Moscow Coffee House „On Payakh", 2021

The company implements the international quality management system ISO 9001 and the food safety management system ISO 22000. All this together guarantees the stability of the quality of the products.

The company is actively developing a partner network in Russia and the CIS countries and is open to cooperation. Business principles of the company are: trust, reliability, stability.

The company states, that it always strives to understand and take into account the interests of its partners.

Coffee House

Coffee House is one of the largest coffee chains in Russia and Ukraine, as well as a coffee production company. The founder of the coffee chain was Russian entrepreneur Timur Khairutdinov. In 1999 the first coffee shop was opened in Moscow. By 2001, there were already 5 such establishments in Moscow. The demand for coffee houses was supported by serious investments, as a result of which, after 3 years, Coffee House became the largest coffee chain in the country, increasing the number of its coffee houses 10 times. Over time, the Coffee House has grown, and now the number of its establishments totals more than 200 in various cities of Russia and neighboring countries. The company opened its coffee shops in Moscow, St. Petersburg, Novosibirsk, Yekaterinburg, Kazan and Ukrainian Kiev.

Figure 6 Logo and products of Coffee House

Source: Coffee House, 2021

Many coffee shops in Russia open on a franchise model, eg. Coffe Mashine, Ormado Kaffeehaus, Lifekacker Coffee, Coffee In, One Price Coffee etc. Prices and franchise conditions are different. A detailed analysis of the franchising model of one of the Russian coffee houses is given in Chapter 4.3.

4.2.3 Summary

The coffee market in Russia is showing very dynamic growth. This is confirmed by growing indicators of coffee consumption and imports. However, the volume of coffee consumption and imports in Russia does not reach the values of Germany. Vietnam is an important source of coffee imports for Russia as well as for Germany. A significant part of Germany's exported coffee goes to Russia.

The growth of coffee market indicators was facilitated by the active development of retail chains and an increase in retail space. In addition, new trade formats are actively strengthening their positions: coffee shops, vending machines, online stores, office coffee service.

The growth of the market and consumption of coffee in Russia is today a great opportunity to open new coffee houses and coffee shops.

4.3 Comparison of the selected business patterns of coffee shops

In this part there is an analysis and comparison of selected coffee shops in Germany and Russia – German Tchibo and Russian Coffee House. The structure of business pattern, given in chapter 3.3.2 is used (back-end and front-end parts of patterns).

4.3.1 Tchibo coffee shop in Germany

Tchibo is a German chain of over 1000 coffee shops, known for its range of coffee types and non-coffee products. Tchibo's slogan in Germany is „Every week a new world“. Coffee shops are often located in the shopping centers or in the busy shopping streets of the city.

Back-end of the business model

Key activities: 80 % coffee sales and 20 % non-coffee products sales.

Key partners: Tchibo HmbH (main supplier of the brand products for sale).

Key resources: financial resources (are needed for initial investment and operating costs), brand, know-how.

Cost Structure: personnel costs (10 % from sales), materials and products costs (45 % for non-food products, 84 % for coffee), other costs (3-4 %), marketing costs (0-5 %).

Front-end of the business model

Value proposition:

- high-quality brand coffee,
- changers offering and introduce new products to the offer („Every week a new world“),
- cross-selling (non-coffee products)

Customers: mainly visitors of shopping centers, where coffee-shop is often based

Distribution channels: stone shop, cross-selling of brand products.

Revenue structure: 20 % from non-food products, 80 % from coffee sales.

Commission on non-food items is around 55 %, commission on coffee – 16 %. Personal costs are around 10 % from sales, other expenses – 3-4 %.

Franchisees were required to pay 10 000 eur (an entry fee) and to provide 20 000 eur as a deposit. The company states, that 20 000 eur would be returned at the end of the business relationship. No any royalties were to be payed by franchisees. The main company offers training sessions for the franchisees and helps to find the best places for the coffee-shop location. It even offer to pay rental costs, because landlords liked to rent their locations to reliable partners. Well-know companies, as Tchibo main company, could rent in better locations and in better cost conditions. Another reason, why Tchibo pay the rental costs, is better control. Franchisees kept 16 % of the sales of coffee and 55 % of non-food products. Sample figures for an average Tchibo franchise is given in the table 11. A model situation is expected – a turnover of 400 thousand euros. Such model guarantees a net income of 45 thousand eur annually.

Table 11 Sample figures for an average Tchibo franchise

Annual sales	400 000 EUR
Sales of non-food items	80 000 EUR
Sales of coffee	320 000 EUR
Commission on non-food items (55 %)	44 000 EUR
Commission on coffee (16 %)	51 200 EUR
Personnel costs (10 % from sales)	40 000 EUR
Other expenses	10 000 EUR
Annual net income	45 200 EUR

Source: Alon, Lattemann, 2016, p. 27

This model can be used under approximately the same market conditions – the same consumer taste and skill levels of managers. The advantage of the model is a guaranteed income and return on investment. The fact that the main company helps the entrepreneur in the market entry phase (pays rent, provides training, helps to choose a location) is good, but it increases the level of control and reduces the sales margin.

4.3.2 Coffee House in Russia

Coffee House is the largest chain of modern coffee houses in Russia and Ukraine, that are ideal places for meetings and communication, work and leisure. A set of permanent offers, such as free WiFi access, laptop rentals, the latest press, flyers with free offers, make the stay at the Coffee House comfortable. Each coffee shop offers a choice of a wide range of espresso-based coffee and drinks, including the signature drink „Coffee House" – a double cappuccino with a wide variety of flavours, as well as alcoholic and non-alcoholic cocktails, a variety of salads, toasts and sandwiches, specialty desserts.

Back-end of the business model

Key activities: 80 % coffee sales and 20 % other products.

Key partners: Coffee House (main company), suppliers of other raw materials and supplies (food, energy).

Key resources: financial resources (are needed for initial investment and operating costs), brand, know-how.

Cost Structure: royalty fee 5 % (from sales), marketing costs (5-15 %), personal costs (10-15 %, from 5 employers), rental costs (10-20 %), material purchases, purchase of furniture and equipment (once costs).

Front-end of the business model

Value proposition:

- variety of different coffee and non-coffee beverages,
- comfortable place for meetings and leisure,
- cross-selling (non-coffee products – desserts, sandwiches etc.).

Customers: mainly young people (18-34 years olds); students (47 %), managers and office workers (33 %); 62 % of customers are women and 38 % - men; active users of the Internet and social media.

Distribution channels: stone shop (separate premises for a full cycle coffee shop or location in the shopping center).

Revenue structure: 20 % from non-food products, 80 % from coffee sales.

Franchise includes comprehensive training for employees in the training center. The training takes three weeks. An internship is conducted in coffee shops and a workshop. Psychologists and coaches are involved. Main company organizes an on-site group to help start a business, assesses the premises and makes recommendations. The company helps with documents and helps to properly promote the shop on the market. Once a quarter, the curator visits the franchisee to resolve questions and assessments. Control is carried out through a mystery shopper. Basic information about the business model is given in the table 12.

Table 12 Sample for Coffee House franchise

Rental area	70-250 m2
Initial investment	3-15 mil. RUB
Electricity	30-100 kWt
Payback period	2-3 years
Fee and royalty (initial fee)	2 mil. RUB
Royalty	7 %
Contribution to the marketing fund	0 %

Source: Coffee House, 2017

4.3.3 Comparison of business patterns and summary

Several conclusions can be drawn from the analysis of the coffee market in Germany and Russia. First, it is clear that the Russian market is developing more significantly than the market in Germany: the growth rate of coffee consumption and imports in Russia is higher than in Germany. It can be argued that the German market is already more saturated than the market in Russia. The Russian market is characterized by market penetration of new competitors, foreign companies and franchises. In Germany, the situation is relatively stable with a characteristic feature – the control of domestic companies of a large part of the market. In Russia, there is a greater risk of foreign competitors entering than in Germany. The franchise is a very popular business pattern for coffee shops.

Model examples of franchises of German Tchibo coffee-shops and the network of Russian coffee houses Coffee House were described in the work. The concepts are different and are adapted to the specifics of national markets. It is quite difficult to compare these business patterns, especially due to differences in available data. For example, for Tchibo you can find an example of a coffee shop with a turnover of 400 thousand euros. The model guarantees an annual net income of EUR 45,200. The advantage of this model is that the parent company not only helps to find a successful location for the coffee shop, but often pays the rental costs. In return, it gains more control over the franchising company and may set lower sales margins for the companies. In the long run, these benefits may become a shortcoming as they limit future growth opportunities.

The Coffeee House business pattern is also based on a franchising business model. Unlike the German model, it does not provide for financial assistance to the main company in paying the rent. Provides greater support for employee and managers training, regular review of the business process. The disadvantage of this model is the obligation to regularly repay the installment to the franchisee. The main company does not precisely define the size of the initial investment - their size depends a lot on the chosen place of operation of the company. The difficulty of defining exact numbers is due to differences in business in different parts of the country.

To make the result of comparison visible and easy to understand, the table 13 with similarities and differences between Russian and German companies is created.

Table 13 Similarities and differences between Russian and German business patterns

Criterion	Tchibo (Germany)	Coffee House (Russia)
Value proposition	High-quality brand coffee, “Every week a new world”, significant cross-selling	Variety of different coffee and non-coffee beverages, comfortable place for meetings and leisure, cross-selling (desserts, sandwiches)
Customer segments	Mainly visitors of shopping centers	Mainly young people, students, managers and office workers, users of Internet and social media
Channels	Stone shops and cafes usually in shopping malls, cross-selling	Stone shops (full cyckle coffee shops or location in shopping malls)
Revenue structure	20 % from non-food products, 80 % from coffee sales	About 20 % from non-food products, 80 % from coffee sales

Cost structure	Main costs: materials and products costs (%, based on sales)	Materials and products costs, initial investment (equipment, furniture), franchisee fee, marketing, personnal
Key partners	Tchibo HmbH	Coffee House (main company), other supliers
Key resources	Financial, brand, know-how	Financial, operation costs, brand, know-how

Source: author, based on the previous analysis

4.3.4 SWOT analysis

The SWOT analysis is processed by a synthesis of the obtained results of the analysis of the coffee market and the examination of business patterns of selected coffee companies in Germany and Russia. The strengths and weaknesses of chosen companies, opportunities and threats of the markets are identified and compared. Because the SWOT factors are different for two countries, the SWOT matrix has two columns – one for Germany and one – for Russia.

Table 14 SWOT analysis

Germany – Tchibo	Russia – Coffee House
Strengths	
- Global well-known brand - High-quality brand coffee - Proven know-how - Lease financing - Cross-selling (non-coffee products) - Strategy of new products frequent invitation („Every week a new world“) - Fixed commission for sales (guaranteed profits) - High business control by the head company (help, support)	- Well-known brand in Russia - Image of a great place to meet, work and relax - Great support by main company in employee and managers training, marketing, administrative matters, - Regular review and control of business process by main company, expert recommendations
Weaknesses	
- Fixed commission for sales (limited influence of the company on the amount of sales and profit) - Limited, almost none influence on the marketing and management - The franchising model is tested and effective in approximately the same market conditions	- Fixed franchisee fee, regular payments (it doesn't matter what the sales are) - Entrepreneur must reckon with costs in more areas than Tchibo (plus hiring, own marketing) - Differences in information about the franchise model, lack of information and

	transparency of the financial part of the franchise
Germany – coffee market	**Russia – coffee market**
Opportunities	
- Stably high coffee demand and consumption - The growth of coffee imports – the opportunity to choose from a wide range of types and prices	- Market has great unused potential - Despite the presence of well-known chain brands, there is a gap in the market for certain modern coffee houses.
Treats	
- Coffee market is relatively saturated - There are powerful players on the market of coffeehouses, which hold the dominant share of the market and have strong brands - Export-oriented coffee market (quality or cheap coffee is balanced)	- growing competition from foreign networks and small coffeehouses - Instability of the national economy and the exchange rate - Regional disparities (different levels of development in different regions of the country, which requires a specific approach)

Source: author, based on the previous analysis

4.4 Answers to the research questions

The main goal of the thesis was to find main determinants of coffeehouse efficient performance. Based on the example of franchising models these determinants are:

- strong brand and valuable know-how,
- convenient location (main company provides help for choosing a right place),
- exact calculation of sales,
- implementation of own marketing (do not rely only on the marketing of main company),
- market control in order to avoid the risk of emerging competitors in the area.

To achieve this goal research questions were formulated. The following answers are made:

Who are the world’s leaders in coffee beans production?

- South America region (46,7 % of world production in 2019);

- Brazil (35,2 % of world production in 2019), Vietnam (18,2 %), Colombia (8,4 %), Indonesia (6,6 %), Ethiopia (6,6 %).

What countries are the world's biggest importers/exporters of coffee beans?

- EU (78,3 million 60 kg bags during the period October 2019-Septerber 2020; the largest EU importer is Germany – 22,4 million bags), USA (28,4 million bags), Japan (7,3 million bags), Russia (6,2 million bags), United Kingdom (5 million bags).

What factors define the quality of coffee?

- Colour, freshness, degree of roasting and preparation of coffee affect the final taste and aroma of each coffee beverage,
- Hand-picked method of collection and processing.

How a business pattern may be defined?

- Model, workflow, schema or database structure,
- Definition of best practices and economic processes set of front-end and back-end business activities and key factors of success.

What is the difference between business plan and business pattern?

- Business pattern does not have to describe the whole business as business plan,
- Can be the part of business plan,
- Shows the mechanism of business functioning.

How to open a Coffeehouse with the right business pattern?

- Carefully study the key elements (especially the cost structure),
- evaluate the benefits and shortcomings of the main company in the case of the franchise model (main company support, fees, limitations resulting from main company control),
- formulate priority areas on which to focus in the operation (eg own marketing).

What particularities of doing business related to Coffeehouse do exist in Russia and Germany?

- German market is relative saturated, therefore, the opportunity for future demand growth is limited. The Russian market has great prospects and is not sufficiently saturated. Due to this, however, there is a high risk of new competitors,
- In Germany, business models are adapted to relatively the same conditions, while in Russia regional disparities and market specificities need to be taken into account.

5 Conclusion

Bachelor thesis was focused on the research of chosen business patterns coffeehouses in Germany and Russia (franchising models of German Tchibo and Russian Coffee House). In order to map the external environment, an analysis of the coffee market was performed – the world market, the market of Germany and Russia. The results of the statistics show that Latin America is the main region for growing and supplying coffee. In some countries (especially Brazil, Vietnam, Colombia, Indonesia and Ethiopia), coffee growing plays an important role. The most important importers of coffee are the EU, USA, Japan, Russia, Great Britain. In the EU, Germany has the main share in coffee imports. The German coffee market is strongly export-oriented, while the domestic market is quite saturated. Coffee consumption in Germany is high, but the growth rate is very low. In Russia, on the other hand, there is significant growth in imports and consumption. There is great potential for opening new coffee houses.

The main goal of the bachelor thesis was to find main determinants of coffeehouse efficient performance. In the theoretical part, the concept of business pattern was described and differences between this concept and the concept of business plan were found. The business pattern can be part of a business plan and is focused on creating a set of business activities, necessary for success in business. Franchising models make it possible to obtain the necessary data for the description of a business pattern.

Based on the example of franchising models (Tchibo in Germany and Coffee house in Russia) these determinants were founded: strong brand and valuable know-how, convenient location (main company provides help for choosing a right place), exact calculation of sales, implementation of own marketing (do not rely only on the marketing of main company), market control in order to avoid the risk of emerging competitors in the area. German market is relative saturated, therefore, the opportunity for future demand growth, needed for coffee-houses, is limited. The Russian market in contrast of German market has great potential. However, there is a high risk of new competitors in Russia.

The contribution of the work is to identify the main trends of the coffee market and document the great prospects of the Russian market for the success of the coffee house. The analysis shows that the developed and tested coffee-house models in Germany are suitable for the current situation.

6 References

ALON, I., LATTEMANN, Ch. (2016). Tchibo Goes Global: Implementing a Hybrid Franchising Strategy at Germany's Leading Coffee Retailer. *Global Business and Organizational Excellence.* Wiley, 35(2), pp. 18-30. DOI: 10.1002/joe.21652

CAFÉ MONTANA. (2020). *Největší producenti kávy*. [online]. URL: <https://www.cafemontana.cz/nejvetsi-producenti-kavy>. Accessed 11th January 2021.

CAMBRIDGE. (2020). Pattern. *Cambridge Dictionary*. [online]. Cambridge University Press. URL: <https://dictionary.cambridge.org/dictionary/english/pattern>.

CBI. (2020). The German market potential for coffee. *CBI – Ministry of Foreign Affairs.* [online]. URL: <https://www.cbi.eu/market-information/coffee/germany/market-potential>. Accessed 11th January 2021.

CHWASZCZ, O. (2010). Business model innovation. *Economics and Business.* Bratislava: The Pan European University, 1, pp. 45-57. ISSN 1337-4990.

COFFEE HOUSE. (2017). Coffee House franchbook. [online]. URL: <https://api.selcdn.ru/v1/SEL_111799/media.franchbook.ru/files/-201710061429472V60LKZ4F0.pdf>. Accessed 11th January 2021.

COFFEE HOUSE. (2021). Main page. [online]. URL: <https://www.coffeehouse.ru>. Accessed 11th January 2021.

COMPANY-HISTORIES.COM. (2019). Kraft Jacobs Suchard AG. *Company-Hisotires.com*. [online]. URL: <https://www.company-histories.com/Kraft-Jacobs-Suchard-AG-Company-History.html>. Accessed 11th January 2021.

DE ALMEIDA, L. F., SPERS, E. E. (2020). *Coffee Consumption and Industry Strategies in Brazil*. Duxford: Woodhead Publishing (Elsevier). 394 p. ISBN 978-0-12-814721-4.

EASTO, J., WILLHOFF, A. (2018). *Manuál pro milovníka kávy: Jak si doma připravit tu nejlepší craft kávu*. Prague: Grada. 264 p. ISBN 978-80-271-0640-0.

EKANEM, I. (2017). *Writing a Business Plan: A Practical Guide*. New York: Routledge. 120 p. ISBN 978-13-154-6580-7.

ELEVNCOFFEES.COM. (2020). *The Coffee Bean Belt: What Is It & Why Is It Important?* [online]. URL: <https://elevencoffees.com/the-coffee-bean-belt-what-is-it-and-why-is-it-important/>. Accessed 11th January 2021.

EUROPEAN COFFEE FEDERATION. (2019). European Coffee Report 2018/2019. Brussels: ECF, 31 p. [online]. URL: <https://www.ecf-coffee.org/wp-content/uploads/2020/09/European-Coffee-Report-2018-2019.pdf>. Accessed 11th January 2021.

FIRMTREE. (2020). How to Open a Coffee Shop with the Right Business Model. *FirmTreee.* [online]. URL: <https://firmtree.com/small-businesses/open-a-coffee-shop/>.

GALINEC, D. (2014). Pattern-Based Approaches for Organizations' Agility. *Encyclopaedia of Business Analytics and Optimization*. IGI Global. doi: 10.4018/978-1-4666-5202-6.ch162

GÜNZEL, F., HOLM, A. (2013). One size does not fit all - Understanding the front-end and back-end of business model innovation. *International Journal of innovation Management*. World Scientific Publishing Company, 17(1), pp. 1-40. Doi: 10.1142/S1363919613400021

ICO. (2021). Trade statistics tables. *International Coffee Organization*. [online]. URL: <http://www.ico.org/trade_statistics.asp>. Accessed 11th January 2021.

ICO. (2021).Historical Data on the Global Coffee Trade. *International Coffee Organization*. [online]. URL: <http://www.ico.org/new_historical.asp>. Accessed 11th January 2021.

JACOBS KAFFEE. (2021). *Produkte*. [online]. URL: <https://www.jacobskaffee.de/faq/>. Accessed 11th January 2021.

KAVÁRNÍK. (2013). *Odrůdy kávovníku*. [online]. URL: <https://kavarnik.cz/odrudy-arabiky/>. Accessed 11th January 2021.

KLÁNOVÁ, Eva et al. (2020). Světový trh s kávou: Vyšší produkce i kvalita. *Retail News*. Praha: Press21, 10(10). ISSN 2336-8063.

LAVIČKA, V., KREJČÍ, J., KAČER, J. (2019). Světová produkce kávy bude v letošní sezoně rekordní. Největší zásluhu má Brazílie. *Hospodářské nooviny*. [online]. URL: <https://infografiky.ihned.cz/extra-kava-produkce-svet/r~1022f4c4351c11e98aa4ac1f6b220ee8/>. Accessed 11th January 2021.

MEGALOTO. (2020). *Znáte 10 největších výrobců kávy na světě?* [online]. URL: <https://www.megaloto.com/cz/lottery-news/article/6024/znáte-10-největš%C3%ADch-výrobců-kávy-na-světě.html>. Accessed 11th January 2021.

MOSCOW COFFEE HOUSE „ON PAYAKH”. Main page. [online]. URL: <https://mknp.ru>. Accessed 11th January 2021.

MOTMOT, P. (2019). *Peru – jedinečná a chutná exkurze do Jižní Ameriky.* [online]. URL: <https://motmot.cz/motmot-story/peru/>. Accessed 11th January 2021.

NEOANALYTICS. (2018). *Obzor rossijskogo rynka kofe*. [online]. URL: <http://www.foodmarket.spb.ru/current.php?article=2474>. Accessed 11th January 2021.

PLŠEK, J. (2017). *Lexikon kávy... prostě milujeme kávu*. Brno: Albatros Media. 72 p. ISBN 978-80-264-1541-1.

PÖSSL, M. (2010). *Káva jako životní styl.* Prague: Grada. 116 p. ISBN 978-80-247-2822-3.

RAHARDJO, B., HASBULLAH, R., TAQI, F. (2019). Coffee Shop Business Model Analysis. *Integrated Journal of Business and Economics.* Universitas Bangka Belitung, 3(2), pp. 140-153: doi: 10.33019/ijbe.v3i2.153

REFERENCE FOR BUSINESS. (2021). Tchibo GmbH - Company Profile, Information, Business Description, History, Background Information on Tchibo GmbH. Reference for Business. Advameg, Inc. [online]. URL: <https://www.referenceforbusiness.com/history2/83/Tchibo-GmbH.html>. Accessed 11th January 2021.

RESEARCH AND MARKETS. (2020). *Global Coffee Market (2020 to 2026) - Industry Perspective, Comprehensive Analysis and Forecast.* [online]. URL: <https://www.businesswire.com/news/home/20201006005799/en/Global-Coffee-Market-2020-to-2026---Industry-Perspective-Comprehensive-Analysis-and-Forecast---ResearchAndMarkets.com>. Accessed 11th January 2021.

RETAIL NEWS. (2019). *Komodity: Produkce kávy bude letos rekordní.* [online]. URL: <https://retailnews.cz/2019/09/09/komodity-produkce-kavy-bude-letos-rekordni/>. Accessed 11th January 2021.

RU-STAT. (2021). Import v Rossiju. [online]. URL: <https://ru-stat.com/date-Y2020-2020/RU/import/world/0209>. Accessed 11th January 2021.

SKOBELEV, V. (2011). Obzor rossijskogo rynka kofe. [online]. URL: <http://www.foodmarket.spb.ru/current.php?article=1505>. Accessed 11th January 2021.

ŠLIK, P. (2018). *Tržiště: Román na přeskáčku*. Brno: Albatros Media. 168 p. ISBN 978-80-259-0856-3.

STATISTA. (2020). *Coffee production worldwide from 2003/04 to 2018/19 (in million 60 kilogram bags)*. [online]. URL: <https://www.statista.com/statistics/263311/worldwide-production-of-coffee/>. Accessed 11th January 2021.

STATISTA. (2021). *Coffee Germany.* [online]. URL: <https://www.statista.com/outlook/cmo/hot-drinks/coffee/germany>. Accessed 11th January 2021.

SZENTHE, A. (2020). Top Coffee Producing Countries. *WorldAtlas*. [online]. URL: <https://www.worldatlas.com/articles/top-coffee-producing-countries.html>. Accessed 10th January 2021.

TCHIBO. (2021). *Tchibo e-shop*. [online]. URL: <https://www.tchibo.cz/svet-kavy-c37.html>. Accessed 11th January 2021.

TCHIBO.COM. (2021). *A successful distribution system.* [online]. URL: <https://www.tchibo.com/servlet/content/309646/-/starteseite-deutsch_en/tchibo-unternehmen_en/ueber-tchibo_en/vertriebssystem_en.html>. Accessed 11th January 2021.

THORN, J. (2000). *Káva: příručka pro labužníky.* Prague: Fortuna. 192 p. ISBN 80-86144-64-X.

TOBOLAK, L. (2019). Top 10 zemí produkujících kávu. *Coffeeco.* [online]. URL: <https://coffee-co.cz/article/top-10-zemi-produkujicich-kavu>. Accessed 11th January 2021.

VESELÁ, P. (2010). *Kniha o kávě: Průvodce světem kávy s recepty na jejích přípravu.* Prague: Smart Press, 2010. 180 p. ISBN 978-80-870-4934-1.

VYMĚTAL, D. (2009). *Informační systémy v podnicích: teorie a praxe projektování.* Prague: Grada. 144 p. ISBN 978-80-247-6280-7.