

# Go-Go

*Easy coffee on the go!*



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## **EXECUTIVE SUMMARY**

6:30- Your alarm goes off but you don't want to wake up since you are still tired. That is not an option you get because you have a busy day ahead of you. You have an 8-5 job (like most people do) that's full of meetings with no breaks and have to be out the door by 7 am if you have any desire to make it to work on time with traffic. These are most days in your life.

Most people start their day by consuming a cup of coffee at home on their way out before starting the day whether that is before going to work, before going to work, or on their way out the door. People choose to drink coffee at home because of the convenience it provides and it is a hassle to have out of the house. Most of the time if you are to drink it out of the house you will be either buying it or have to bring it with you which brings the problem of spills. Therefore there is much hesitation when bringing coffee with you as it is inconvenient. The other option is also quite costly.

According to a survey by Statista Consumer Insights, it's uncommon for coffee drinkers in the U.S. to limit themselves to just one cup per day. Nearly 80 percent of those who drink coffee daily consume two or more cups while at home on a weekday. Over half of these individuals typically have three or more cups on such days. However, when on the move, American coffee drinkers exhibit more restraint, with only 20 percent opting for takeaway coffee daily and an additional 24 percent doing so several times a week. More than half of the respondents reserve their to-go coffee consumption for once a week or even less frequently, with 13 percent of individuals aged between 18 and 74 stating that they never do so.

GOJO provides another option; Our freezable thin pouch brings coffee with you on any activity, removing the leaks and inconvenience that traditional to-go coffee cups present. Our durable pouch stores in backpacks, and jacket pockets and its flexible design shrinks as you drink it, making it easy to carry with you on any adventure! The GOJO pouch is durable, leakproof, and insulated while giving customers various choices on flavor and milk or milk substitute. Our market is current coffee drinkers, specifically ones who are on the go and want to bring coffee

with them without having to worry about spills, carrying their cups around, and throwing them out after.

At a price point of \$5.99, this gives us a reasonable profit margin and low price compared to other coffee shops. There is a lot of potential for us to penetrate the coffee industry as the market size is estimated to be at about \$461.25 billion. Moreover, Grand View Research analyzed data based on recent trends to make a prediction of a 5.5% increase of the coffee market by 2030. Now is the perfect time to get into the coffee industry.

GOJO will specifically be a competitor in the relatively young Ready-to-Drink(RTD) Coffee production industry. As a result of these converging trends, industry revenue is projected to grow at a compound annual growth rate (CAGR) of 11.1%, reaching over \$5.3 billion by 2023, with a growth rate of 7.4% expected in the current year. This is the perfect opportunity for us to penetrate the market for higher visibility of the GOJO Coffee pouch as the market will begin to better recognize the benefit of being able to have a cup of coffee conveniently while on the go. This will give us an advantage for more potential for growth and success as a new business.

## **PRODUCT PLAN**

### **Mission statement**

GOJO's mission is to revolutionize the coffee experience for coffee enthusiasts on-the-go replacing the traditional coffee cup for a pouch making a more convenient experience. With our innovative pouch design we will provide the user with a leakproof, durable and lightweight pouch that not only eliminates spills but also enhances portability. The insulated design allows us to keep the drink cold and create a traditional iced coffee drink everyone loves. By providing a range of flavors we allow the coffee drinker to customize their coffee in the specific ways that they like it. Going out and having to take a ton of weight with you? Don't worry our pouch is lightweight and can be disposed of after you drink the coffee GOJO, we're enhancing everyday

moments allowing you to be caffeinated at any time, one sip at a time.

### The Pouch:

*Think of our pouch as a insulated flexible compact water bottle that you take with you when you are on the go*

**Size and Shape:** This pouch is compact so that it can fit comfortably in your pocket so that you can conveniently take it with you everywhere you need to go. With this it will also be very flexible and easy to hold so that you don't have to worry about dropping it and spilling everywhere when you are on the go. As found in discovery interviews as well most people only drink a one or two cup of coffee so this will be a two cup design.

**Material:** GOJO's pouch redefines on-the-go coffee consumption with its innovative design and premium materials. Crafted from a combination of thermoplastic polyurethane, polypropylene, and silicone, the pouch offers unmatched flexibility and portability, allowing customers to effortlessly carry their coffee wherever they go. The inclusion of an insulation bag or thermal lining, constructed from a blend of plastic, aluminum, vinyl, and foil liners, ensures optimal temperature regulation, keeping the coffee cold and refreshing for extended periods. Additionally, the pouch's multi-layered structure provides exceptional durability and protection,

# What is the GOJO POUCH?



- ✓ SIZE AND SHAPE
- ✓ MATERIAL
- ✓ TOP



- ✓ QUALITY INGREDIENTS
- ✓ FRESHNESS
- ✓ VARIETY

shielding the coffee from external factors like moisture and physical impact while preserving its freshness throughout the day. By seamlessly blending flexibility, temperature control, and durability, GOJO's pouch delivers a comprehensive solution for customers seeking convenience and quality in their on-the-go coffee experience

**Top:** Through discovery interviews, we uncovered a common frustration with traditional to-go coffee cups: their lids often come loose while drinking. To address this, our pouch features a screw top that provides a secure closure, ensuring that customers can enjoy their coffee without worrying about spills or leaks. Furthermore, the integrated ring along the top allows for easy attachment of a carabiner clip, enabling customers to conveniently clip the pouch onto their backpack, purse, fanny pack, or even onto their person. This versatile feature enhances the portability of the pouch, empowering customers to take their coffee anywhere they need to go while keeping it readily accessible.

### The Coffee

*We will be making our own coffee to put inside our pouches*

**Quality ingredients:** From our interviews we know that the quality of coffee is very significant to the customers so GOJO will be made with premium quality coffee beans sourced from the best coffee growing regions around the world. This will allow us to deliver a consistently delicious and satisfying cup of coffee when you are on the go. This is important because if it doesn't taste good or if it tastes cheap then our customers wouldn't buy the product.

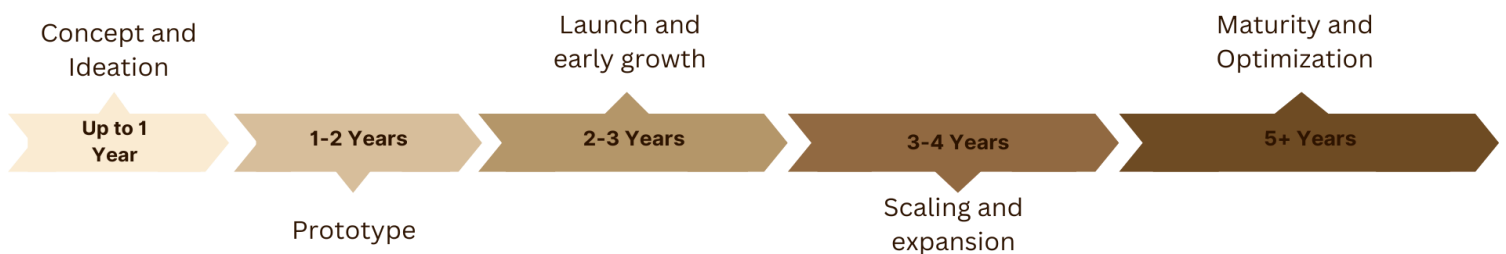
**Freshness:** We strive to have this in our pouches to preserve the vibrant flavors, rich aromas and complex nuances of the beans ensuring a delicious tasting coffee for our customers to enjoy. Without this coffee can lose its vitality resulting in dull flavors and not truly the essence of a brew.

**Variety:** GOJO offers a variety of coffee options to cater to different preferences because not all people like their coffee the same way. Whether you prefer bold and robust or smooth and mellow there's a coffee pouch for you.

How to get us?

We will for starters only be available through our website and with partner sites such as Amazon. Later as mentioned below in our timeline we hope to expand to provide in store for more accessibility for our customers

## GOJO TIMELINE



### **Concept and ideation:**

This involves refining our initial idea and validating the concept feasibility with industry professionals.

### **Prototype:**

In this phase we will create a prototype of the pouch and then give it to customers for market testing and to help refine our first iteration of the product

### **Launch and early growth:**

We will give our product to the customer and gain traction within our clientele with this we will also be seeing what the customers like and changing as necessary

### **Scaling and expansion:**

As we gain momentum we will prove our viability and enter the scaling phase where we ramp up operations, grow the customer base and increase revenue. Some ideas and thoughts of featured

products are offering different beverages, maybe experimenting with warm coffee and expanding to provide in store.

### Industry Description:

GOJO will be operating specifically in the Ready to Drink (RTD) Coffee Industry. It caters to the demand for convenient and quick coffee options that fit into the busy lifestyles of consumers around the world. The RTD coffee industry has seen steady growth since the mid-90s when Starbucks released its first to-go frappuccinos, sparking a significant shift in the way consumers enjoy coffee. Since then, the industry is highly competitive but not yet saturated, offering ample room for growth. Additionally, innovation is also a notable attribute of the industry. While the majority of the market share is held by very large corporations, there is still a substantial opportunity for new entrants. GOJO will differentiate itself and capture consumer interest through its innovative products. By leveraging unique aspects of product development and marketing, GOJO can establish a strong presence in this vibrant industry.

### **Barriers to Entry:**

The RTD coffee sector is heavily regulated to ensure consumer safety and product quality. Companies entering this market must adhere to a complex framework of federal and local regulations that cover everything from the safety of ingredients used in production to the standards products must meet before they reach the market. Regulations also encompass manufacturing processes, ensuring that facilities comply with health and safety standards. Additionally, products must meet labeling requirements that include nutritional information, ingredient lists, and allergen declarations. Advertising claims are also scrutinized to prevent misleading consumers. Furthermore, environmental regulations mandate specific standards for packaging, including the use of recyclable materials and proper disposal methods. Navigating these legal requirements demands substantial legal expertise and compliance resources, adding to the overhead costs for new entrants.

Establishing a production line for RTD coffee in durable, insulated pouches involves significant capital investment. New entrants need to invest in specialized machinery designed for pouch filling and sealing, which can be costly. This equipment includes fillers, sealers,



pasteurizers, and packaging machines tailored for handling flexible packaging materials. Initial expenses also include investments in quality control and testing equipment to ensure that products meet regulatory standards and consumer expectations. As the business scales, further investments are necessary to increase production capacity and potentially expand the product range to include different flavors and formulations.

The market is dominated by large, well-established companies with strong brand recognition and customer loyalty. These brands have the advantage of longstanding reputations and extensive marketing resources, making it difficult for new entrants to gain visibility and consumer trust. However, this barrier also presents an opportunity in niche markets, which are often less sensitive to price and more open to trying new, innovative products. New entrants can leverage this by focusing on creating unique RTD coffee products that cater to specific consumer preferences or dietary needs, such as organic, sugar-free, or sustainably sourced options, packaged in convenient, eco-friendly pouches.

RTD coffee production can be labor-intensive, particularly without the economies of scale that larger manufacturers enjoy. These companies benefit from lower per-unit costs due to larger production volumes, diversified product lines, and significant investments in automation and technology. This scale allows them to spread their fixed costs over a larger output, reducing the cost of each unit produced. For new entrants, achieving such economies of scale is challenging without substantial initial investment in technology and production capacity. As a result, small-scale producers often face higher production costs, impacting their pricing strategy and profit margins. Navigating these barriers requires careful planning, a clear understanding of the regulatory landscape, initial capital, and a strategic approach to differentiating products in a competitive market.

### **Competition:**

Nestlé and PepsiCo dominate the Ready to Drink (RTD) coffee market, collectively holding 90.0% of the industry's revenue. These industry giants benefit significantly from economies of scale, which allow them to distribute their fixed costs across multiple production facilities, thereby reducing the overall cost per unit and enhancing their competitive edge. We have strategically positioned ourselves within the private label segment, which currently represents a modest 1.7% of the market share. Although our scale is much smaller compared to

these large corporations, and we cannot match their production efficiencies and cost advantages, we have identified distinct opportunities to differentiate ourselves and effectively compete.

Our primary strategy to stand out in the competitive landscape revolves around addressing the common inconvenience associated with traditional to-go coffee cups. We aim to innovate in the area of packaging to significantly reduce spilling and enhance the convenience of our products.

GOJO is the only coffee product in the industry that will be sold ready to drink from a pouch.

Additionally, because of the unique packaging and reseal ability, it comfortably fits in one's purse or pocket while on the go, preventing the inconvenience of carrying a cup and spilling. By focusing on solving this specific consumer pain point, GOJO aims to attract customers who value functionality and practicality in their on-the-go coffee experience. This targeted approach allows us to carve out a niche in the market and compete effectively, despite the dominance of larger brands.

Viewing competitors in a slightly different lens, our competition also consists of the different ways people make coffee. Coffee shops, making coffee at home, and pre-packaged coffee are all the most common ways that people in the US consume their coffee. Therefore, not only are we competing with different brands but also the ways in which consumers make their coffee.

## **Partners**

Potential partnerships for GOJO that seem most relevant would be with plant-based milk or flavoring companies. A huge trend in the coffee industry has been oat milk and a partnership with a well-known brand like OATLY would help with awareness while broadening our customer base into people that use plant-based options to flavor their coffee. Additionally, with a partnership with a large and trusted brand like OATLY or something similar, we could capitalize on their brand recognition and thus, strengthen ours.

Other partnerships that could benefit our company include platforms and stores like Strava, MyFitnessPal, REI. These have similar target consumers of active people on the go, and having our product featured could entice them into purchasing. Having these partnerships would be key in the beginning to get our name out there and have brand recognition.

## **Differentiation**

Although it is a competitive market, GOJO will stand out in the industry through innovation. GOJO is the only coffee product in the industry that will be sold ready to drink from a pouch. Additionally, because of the unique packaging and reseal ability, it comfortably fits in one's purse or pocket while on the go, preventing the inconvenience of carrying a cup and spilling.

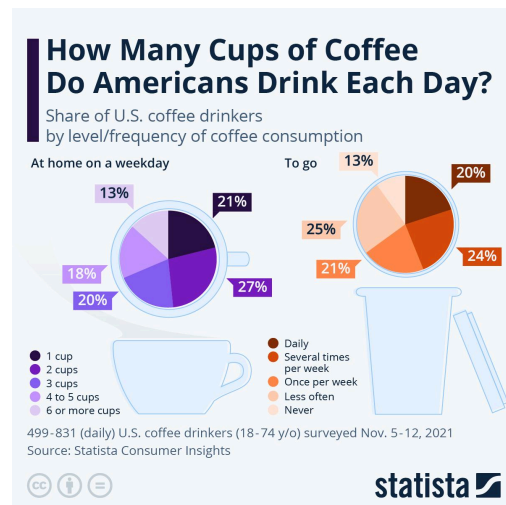
## Market Analysis

### **Primary Research: Discovery Interviews**

During the series of discovery interviews, there was a common theme that stood out across all interviews: holding a coffee cup on the go is an inconvenience. It became evident that while most of the interviewees consumed coffee daily, most people preferred to drink coffee at home and there was a reluctance to drink coffee on the go. This hesitation is primarily attributed to the inconvenience of carrying a hot beverage and the potential for spills which prevented them from fully enjoying their coffee experience while walking, commuting, running errands, or being active outdoors. Furthermore, those who did purchase to-go coffee showed some brand loyalty but were still very open to trying out different options. The respondents who did show strong brand loyalty still said that they prioritize taste and experience over brand recognition when it comes to buying coffee. This openness to experimentation highlights a potential opportunity for us to enter the market and solve this important problem that is holding back the to-go coffee industry and capture a larger share of the coffee consumer base.

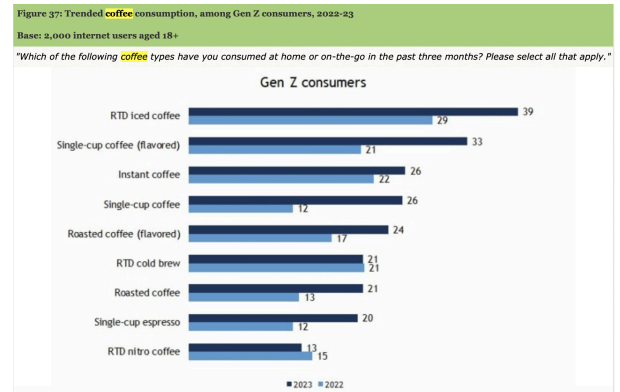
### **Secondary Research:**

According to a survey by Statista Consumer Insights, it's uncommon for coffee drinkers in the U.S. to limit themselves to just one cup per day. Nearly 80 percent of those who drink coffee daily consume two or more cups while at home on a



weekday. Over half of these individuals typically have three or more cups on such days. However, when on the move, American coffee drinkers exhibit more restraint, with only 20 percent opting for take-away coffee daily and an additional 24 percent doing so several times a week. More than half of the respondents reserve their to-go coffee consumption for once a week or even less frequently, with 13 percent of individuals aged between 18 and 74 stating that they never do so.

According to a market analysis from IBISWorld, the relatively young Ready-to-Drink (RTD) Coffee Production industry, which produces canned and bottled coffee and espresso beverages, has witnessed a surge in demand driven by the fast-paced lifestyles of U.S. consumers who increasingly seek quick beverage options, particularly in the morning. The industry's growth has been fueled largely by millennials, who represent the largest demographic of RTD coffee consumers. In response, both large producers and new market entrants have rapidly introduced a plethora of new products. These range from new variations in the popular RTD cold brew category to specialized offerings that cater to diverse health, dietary, and sustainability preferences. As per capita disposable income has risen, consumers have found themselves in a better position to indulge in these affordable luxuries, further boosting the RTD coffee market. As a result of these converging trends, industry revenue is projected to grow at a compound annual growth rate (CAGR) of 11.1%, reaching over \$5.3 billion by 2023, with a growth rate of 7.4% expected in the current year. Strong consumer demand and new product offerings will continue to drive growth for the industry. Americans will continue to increase coffee consumption and RTD coffee beverages will capture a larger share of the coffee market as the modern on-the-go lifestyle resumes.



MINTEL also reported that RTD coffee is the fastest growing segment of the coffee industry. Additionally, Gen Z and Millennials were noted to be the most receptive to the RTD industry. These groups are more receptive to embrace RTD coffee options because of their

preferences for convenience and quality. We will still be targeting the audience of people on the go; however, this information will help us be able to segment publics that will be more receptive to our product in the beginning. Leveraging these specific demographics will give us a strong foothold in the market and set us up for broader market penetration as we continue to expand.

### **Addressable Market & Target Consumer:**

Our addressable market is people, specifically coffee drinkers, on the go. Whether it be busy parents with no extra hands or an avid outdoor enthusiast. GOJO takes the convenience of RTD coffee to the next level with the innovative technology of our portable, insulated, and leak-proof pouch.

GOJO seeks to target any coffee drinker living a busy lifestyle. GoJo aims to differentiate itself with the versatility and ease of its packaging. Traditional coffee cups are unsealable and easily damaged requiring an extra hand. GOJO's focus is to take away the spills and allow people to bring coffee on the go, whether it be throwing it in a backpack or pocket. Our target consumer varies from the outdoor enthusiast to a busy parent.

### **Customer Profile:**

A busy mom with a few kids who is always on the go and loves being outdoors with her family. She manages a demanding work schedule while maintaining an active family. She also values keeping her family nourished and hydrated during outdoor activities without the hassle. She seeks products that enhance her family's outdoor experiences by offering convenience, reliability, and quality.

### **Segmentation:**

One of our main segmentations is Gen Z and young consumers who prefer cold-flavored coffee. This preference is a key growth opportunity as Gen Z is reaching into their twenties, making them a prime consumer for our product as they enter adulthood. 31% of millennials and 29% of Gen Z claim to be trying new coffee drinks more often when surveyed, making our product have a significant entry point.

**Sales Cycle:**

We are predicting our sales cycle to be generally even throughout the year as coffee is consumed year round. However, there is a possibility of having peaks in late spring and mid-winter due to outdoor activities. We see these as two large points in the year when people would most likely be pushed to buy our product. Late spring brings warm weather and causes people to engage more in outdoor activities like hiking or camping. In this time our product will be an attractive product for active people to enjoy coffee while on the move. Similarly, mid-winter coincides with the height of the ski season and other winter sports. Our product would be a compelling choice for consumers seeking an insulated, leak proof coffee that fits comfortably in a ski jacket pocket.

**Marketing Plan****Channel Strategy:**

GOJO will be sold on our company website. This channel makes the most sense for us as it saves a significant amount of costs for a start-up brand. Not only will we be able to allocate these funds elsewhere, but we also will have more control and insights into buying behaviors with access to all website information.

**Message:**

Our message to the consumer is that GOJO solves all the on-the-go coffee problems. We will heavily advertise on social media, doing influencer marketing and getting our name out there. When busy mom influencers or sponsored athletes are seen with our product, people will become curious and want to try out our product. We recognize being an online company that purchasing will be a big decision for consumers as they will not have instant gratification like buying in a store provides. Our website will be easily accessible and visually appealing, making GOJO appear as a lighthearted, fun, and young company to the consumer. Due to the limited options of coffee flavors, we are seeking to personalize the experience by making the website

interactive with a “Find your Match” coffee quiz, and a discount popup for 10% off their first order when they enter an email address.

### **Costs:**

We will be running ads on multiple social media platforms as well as boosting our posts from company accounts. We will partner with influencers to try and promote our product which will boost shared media and word of mouth. Additionally, we will be discounting 10% off on first orders on the website if the customers type in their email address. The cost of an ad ranges differently depending on the platform.

### **Pricing:**

Our pricing model competes with traditional coffee shops such as Starbucks, settling at the price of \$5.99 per pouch. Although this is on the higher end of costs, a Venti Starbucks cold brew with milk and flavoring is anywhere between \$6.50 and \$7.00.

- Examples: asset sale, membership, license, usage, etc.

We chose this method of pricing because we are focusing on making our product accessible to everyone while maintaining profit within our company. We hope to expand to a larger variety of flavors, milk options, and sizes as we grow as a company.

Our main market is going to be people with disposable income as GOJO is a convenience product. We recognize that people with a tighter budget are less likely to be spending an extra few dollars for a pouch versus making coffee at home, however, those who with a busy lifestyle and or enjoy the outdoors will be willing to pay the higher-end pricing to have the accessibility of bringing their coffee with them without worry.

### **Sales:**

The buying decision process being an online brand is a trickier purchase process than in-store. The process of getting consumers to go to the website on their own, enter the product in the cart, and purchase it is a more difficult process than the instant gratification of buying something in a store, making purchasing habits and incentives important insights for us as a team. Market research shows that people on the go tend to purchase more items online due to the

convenience of products being at your doorstep in a few days. This aligns well with our target market as it will be easier to persuade our consumers to purchase.

### **The Opportunity:**

The chance of being a top competitor in the coffee industry has significantly changed in the past few decades. The top coffee brands, such as Starbucks, Dunkin' Donuts, and Tim Hortons have dominated the coffee market nationwide, producing anything from a hot coffee to a traditional breakfast sandwich. The main issue with these coffee companies is that there is not an adept solution for people on the go, and are in need of a coffee that can go with them wherever life takes them. GOJO is seeking the opportunity to fulfill caffeine desires with a portable coffee product that is anti spill, insulated and shrinks in size through consumption, allowing people to store their empty pouch in their pocket or bag as if nothing was there.

At GOJO, we understand consumers and have experienced the struggle of not having access to a coffee or having to lug around a large thermos to fulfill our caffeine fix. GOJO has solved this problem by partnering with the reputable coffee brand Folgers, providing a portable 16 oz cold-brewed coffee. This product is targeted to our on-the-go people who need their coffee fix when they are hiking, camping, skiing, rock climbing, on a road trip, or are simply late for work. GOJO offers a freezable coffee pouch that can be folded up to a paper-thin size in the user's pocket after usage, providing an ease in storing and disposing of coffee. GOJO offers coffee drinkers a high-quality beverage that is affordable and purchasable online, removing the hassle of having to find a coffee shop to purchase an expensive, space-consuming beverage. The coffee pouch will be priced around \$5.99, which gives us a reasonable profit margin and a low price compared to other coffee shops, considering the value of our product. Lastly, GOJO only offers products directly through the company's website, so we will limit expenses by not having a storefront or hiring a crew to sell product.

We realize that coffee consumption has been the same for years and people do not love to change their habits. People have become accustomed to drinking coffee made by reputable brands at home, in a coffee shop, and or transporting using a thermos. GOJO plans to demonstrate the effectiveness of having an on-the-go coffee product to help consumers recognize a more efficient way to have their coffee. We are not a reputable brand yet and sourcing our



beans from Folgers, so we will need to be creative in marketing our product to Starbucks and Dunkin' Donuts coffee drinkers. Moreover, our coffee product is only offered in the cold-brew form, which could be a potential problem if hot coffee drinkers are unwilling to switch to a cold brew. We are hoping that offering a more portable option could attract hot coffee drinkers, even though it is cold brew. Another weakness of our product is the limited number of flavors available for our product. Since we are a startup company and have limited funds, we will only be able to produce one flavor of coffee, which will not meet the demands of every coffee drinker. Lastly, since we will only be offering GOJO products online, it will be difficult to market to customer groups that do not shop online.

GOJO offers a product that is partnered with a high-quality coffee brand, which will be effective in giving us access to a strong customer base. Folgers will be able to advertise our product, showcasing their coffee beans in our product to benefit each party. There is also an opportunity to serve people who are regular caffeine drinkers who have an issue with disposing of their drinks. If our coffee pouch becomes a hit, we could potentially partner with tea, soda, and energy drink companies to offer a pouch so that non-coffee drinkers can have their caffeine fix skiing, rock climbing, on road trips, and more. There is also an opportunity to craft a package designed to make our coffee hot instantly. If we were able to figure out a product design to create hot drinks instantly while on the go, we could market this to other companies and brands to partner with.

The coffee market is highly competitive and could be peaking as a market in the coming years. There are multiple coffee companies with a strong customer base that are attempting to monopolize the market, making it more difficult to enter this market. The number of competitors could lead to GOJO having to fight for a share in the market by offering a low-priced coffee to give people incentive to buy our product. Another issue with entering the market with our coffee pouch is the chance of a top competitor such as Starbucks, copying our design and mass-producing the product. This could lead to a potential downfall because Starbucks sources its own coffee beans and has packaging partners, which would allow them to create a more cost-efficient product. Lastly, the products being used for healthier lifestyles could be a threat if people decide to stop drinking coffee regularly, leading to the market shrinking in size.

### **Our Operations Plan:**

## **Production Process**

The production of our coffee pouches begins with the use of two industrial coffee makers, continuously brewing large batches of hot or cold-brewed coffee. These machines, though efficient, must be operated correctly and maintained regularly in early phases of production to prevent the chance of incapability to produce. Though these machines produce more than enough for our early leads, acquiring another should cause no problem, as lightly used examples sell for very little. Following the brewing process, the coffee is then sent to be flavored with consistent delicious recipes that have all coffee drinkers covered. After flavoring, the coffee pouches are moved to a packaging area where the coffee is funneled labeled pouches. Consistent quality control will ensure that each pouch is properly sealed to prevent the escape of any heat or coolness.

## **Location**

To begin, GoJo's corporate office and production center will be housed in our CEO's home. To house surplus supplies/products, a large, indoor storage unit will be rented. Between these two locations, there will be enough space to efficiently produce our product, while the consistent close proximity to the CEO ensures up to date analytics once the operation is off the ground. While we haven't yet accounted for a physical commercial office space in our financials, overachieving our growth goals as time goes by will allow for greater discussion pertaining to this. As of right now, administrative roles will either be completed remotely or within the home of the CEO. Addition of new production team members may crowd the workspace within the home, but with very few unique necessary materials, movement to a larger space within the home shouldn't cause much trouble initially.

## **Workforce**

While the CEO will serve as the sole management for the first six months, the production team will consist of two full-time workers for the first 2 months, quickly rising to 3 in the third. By the second year of production, GoJo is projected to require 5 full-time production employees to meet product demand. Understanding that excessive product surplus potentially negatively

impacts the quality of our goods and general profits, we've committed to monitoring production capacity, and only hiring additional employees when the surplus is too low.

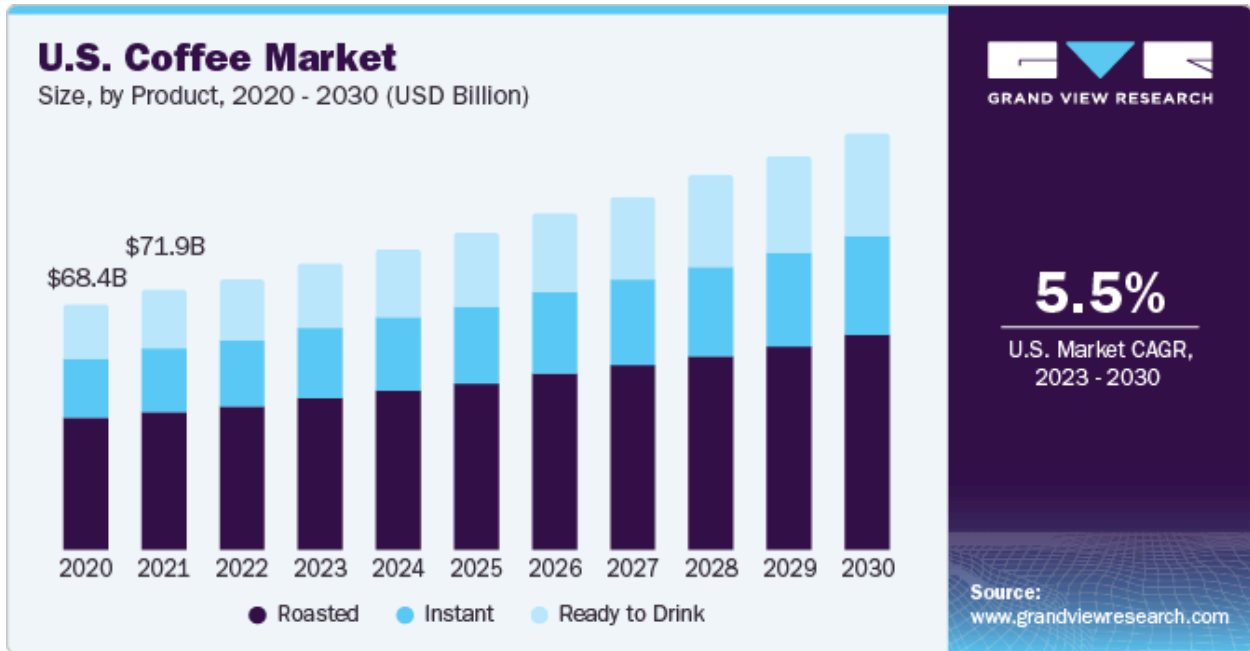
### **Distribution**

Given that GoJo will first exclusively be sold online until reaching further brand awareness, we will focus heavily on providing a user-friendly, efficient online platform and supply chain. The capability to handle high traffic, large transaction amounts, and shipments needed to be sent quickly are our main priorities concerning our initial main platform, as well as of course, our customer's right to privacy and online safety. After launching our e-commerce platform, we will explore partnerships with outdoor events and facilities like gyms, ski resorts, and park centers that are frequented by our target demographic.

### **Finance Overview:**

The financial model is a key aspect in developing a profitable business in a competitive market. GOJO has to compete with large corporations that have been in the coffee industry for years, making the manufacturing and pricing of the product the most important part in gathering a customer base. The financial model for GOJO consists of fixed costs, dynamic costs, startup costs, unit economics of production, marketing assumptions, operating assumptions, income statements, and personnel employees.

When measuring if GOJO could penetrate the coffee industry, we discovered that the coffee market size is estimated to be about \$461.25 billion. This is a penetrable market with a large enough profit margin for mass competition in coffee production. Moreover, Grand View Research analyzed data based on recent trends to predict a 5.5% increase in the coffee market by 2030. The visualization illustrates that roasted, instant, and ready-to-drink coffee will continue to increase, giving us a strong incentive to sell GOJO coffee.



After thorough research into our startup costs, we were quite pleased with the results. Our initial startup costs consisted of a storage space deposit, a website deposit to obtain full rights, and two industrial coffee makers, which totaled out to \$1,816. The fixed costs are the monthly costs of renting the storage space and website, which totaled out to \$220/month. The dynamic costs are based on the cost of goods sold, which is shown in the table below, showing a cheap, profitable coffee product. The pouches will be individually sold at \$5.99 each, and we expect to

sell up to 6,500 in the first month of business.

The next part of our business is GOJO's website

Unit Economics: Cost of one coffee pouch				
	Quantity	Total Cost	Cost Unit	Cost per Pouch (16 oz)
Pouch	500.00	\$250/500 pouches	\$0.50	\$0.50
Coffee (2 cups)	1,000.00	\$5.12/lb	\$0.27	\$0.54
Milk (6oz/cup)	500.00	\$4.03/gallon	\$0.19	\$0.38
Flavoring (1oz/cup)	500.00	\$10.99/25.4oz	\$0.26	\$0.52
Package Label	500.00	\$237/500 labels	\$0.47	\$0.47
			<b>Cost of Pouch, Excluding Labor:</b>	\$2.41
			<b>Cost of Labor/Pouch:</b>	\$0.66
			<b>Final Cost / Pouch:</b>	\$3.07
			<b>Min Price per Pouch:</b>	\$4.45
			<b>Price per pouch:</b>	\$6.00

activity, which is reflected in the income statement. We did thorough research on the traffic of small business websites and determined the awareness, interest, decision, and action of GOJO customers based on this and the value of our product. Through plugging in our data into formulas, we found that our total coffee pouches sold per month will be over ten thousand pouches within the first six months, resulting in a gross profit of \$45,883.80/month for the first year. We are looking to increase the gross revenue substantially by making decisions on where we can add/remove specific costs.

GOJO will be considered a strong competitor in the coffee industry and will need to have an outstanding staff, requiring salary costs. The first employees at GOJO will include the CEO, the Production Team, and the Sales Team for the first month to hit the ground running and not spend too much money. In the sixth month, we will hire a CFO and Marketing Director, which will allow us to keep our financials in check, as well as target the correct customer segment. Following these hires, we will hire a Head of Sales and COO in the first month of the next year, which will help us increase our website sales, along with keeping employees in check. Our salary cost per month will be roughly \$20,000/month initially and will top out at around \$50,000/month once we have hired our full staff.

The next step of our business is figuring out how to maintain a strong staff while having a profitable business at the same time. While we manage to reach an operating profit by Month 2, each additional hire decreases this profit, with it taking months to reach initial monthly operating profit numbers. The following steps at GOJO could be: should we hire fewer people, should we get a bigger manufacturing site to produce more goods, should we sell in-store products, should we decrease our cost of goods, should we mass produce our product?

## **TEAM**

GOJO is known for standing out from the competition. At GOJO, our team's foundation is a group of five individuals, all bringing unique experiences to the table. The founders of GOJO each have a vital part in our company operations and leadership roles, ensuring that as the company grows, our founders are staying true to the company values we pride ourselves on.

Our CEO, Emma O'Donovan, was born and raised in Boston where she lived a very busy and active lifestyle. When moving to Colorado, Emma began spending more time outdoors and

noticed a repeating problem; she could not bring a coffee with her everywhere she wanted to. When presented with this issue, Emma thought of GOJO to be the perfect solution. Upon this product, Emma found her team and they quickly became key to the success of the company.

Matthew Keane fell into the COO position, harnessing his talent for operation functions and leadership. An avid coffee drinker, Matthew is passionate about the success of GOJO as he sees it as a perfect solution for so many people on the go. In company with Matthew Keane, our CPO, Emma Cooper, specializes in GOJO's production and product. Emma and Matthew work together to ensure our product is produced to the highest standards and exceeds customer expectations. Emma Cooper plans to live a busy life and spend ample time outdoors, while bringing GOJO along with her on all her on-the-go adventures.

With Emma and Matt working on product and operations, our finance expert Sunny Rahman does an exceptional job organizing and planning the financials of our company. As a runner, Sunny knows how important convenience and ease are in a product when living the busiest of lifestyles, making him a perfect add-on to our team. Finally, our well-rounded team comes to a close with Cristina Kuta, our Marketing director. Cristina focuses on customer experience, ensuring that GOJO will be a well-known name in the coffee industry. Her marketing experience and creative mind has given us a leg up in the industry, allowing us to create a name for ourselves early on in our journey.

## **Conclusion**

GOJO has introduced a solution to the issues that traditional coffee cups present, allowing people to bring coffee wherever they may go. Our leakproof, insulated and durable technology gives people the freedom to remove the worry from your day-to-day life. A busy day does not have the flexibility to be cleaning up coffee stains, or forgoing coffee because it is a hassle to transport.

Our research shows that many people are looking for a solution that allows them to bring coffee with them skiing, hiking, or simply being able to throw it in a bag or pocket without a worry. GOJO aims to serve the on-the-go public by creating a perfect coffee experience for a busy and active lifestyle.

Within our team, we have revised our product with feedback from market research, interviews, and surveys over the past few months. Our market research has shown that people

want more accessibility and portability to coffee, without sacrificing taste or quality. We recognize that coffee consumption has been similar for years and people do not love to change their habits, and are accustomed to drinking coffee made by reputable brands at home or via a coffee shop. GOJO plans to demonstrate the effectiveness of having an on-the-go coffee product to help consumers recognize a more efficient and accessible way to have their coffee wherever. Creating GOJO solved a personal problem for all members of our team, and we want to share this with the world, increasing the quality of their coffee drinking experience. Our company goal is to revolutionize the coffee industry and enhance people's ability to bring coffee with them everywhere.

## **Appendices:**

Discovery Interviews:

Interview 1:

Nik Orlov

- He drinks coffee regularly
- Does not bring coffee on outdoor activities
- Drinks his coffee before leaving the house
- He wishes he had better accessibility to coffee when he needs to walk somewhere in a rush
- Not extremely open to new ways of consuming coffee but could be interested if it enhanced his routine and made it easier

#### Interview 2:

Derek Metzbower

- Has been drinking coffee everyday since highschool
- Does not bring coffee with him to outdoor activities, prefers electrolyte beverages
- Drinks coffee at home, never intends on bringing it with him when leaving the house
- On the rare occasion he does bring coffee out with him, he usually spills it
- He wishes he had a better way to bring warm coffee with him on cold walks to class
- Interested in new ways to consume coffee as long as it stays hot.

#### Interview 3:

Baker Dill

- Drinks coffee multiple times a day
- Brings coffee to outdoor activities; has it wherever he goes
- When he can't bring coffee somewhere it kills his day
- He wishes he had more accessibility to coffee on campus
- Is very open to trying a new way to carry coffee and would love it if it tastes good and can bring it anywhere.

#### Interview 4:

Daniela Kuta

- Drinks a cup of coffee everyday
- Finds herself spilling coffee often because she is clumsy
- Does not bring coffee on outdoor activities
- Prefers to drink starbucks but brand reputation isn't very important to her when making purchasing decisions
- Wishes she had more accessibility to coffee on trips to bring with her
- Says she often has to forego enjoying coffee because of the inconvenience of carrying a traditional cup
- Open to trying new coffee products and innovations that would make life easier

#### Interview 5:



## Amelia

- Drinks a cup of coffee everyday
- Doesn't drink any particular brand of coffee; brand recognition or reputation doesn't really influence her purchasing decisions
- Wishes that she could easily bring coffee with her on the way to the office and on morning walks
- Has had to forego enjoying coffee in the car because of the inconvenience of carrying a traditional cup
- Open to trying new coffee products and innovations

## Interview 6:

### Annaluisa

- Consumes coffee once or twice a day
- Wishes that she could have easier access to coffee while on the way to work, outdoor activities, attending meetings and classes, and traveling
- Has to forego enjoying/bringing coffee with her when she is carrying a lot of items or when the lid isn't secure enough
- Enjoys coffee brands that have consistency in taste, ethical sourcing practices, and friendly customer service
- Brand reputation and recognition is somewhat important to her but she prioritizes taste and experience over brand recognition.
- Open to trying new coffee products and innovations

## Interview 7:

### Flavia Kuta

- Drinks coffee once or twice in the morning; sometimes four times a day
- Does not have a specific brand loyalty but likes to drink columbian or brazilian coffee; does not give her acid reflux
- Open to trying new coffee products and innovations but doesn't like cold coffee
- She wishes that hot coffee options were more accessible; finds that cold coffee options are the only widespread

Interview 8:

Anna Dinescu

- Drinks coffee 3 times a week
- Brand recognition and reputation is not important, drinks whatever coffee is readily available
- Brings coffee to class in a thermos, thinks its convenient
- Has to forego traditional coffee cup while being active due to spilling and inconvenience of carrying
- She is open to trying new coffee products and innovations

Interview 9:

Tilly Musser

- Drinks coffee everyday, multiple times a day
- Usually makes coffee at home but brings it out of the house in a thermos
- She hates her thermos; heavy and annoying to carry
- Has no brand loyalty, drinks whatever coffee is in the house or in closest cafe
- Wishes she could more easily bring coffee with her while being active outside
- Has to forego bringing coffee on her morning runs or hikes because she will spill
- Is very open to trying new coffee products and innovations to consume coffee easier

Interview 10:

Kendall Hartman

- Drinks coffee about 3 times a week
- Usually gets coffee from starbucks but isn't tied down to that specific brand
- On the-go she will usually spill her coffee or have to take extra effort not to spill it
- She wishes she could easily bring coffee with her on the way to work.
- Has to forego bringing coffee with her on errands and on the way to work
- Would be open to trying a new coffee product or innovation as long as it would make her life easier and be relatively cheap

## Framing Interviews:

### Interview 1:

Mark

- Says he would use our product three or four times a week
- Hates traditional to-go cups because they spill
- Highly likely to buy a GOJO product
- If it is not reusable would purchase for \$2; if its reusable would pay \$9.99

### Interview 2:

Pedro

- Wishes for a convenient coffee solution four days a week going to work
- Concerned that if the pouch is squeezed while open that the coffee will fly out
- Would pay maximum \$20 if reusable and \$5 if not reusable
- Suggestions to make it reusable, and 15-20oz

### Interview 3:

Christopher Kulis

- Says he would use our product while camping or on the way to work
- Highly likely to use a GOJO product but not really on a weekly basis
- Would pay \$10 if it was reusable and \$5 if it was not reusable
- Suggestions to make smaller and bigger sizes

### Interview 4:

John Schimmel

- Drinks coffee everyday in the morning
- Unlikely to use a GOJO product for his everyday life but would consider it for travel or camping
- Would pay \$10 for reusable and \$4 for non reusable
- Suggestions to make the coffee hot

- Asks if there's room to pour in whiskey

#### Interview 5:

Stacy

- Drinks coffee multiple times per day
- Would implement GOJO in her daily life; morning runs
- Concerns about ingredients going bad
- Questions about how many options available, she is picky with flavor
- Would pay \$5 for the product

#### Interview 6:

Jack Egbert

- Does a lot of backcountry skiing
- Would bring it with him camping, hiking
- Would be \$7 for the coffee simply for accessibility
- 

#### Interview 7:

Hannah Hill

- Drinks coffee multiple times per day at home
- Would use GOJO frequently if coffee remained hot
- Says it seems like a great product to throw into her tote and go
- She would pay \$15 maximum for the product

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