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MARKETING PLAN: CHAMBERS CAFÉ

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Marketing Plan of Chambers Café





INDEX

A. INDEX OF ILLUSTRATION 5

B. INDEX OF GRAPHICS 5

C. INDEX OF IMAGES 5

D. INDEX OF TABLES 6

1. EXECUTIVE OVERVIEW 7

2. PRESENTATION OF THE BUSINESS 8

3. ANALYSIS OF THE SITUATION..... 9

 3.1. Internal analysis 9

 3.1.1. Administrative and organizational analysis 9

 3.1.2. Resources of the business..... 10

 3.1.2.1. Human resources..... 10

 3.1.2.2. Tangible resources 10

 3.1.3. Marketing Mix..... 15

 3.2. External analysis 19

 3.2.1. Macroenvironment 19

 3.2.1.1. Pestel..... 19

 3.2.2. Microenvironment 27

 3.2.2.1. Porter 27

 3.3. Market analysis 30

 3.3.1. Sector analysis..... 30

 3.3.2. Consumers' analysis 31

 3.4. Analysis of the competence 32

 3.4.1. Levels of competence 32

 3.4.2. Principal competitors..... 34

 3.4.3 Overview table of competitors..... 37



4. MARKET SEGMENTATION	38
5. POSITION	40
6. SWOT ANALYSIS	41
7. OBJETIVES.....	44
8. STRATEGIES.....	44
8.1. Growth strategies	45
8.2. Competitive strategies.....	45
8.3. Competitive advantage of the strategy.....	45
8.4. Segmentation strategy	45
9. ACTION PLANS	46
9.1. Product decision.....	46
9.2. Price decisions	51
9.3. Distribution decision	53
9.4. Comunication decision	55
10. TIMETABLE, BUDGET AND CONTROL.....	60
10.1. Timetable	60
10.2. Budget.....	61
10.3. Control	62
11. BIBLIOGRAPHY.....	64



A. FIGURES' INDEX

Figure 1: Product lines	16
Figure 2: Price ranges.....	17
Figure 3: Chambers distribution	18
Figure 4: Porter's five forces model	27
Figure 5: Levels of competence	33
Figure 6: Positioning map	40

B. GRAPHICS' INDEX

Graphic 1: Revenue by product line.....	16
Graphic 2: Evolution in % of citizen confidence in the institutions of the political system (2012-2016)	20
Graphic 3: Rate of poverty risk by autonomous communities 2015	21
Graphic 4: Evolution in % of citizen confidence in the institutions of the economic system (2012-2016).....	22
Graphic 5: Affiliated workers S.S. Years 2015-2016 (%)	23
Graphic 6: Final consumption expenditure of households by consumption purpose (million euros)	25

C. IMAGES' INDEX

Image 1: Bar area	14
Image 2: Living area	14
Image 3: Terrace area	15
Image 4: Logotype Chambers Cafe	19
Image 5: Logotype Antic	34
Image 6: Logotype Tubo.....	35
Image 7: Logotype Muralla	36



Image 8: Logotype Papi.....	36
Image 9: Examples of new experiences	48
Image 10: Examples of thematic scenes	50
Image 11: Examples of promotional prices	52
Image 12: Examples of home delivery	54
Image 13: Examples of postings on social networks	57

D. TABLE OF CONTENTS

Table 1: Financial forecast 2008.....	13
Table 2: Average expenditure per household by expenditure group 2015. 31	
Table 3: Summary table of competition.....	37
Table 4: Summary of the action plans	58
Table 5: Timetable	60
Table 6: Budget	62
Table 7: Control	63



1. EXECUTIVE OVERVIEW

This work is a marketing plan of the Chambers Café bar and its main objective is, like any other marketing plan, to implement actions in the business in order to achieve the proposed objectives and then to make the business improve progressively, achieving success and continuing to compete in the market.

In order to carry out this marketing plan, an analysis of the internal and external situation is carried out. In the internal analysis, we will know the company data such as: its mission, vision, resources, financing, structure, etc. More specifically, it is analyzed that Chambers Café is a place that opened its doors in March 2009 set in an English coffee-bar. It has a variety and good quality of products and drinks in its menu. In the external analysis, a detailed analysis of the catering sector is observed through the factors Pestel and the 5 competitive forces of Porter. In addition, it is going to be observed a market analysis and an analysis of competition. Through these analyzes, it is discovered that the hostelry sector is quite powerful despite the adversities it has had to overcome during the economic crisis of 2008. Thus, it presents a great heterogeneity due to the diversity of professionals and services that Encompasses.

After this, the segmentation of the market is examined in detail in order to be able to understand correctly its target market. Positioning is also carried out in order to know the place of the business in the consumers' mind. Then, a SWOT analysis is carried out to adapt the establishment to the current situation, using its strengths and opportunities and facing their weaknesses and threats in the best possible way.

In this study you can find the goals set for improving the business and the strategies the business performs in front of its competitors to try to achieve a superior efficiency.

Once all this has been done, the next step is to develop the different actions that the company has to carry out to meet the established objectives. These actions are based on product, price, distribution and communication. In addition, the schedule, the necessary budget and the control are established for such actions.



2. BUSINESS PRESENTATION

Chambers café is the business chosen for doing this marketing plan. *Chambers Café* was opened on March 2009 with the purpose of introducing fresh air in the catering sector of the zone. It is situated in Almenara, in the province of Castellón, concretely in the 4 Estación Street.

The establishment is set in the English coffee-bar, which offers service from the morning until at night. In addition, it offers service of breakfast, lunch, meals, dinners, coffees and drinks. It also includes its own outdoor parking and free Wi-Fi for its customers. It receives its clients with previous reservation or without reservation, having priority with the ones who have reservation. The place is suitable for groups, ideal for children, it offers take-away service, as well as a good service of experienced staff and it has a big terrace.

The owner, Vicente Vivas Torres who is 35 years old, has a lot of previous experience in the sector and also he has some marketing skills beneficial to his business. He has the Higher Degree of Marketing, which has allowed him to detect great weaknesses and strengths of the sector and to know how to promote them. In terms of his experience, he has worked in big hotels in Valencia such as the Meliá, Rey Don Jaime, Cadena Hotusa and Gran Valencia, performing the work of waiter, head waiter or meter. In addition, he has worked in hotels abroad, specifically in England.

Chambers Café aims to combine a traditional menu with an air of new trends and freshness with innovative drinks that makes the customer feel comfortable. It also aims to recreate moments of fun at an affordable price to all budgets. On the other hand, it should be noted that the place is located in an area of pedestrian and vehicle pass, since it is an area where new buildings are being built. Apart from this, it is close to the only supermarket with the largest dimension of the town: *Consum*.

Taking everything into account, its mission, view and values are:

- **Mission:** Provide an attractive place with extended hours and good atmosphere, offering a cheerful and fun setting combined with a great gastronomic service that will make you repeat the experience at more than reasonable prices.



- View: Being a leader in the sector at the local level, achieving the complete satisfaction of the clients due to the differentiation offered in the area together with the unique decoration that it presents, thus encouraging to repeat the experience and in turn to promote publicity.

- Values:
 - Maximum respect and empathy for clients and employees
 - Care and hygiene of all the facilities to create a pleasant place for customers
 - Honesty in the established prices for all types of public
 - Full dedication for the prosperity of the business.

3. ANALYSIS OF THE SITUATION

3.1. Internal analysis

3.1.1. Administrative and organizational structure

The organising structure of this local corresponds with the following terms specialization, centralization in two controls and formalization. Focusing on the specialization, it corresponds with the division of the tasks of each job function performed by the workers. According to this local, Chambers, the tasks are divided into kitchen service and catering service, which is divided into table service and bar service. In each of these services, you can find two or more persons who are specialised in performing these tasks.

With regard to the centralization level it can be said that the decision-making lies in one point of the organizations. In this case, the decision-making it is divide into two points: the decisions on the hostelry service, which under the owner of the local, and the decisions around the kitchen service, where Kassia, the owner's wife, is in charge of.

In respect of the formalization, this has to do with how the job posts are organised. In the case of the Chambers, the positions in the different areas of the bar are quite limited.



3.1.2. Resources of the company

3.1.2.1. Human resources

Stopping at the human resources, this business has six workers, as it has been mentioned previously, divided into two areas: the kitchen and the waiters. In the kitchen there are three people: the owner's wife and two more cooks. The working day of the owner's wife is in the morning preparing the breakfast, then the snacks, the lunch and in the evening. Then, another cook serves the dinners. At the weekend there are three cooks since there is a greater number of diners.

In the hostelry sector, there are the three remaining workers, including the owner, Vicente Vivas. This makes its workday from the mid-morning to the closing and, with respect to the rest of the waiters, one of them serves as an inter-weekly reinforcement and on Fridays, Saturdays and Sundays all the sectors are occupied by the proper staff.

3.1.2.2. Recursos tangibles

Financial resources

Firstly, it should be noted that, although the below information provided is from the owner's part, some of it is estimated.

The initial investment to start the activity was 120,000 euros, requesting 175,000 euros from the *Santander* bank through a mortgage to cope with the initial investment and contingencies that could arise. This capital was necessary to begin to carry out all the construction, the design of the establishment, to acquire all the necessary utensils for a local of these characteristics or to assume all the expenses of the administration service.

In addition to these expenses, there are also others corresponding to the development of the exercise, divided between fixed and variable expenses.

Fixed costs are those that the owner has to pay regardless of the volume of sales he has in his business. In this case, they range between 10,720 euros per month. As for the monthly expenses, among them the rent of the local is not included as it is the owner's property.

- Freelancers: 800 euros
- Social security: 400 euros
- Consultancy: 180 euros



- Wage: 6000 euros
- Insurances: 100 euros
- Sanitation: 25 euros
- Light: 1200 euros
- Water: 130 euros
- PITL: 200 euros
- VAT: 200 euros
- Maintenance: 50 euros
- Finance expenses: 60 euros
- Loans: 1300 euros.
- Publicity: 25 euros.
- Others: 50 euros

Variable expenses are those that are directly related to the sales of the business. This case oscillates between 8,280 euros. Corresponding to the following monthly expenses:

- Cleaning: 80 euros
- Unforeseen: 200 euros
- Supplies: 8000 euros

As for revenues, it should be noted that there are two blocks: revenue generated from Tuesday to Thursday and revenues generated in Friday, Saturday and Sunday. There is a big difference between both of them because of the amount of sales generated. Monday is excluded because it is the staff day off.

From Tuesday to Thursday the income comes mainly from breakfasts, lunches, coffee, infusions and refreshments throughout the day. These revenues range from a total of 3,000 euros a week, then 12,000 euros a month. On the other hand, on Friday, Saturday and Sunday abound more dinners, savouries and alcoholic beverages and what is highlighted in the first block increases. In this case, the income oscillates around 3,500 euros a week, and then 14,000 euros a month.

With all this information, the total monthly income is 26,000 euros and the total expenses are 19,000 euros, obtaining 7,000 euros of full benefit at the end of each month.

Down below is the financial forecast that was made in 2008 for the local opening. In this case, variable costs are observed that were not yet verified to be part of fixed



expenses, such as light, water or sanitation costs. However, these expenses were previously consulted to their respective managers. In terms of income, these were fully predicted from a previously conducted study.

Marketing Plan of Chambers Café



Table 1: Financial forecast 2008

	ENERO	FEBRERO	MARZO	ABRIL	MAYO	JUNIO	JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE
PREVISION CAJA SIN IVA	8000,00	8000,00	8000,00	8000,00	8000,00	9000,00	9000,00	9000,00	9000,00	9000,00	9000,00	9000,00
TOTAL INGRESOS	8000,00	8000,00	8000,00	8000,00	8000,00	9000,00						
AUTONOMOS	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00	400,00
ALQUILER												
SEGURIDAD SOCIAL	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
ASESORIA	180,00	180,00	180,00	180,00	180,00	180,00	180,00	180,00	180,00	180,00	180,00	180,00
SALARIOS	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00
SEGUROS	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00
TOTAL GASTOS FIJOS	2630,00	2630,00	2630,00	2630,00	2630,00	2630,00	2630,00	2630,00	2630,00	2630,00	2630,00	2630,00
PUBLICIDAD												
ALCANTARILLADO, BASURAS	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00
LUZ	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00	300,00
AGUA	25,00	25,00	25,00	25,00	25,00	25,00	25,00	25,00	25,00	25,00	25,00	25,00
IRPF	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00
IVA	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00
MERCADERIAS	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00	2000,00
LIMPIEZA	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00	80,00
MANTENIMIENTO	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00
IMPREVISTOS	200,00	200,00	200,00	200,00	200,00	200,00	200,00	200,00	200,00	200,00	200,00	200,00
VARIOS	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00	50,00
GASTOS FINANCIEROS	60,00	60,00	60,00	60,00	60,00	60,00	60,00	60,00	60,00	60,00	60,00	60,00
PRESTAMO	1300	1300	1300	1300	1300	1300	1300	1300	1300	1300	1300	1300
TOTAL GASTOS VARIABLES	4265,00	4265,00	4265,00	4265,00	4265,00	4265,00	4265,00	4265,00	4265,00	4265,00	4265,00	4265,00
TOTAL GASTOS	6895,00	6895,00	6895,00	6895,00	6895,00	6895,00	6895,00	6895,00	6895,00	6895,00	6895,00	6895,00
ACUMULADO GASTOS	6895,00	13790,00	20685,00	27580,00	34475,00	41370,00	48265,00	55160,00	62055,00	68950,00	75845,00	82740,00
TOTAL INGRESOS AÑO	8000,00	16000,00	24000,00	32000,00	40000,00	49000,00	58000,00	67000,00	76000,00	85000,00	94000,00	103000,00
RESULTADO MES	1105,00	1105,00	1105,00	1105,00	1105,00	2105,00						
ACUMULADO MES	1105,00	2210,00	3315,00	4420,00	5525,00	7630,00	9735,00	11840,00	13945,00	16050,00	18155,00	20260,00

Source: Owner's advice

Physical resources

This business presents 100 profitable square meters, in addition to a fully equipped kitchen with all the necessary appliances and utensils needed to carry out the work. The decoration is very welcoming and striking, with tables, chairs, lamps, etc, which as a whole creates a very pleasant atmosphere. It also offers background music. The place has beers from all over the Amstel group and with lots of alcoholic and soft drinks.

In the establishment there are 3 light zones: lounge area, bar area, and terrace area. In the lounge area tables and chairs predominate for meals, dinners or just take something with good company. In the bar area, there is a wide display of drinks, beer taps, and stools to be able to take something quickly. The terrace area is quite spacious and is fitted with a good insulation and stoves to maintain a warm climate in the area in winter.

Image 1: Bar area



Source: Own elaboration

Image 2: Living area



Source: Own elaboration

Image 3: Terrace area



Source: Own elaboration

Intangible resources

The intangible resources presented by this place are the great innovation and constant changes that are continuously developing with the intention of advancing progressively. It is also interested in maintaining a good quality and differentiation in the environment compared to the rest of the competition. It is worth mentioning the resources in marketing since they are of great value for the business. Now let's analyse the previous resources in marketing.

3.1.3. Marketing Mix

- **PRODUCT**

All the marketed products in the local are fresh and of good quality, in addition it has a storage suitable for each product and with appropriate temperatures.

Chambers café presents a wide variety of products such as coffees, teas, soft drinks, drinks, lunches, dinners, etc. Therefore, it can be said that it has 6 different lines of products:

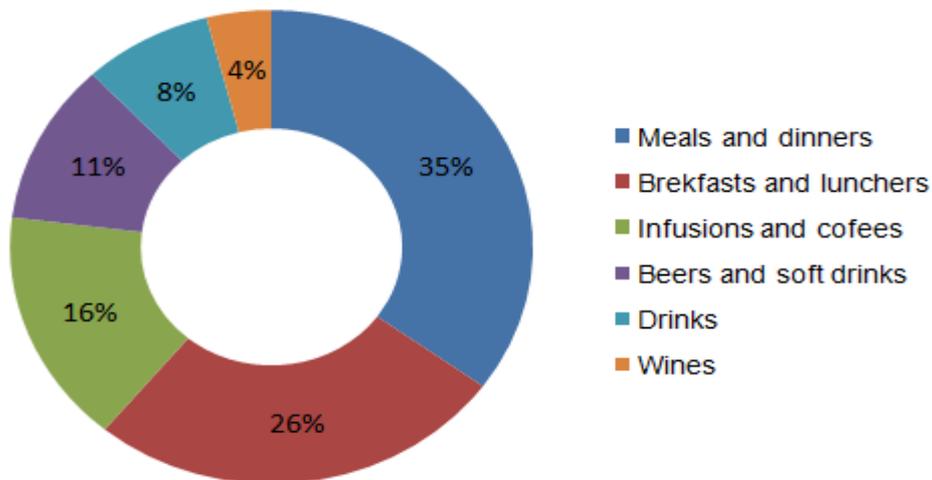
Figure 1: Product lines



Source: Own elaboration

In the chart below it can be shown which product line produces more incomes. The most demanded line is the one of lunches and dinners, predominating more the dinners. Following to these you can find the breakfasts and the lunches in the morning, teas and coffees, beers and soft drinks, drinks and, finally, wine

Graph 1: % Revenue by product line



Source: Own elaboration

- **PRICE**

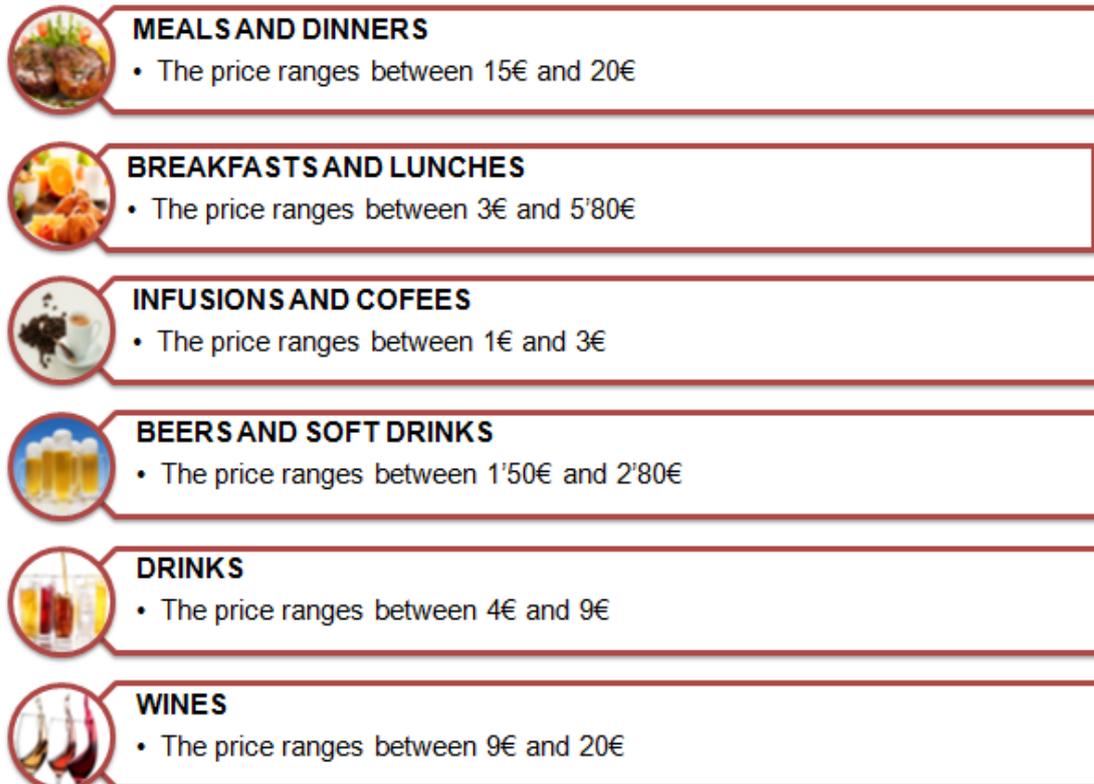
Price is the only element of marketing mix that generates revenue to the company, so it is the easiest element to set in the marketing program. To establish the prices of the different product lines a price tag is used, which is a tool that allows you to know how much the service will cost, at what price a product should be sold and the estimated profits that will be obtained.

In the case of products which need preparation, it is calculated: (cost of product (without VAT) + cost of preparation) * 3

It is calculated for products that do not need preparation: the cost of the product + 40% of the product

The following figure shows the oscillation of the prices according to the corresponding product line.

Figure 2: Price ranges



Source: Own elaboration

- **DISTRIBUTION**

The channel used by this business to receive the merchandise and offer a good service to its customers is the long channel. This is long due to the presence of intermediaries and it is usually identified in the vast majority of consumer products. The owner buys his products, such as beers or soft drinks, from both wholesalers and small local shops to maintain the quality and confidence that these products will not disappoint the consumer.

Figure 3: Chambers distribution



Source: Own elaboration

- **COMMUNICATION**

The source of communication used by this place to make known its service is focused on advertising, merchandising, sponsorship and its appearances in the online world. The publicity comes from the appearance in the book made for the local festival of the town every year. In addition to this this establishment participated in Almenara in the first 'route of the savories' in 2011, which helped to make themselves known. Regarding merchandising, it distributes a mix of products such as t-shirts, pens, lighters and backpacks every year. It is also a sponsor of the local festivals, helping the party organizers and it is also a sponsor of a team of cyclists from a group of neighboring villages. On the other hand, it is present in the online world on its official website: <http://chamberscafe.com/>, besides being registered in websites like *Tripadvisor* or *Yelp*, which offer a wide variety of options, opinions, prices and reservations to help the traveling people to find the place they want. It is also present on social networks specifically on *Facebook*, where the owner announces his new products.

It also presents a new and luminous brand image created by the proprietor himself that, together with the furniture and decoration of the establishment, will generate the vision

that has been achieved for customers: a comfortable place where you can spend a pleasant time. The logo identifies the name of the company and the location in which it is located, being easy to memorize both the name and the logo.

Image 4: Logotype Chambers Cafe



Source: Website Chambers Cafe

3.2. External analysis

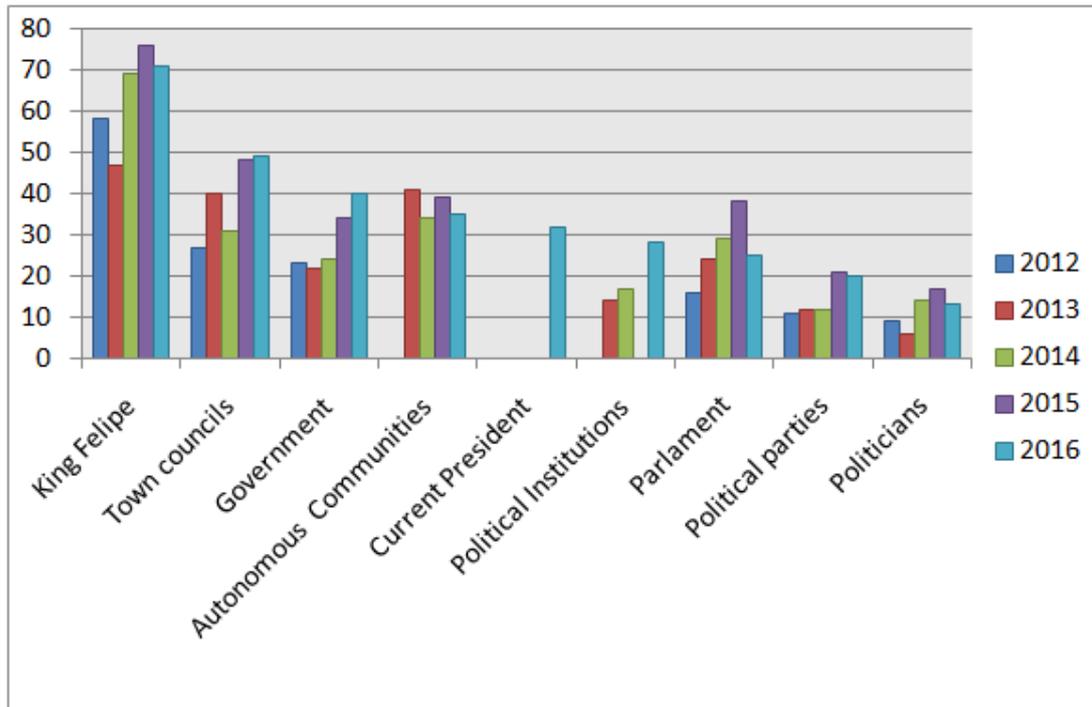
3.2.1. Macroenvironment

3.2.1.1. PESTEL

Political factors

The vast majority of the Spanish population are disappointed with their political situation and then they blame all the members of the different parties. This can be reflected on the Metroscopia survey published on the *El País* newspaper on the 11th September 2016. In that survey we can find that 44% of the Spanish respondents say that the situation is “disappointing and deceptive”. Then, 14% of them defines it as “discomfort or trouble” and others as “indignation” (11%), “tiredness” (7%) or “shyness” (6%). Accordingly, the distrust among the politicians of the country can be felt, as it can be seen on graphic 1 which shows the percentage of distrust that Spanish citizens have about the different institutions of the political system. In this case, the king is the institution with greater confidence while politicians have less confidence.

Graphs 2: Evolution in % of citizen confidence in the institutions of the political system (2012-2016)



Source: Own elaboration Data: Metroscopia

On the other hand, it has to be highlighted two factors which are stressing the distrust among the political factor: the great corruption cases and fraud made by the politicians of the country and also the anxiety of the high existing unemployment rate leading to the wonderful professionals exit to other countries which offer more employment opportunities. Thus, it can be said that the political situation is declining.

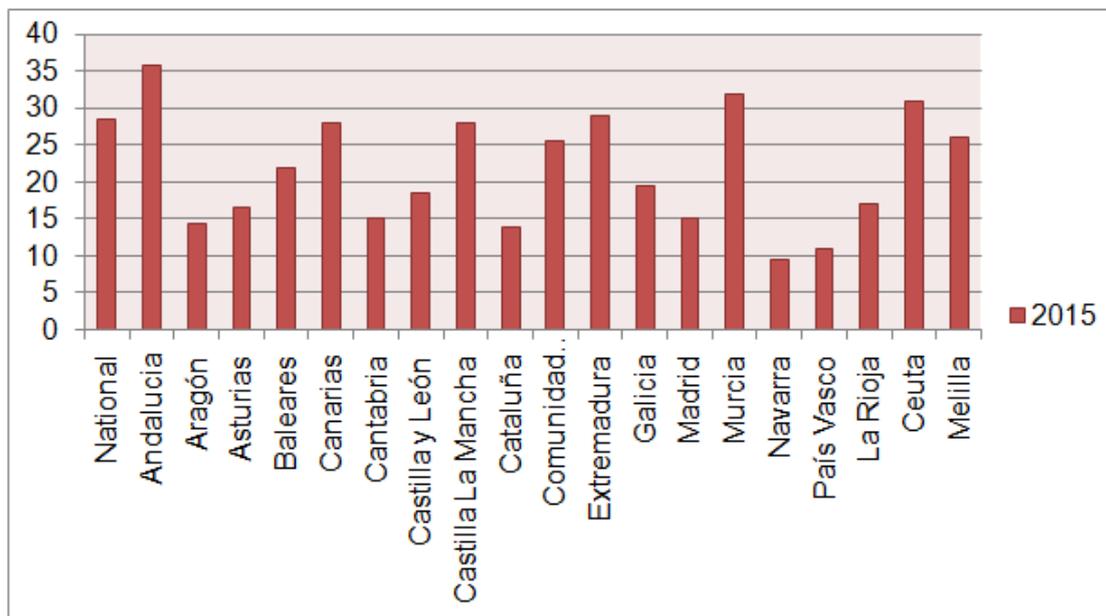
Regarding the Spanish hostelry sector, among others, it is affected by the current deficit due to the sales decrease because of the lack of capital. Moreover, this difficult situation involves a complex measures' implementation on the part of the government to help the sector.

The changes in the labour reform also affect the hostelry sector since it has to fulfil the norms established by the labour world such as minimum salaries, the layoffs, the compensations, the work conditions, etc. In addition, the local regulation of each locality also demands several duties established by the town hall about the security of the zones near the local or about the right facilities for disabled people.

Economic factors

With regard to the economic situation, we can say that it is being pressed by precarious factors like unemployment, corruption, fraud, educational and healthy cuts and even the economic problems. All of them affect negatively the poverty levels of Spain. Although nowadays all the autonomous communities show an increased risk of poverty, according to the income from 2015, Andalucía, Murcia and Ceuta are the communities with the highest insufficiency levels. You can see this reflected on the surveys about living conditions carried out by the INE. These surveys are about the poverty risk over the autonomous communities.

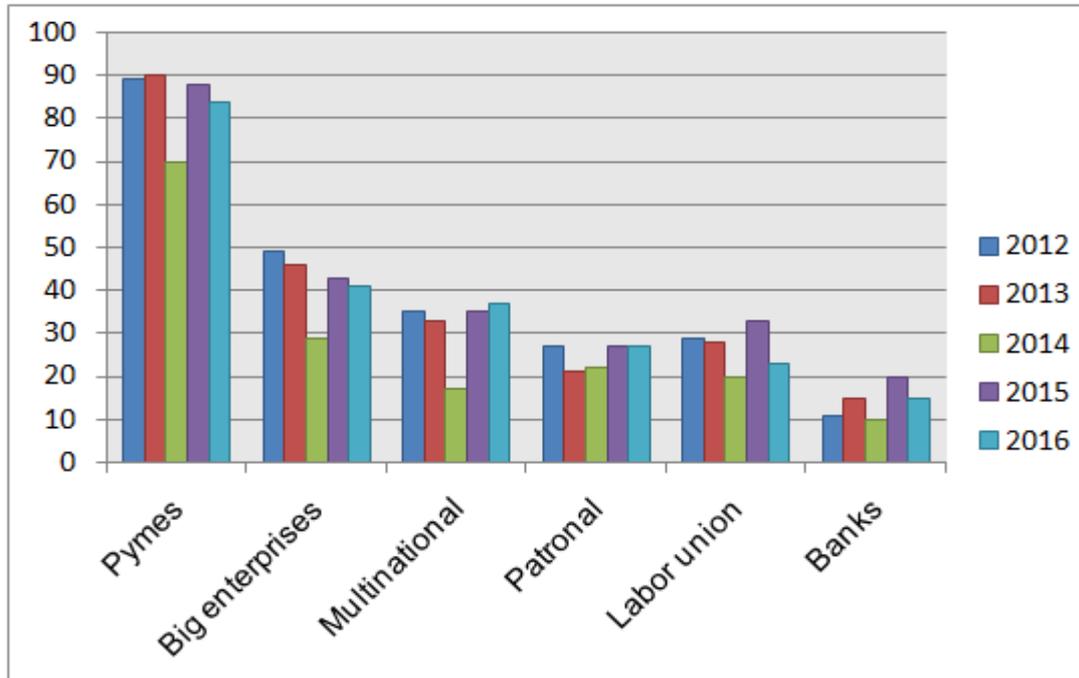
Graphs 3: Rate of poverty risk by autonomous communities in 2015



Source: Own elaborate Data: INE

Taking the data provided by the Metroscopia about the population mistrust regarding the economic system, Spanish people are losing confidence in banking entities and gaining faith in the small and medium-size enterprises inspiring greater security thanks to their downsizing.

Graphs 4: Evolution in % of citizen confidence in the institutions of the economic system (2012-2016)



Source: Own elaborate Data: Metroscopia

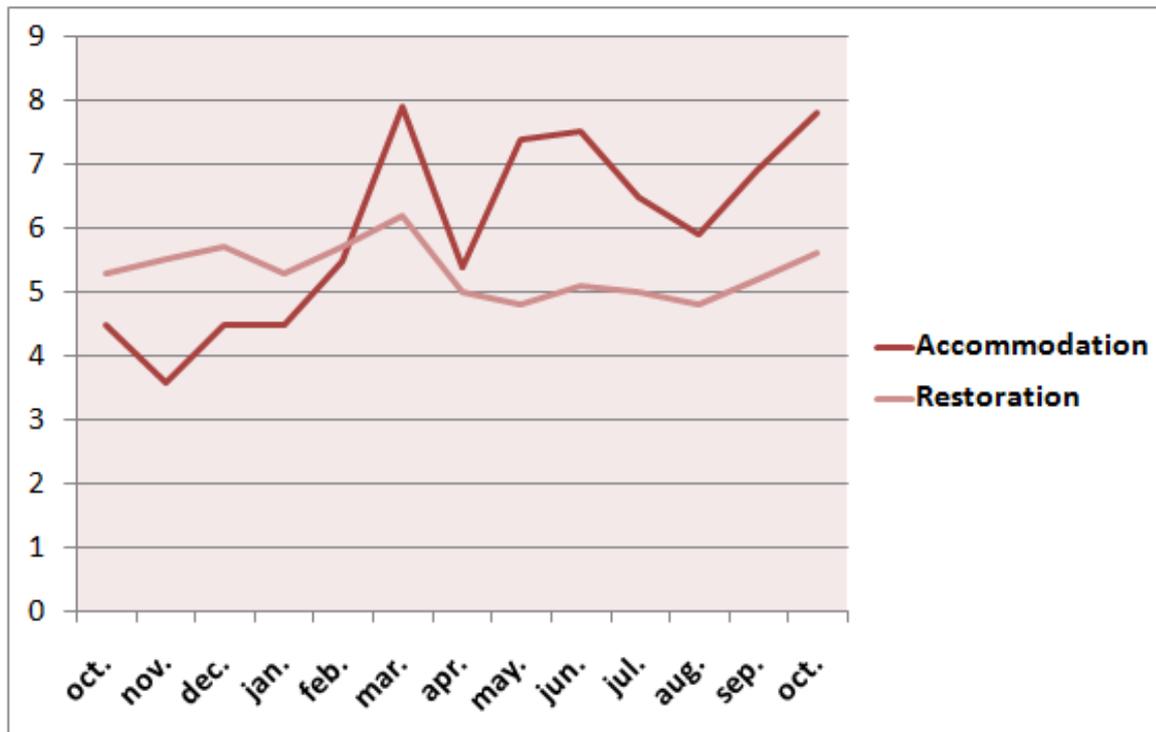
Analysing the economic factor, it is important to highlight the gross domestic product (GDP). In Spain, in 2016 it has increased by 3.2% in relation to 2015. More specifically, the amount of GDP was 1.113.852 millions of euros growing in 38.212 millions of euros in relation to 2015. Additionally, the CDP per capita in 2016 was 24.000 euros, 8000 euros higher than in 2015 where it was 23.200 euros. If the data is analysed and compared since 2006, it can be seen that the amount has been increasing gradually. All these facts have been gathered in macroeconomic facts/data of the *Expansión* newspaper.

Moving onto the hostelry sector, it is also affected by the economic situation, but nevertheless, a report made by the *Asociación Española de Codificación Comercial* (AECOC), the 2017 year shows an increase around the 5% taking into account that in 2016 this sector was closed with an increase of only 7%. All these data were discussed and confirmed in the debate table by Octavio Llamas, president of *Marcas de Restauración* and president of the Horeca Committee of AECOC; José María Rubio, president of the Spanish Hostelry Federation (SHF); Ramón Fernández, president of the Greco Club and Jose Manuel Fernández, managing director of FEDIS HORECA, the ones who take an optimistic view of 2017.

The worst year of the hostelry sector was 2014 year when there were more closed commercial establishments than opened: according to the Spanish Hostelry Federation, 44.582 places were closed while 39.596 opened. However, that year noticed a 3'4% increase of the incomes. The most affected commercial establishments were the ones which followed a traditional attitude. These could not stand the downward sales trend because of the economic crisis, the tax increase and the emergence of new taxes such as the smoking terraces.

With regard to the number of workers affiliated to the social security system subscribed in Hostelry, according to the information of the Ministry of Employment, in October increased 6'1% in comparison with the same month from the previous year. This increase was due to the growth of 88.786 workers in this sector in comparison with last year. In October of 2016, the autonomous descended 0,1% which means 460 less workers than last year. This drop was provoked by catering sub-sector, while in the accommodation sub-sector the autonomous increased even though the average among these two made the autonomous descended in general.

Graphs 5: Affiliated workers S.S. Years 2015-2016. (%)



Source: Own elaborate Data: Ministry of Employment



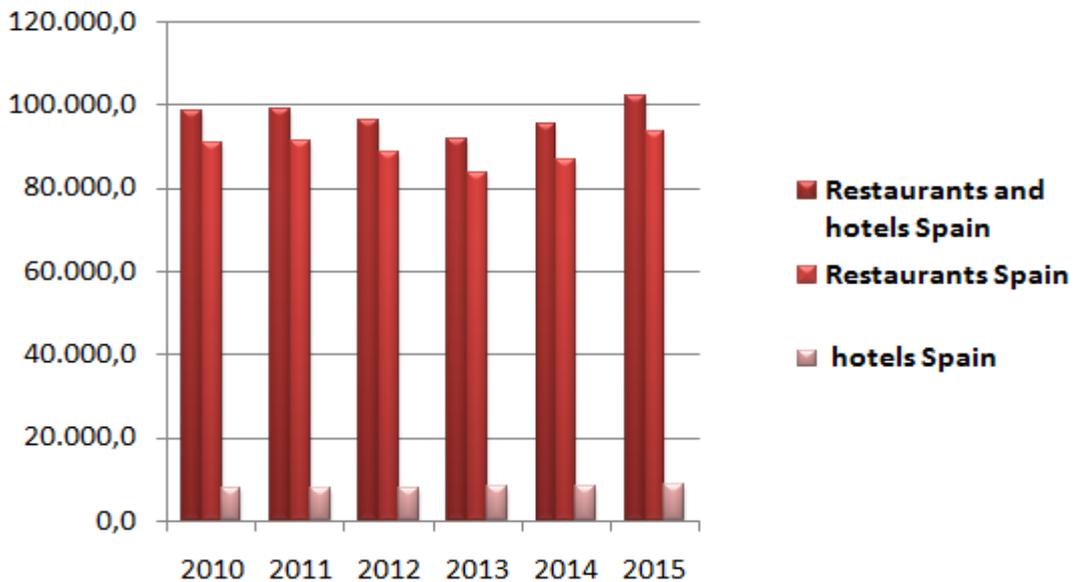
Finally, in general, there were two areas in the hostelry sector which suffered an increase during this period: restaurants and bars. The number of affiliated increased 7,7% which were 921.752 members in total. The accommodation sector increased 8'1%, with 295.152 affiliated in total. Ultimately/In the end, in all the Spanish Autonomous Communities there was an improvement in the employment sector, concretely a 7% was found in the Valencian Community.

Sociocultural factors

Spain is well-identified from the rest of countries in Europe because of a culture called "barera". This term refers to the association which Spanish people make between a bar with a place of entertainment, happiness, enjoyment or disconnection. They also relate it with a way of interacting socially with other people. It can be said that bars are for Spanish people one of the principal leisure activities. Although more than 300.000 bars have closed in the last seven years, this is the country which has more bars per capita, concretely, one for each 175 people.

With the Spanish economic crisis, in every household the leisure costs were distributed among the principal expenses for living such as the payment of the light or water bills. Consequently, the Spanish spending on restaurants, bars and hotels started to descend. As you can see in graphic number 5, 2003 was the worst year in which the people's spending bottomed and from 2014 the spending on leisure ascended. Finally, it can be observed that in 2015 it raised more than in five years ago.

Graphs 6: Final consumption expenditure of households by consumption purpose (million euros)



Source: Own elaborate Data: Eurostat

Technological factors

In recent years there has been a revolution in the information and technology making the catering job sector being in continuous change in order to be updated with these new aspects. With them there is an improvement in the productivity and also in the differentiation among the competency such as using technology with the use of tablets, a digitalised cash register or even panels allowing the clients do their shopping.

The information is being very habitual thanks to the ICT (information and communication technology) therefore bars and restaurants should introduce them. Nowadays, almost every single person uses social networks to communicate as *Facebook* or *Twitter* among others or they use applications like WhatsApp, a network used every day by everybody. It is quite common the creation of the establishments' webpages or even platforms as *Tripadvisor* in order to let people know the place. In the last webpage everyone can share their opinions about the bars and restaurants they have visited. This is the reason why due to the actual development in the online world, it is necessary or even advisable that the catering sector approaches its customers by means of these social networks in order to offer a greater knowledge to the society about the local.



Some of the benefits that those technologies provide to the costumers are mainly to facilitate their life by allowing them to know the place before they have visited it and giving them the chance to see if it pleases them or not. More benefits are: improve the local image and the quality of the service, reduce the time the customers wait, facilitate the perception of the products among many other aspects which lead to an increase on sales and therefore to the property income.

Ecological factors

Nowadays, due to the current obesity among society but more visible in children, people's life is healthier than in the past. Broadly speaking, it is wanted to respect the environment and obtain the benefits of the healthy food that nature offers.

If we associate our location we have the Mediterranean diet which is, according to the *Mediterranean diet Foundation* (MDF): "a valuable cultural heritage that represents more than a nutritional, rich and healthy nutritional standard. This is found in a balance lifestyle which collects recipes, ways of cooking, celebrations, customs, typical products and diverse human activities." In conclusion, it is a diet based on ingredients grown in the local agriculture.

Regarding "Las Buenas Prácticas Ambientales" written by La Conselleria de Medi Ambient of the Valencian Community, the catering and leisure sector must fulfil the principles stipulated in these regulations:

- Reduce the consumption of all kind of energetic resources
- Reduce the consumption of water
- Decrease the waste production and facilitate its reutilisation
- Minimize the environmental effect of the atmospheric emissions, of the wastes and of the wastewater discharges.
- Improve the competitiveness of the company.

Legal factors

The catering sector has to enforce regulations not only at a national level but also autonomic. The last one was regulated first by the Decree 7/2009 on the 9th of January then modified to the Decree 54/2020 on the 31st of March which regulates the catering establishments in the Valencian Community as the Valencian Agency of Tourisms shows.

On the other hand, at a national level we can find a document called Good Manufacturing Practice (GMP) which is applied in the whole process of elaboration and food handling with the purpose of ensuring the right manufacturing of the products under sanitary and hygienic conditions. At this level, it is worth mentioning the Royal Decree 126/2015, which approves the general rule concerning food information of food presented without packaging for sale to the final consumer and to the communities of the packaged in the places where it is sold at the request of the buyer.

It is also important the resolution made on 26th September of 2016 established by the Directorate –General for Employment, which registers and publishes the judgement of the Supreme Court regarding the modification agreement of the IV Labour Agreement of the state field for the catering sector. This agreement refers to a system of professional classification and the model of training and qualifications for the sector.

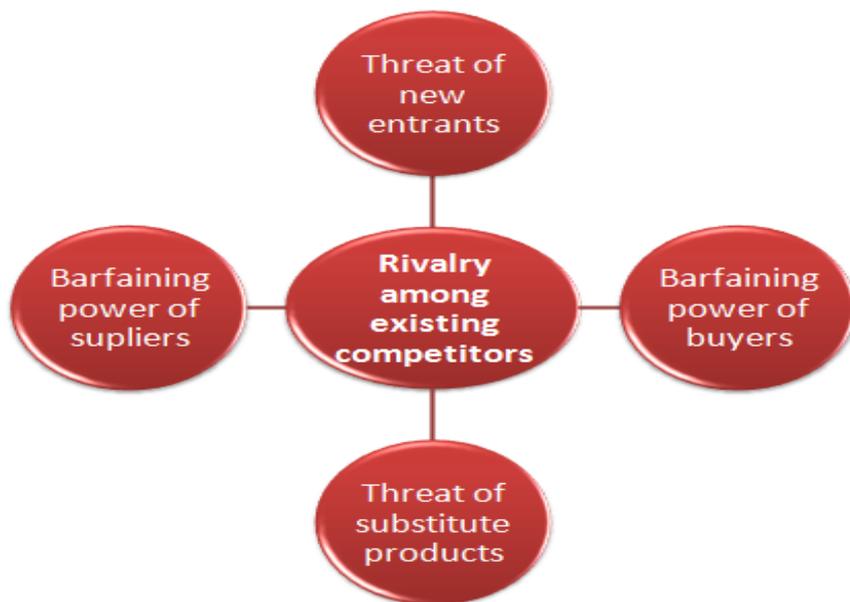
The Laboral Foundations of the Catering and Tourism (LFCT), created by the unions and the business organisations of the sector, has also modifies the norm which regulates the system for professional training.

3.2.2. Microenvironment

3.2.2.1. PORTER

In this part the five forces that Porter represents are going to be analysed. These operate within the environment of an organisation and affect the abilities of the organisation in order to cover the clients’ needs and obtain readability.

Figure 4: Porter’s five forces model



Source: Own elaboration



The customers' power of negotiation

This factor is associated to the customers' influence when negotiating for products of good quality or better service. This influence is also noticeable to the variable price.

The customers' power of negotiation was very low and even null since they did not have any way of congregating some years ago. Nowadays, though, with the development of technology namely social networks and opinion web pages like *Tripadvisor*, customers have more facility to communicate and congregate. Even so, the customers' power of negotiating continues being low due to the immense alternatives that can be found in this competitive market and which make difficult such congregation.

With regard to the variable price, customers do not influence directly over the price but over the profitability of the company. In other words, the price is established according to the quality of the product and also the offered service. However, the productivity will depend on the number of customers. Thus, it is very important to keep the customer satisfied ensuring his or her return and at the same time this customer can generate publicity of the business.

The result of the low customers' power of negotiating prompts the industry to be more active and to rise the benefits for the suppliers.

The suppliers' power of negotiation

In the catering sector you can find numerous providers which lead to a low power of negotiation and to a difficult congregation. Focusing on the providers, there is no such a big difference between them due to the fact that there are other suppliers who offer the same products and with similar prices. The suppliers in this sector are mainly from the nutritional world which is wide and very competitive.

If there is a change in the provider of any establishment, this will not affect the customers because as is has been said before, these offer more or less the same. Nevertheless, there are other suppliers who have great exclusivity as it is the case of *Amstel* or any other wine or soft drinks brand, which are well-known among the society because of its distinctiveness.



Threats of new participants

The intensity of competitiveness in this sector is high which means that the attractiveness declines. But nevertheless the number of new competitors in the hostelry is still extraordinary.

It is easy for anyone to be integrated in the catering sector because there are not much barriers which prevent the incorporation. The first thing to have to take into account is the big investment someone's need to make if he or she wants to build their own business. Once inside the sector, the next step is to generate distinctiveness and attract crowds of customers and consumers. What is difficult is to generate the clientele in small towns as the one studied in this project because the clients tend to visit the locals they already know. This is why it is important that a huge immersion in publicity should be done after the local's opening.

Threats of alternative products

Within the catering sector it is easy to find alternative products. This sector covers both the gastronomic (due to its service) and leisure needs. As I have said before, it benefits from the Spanish culture of the bars as temples of enjoyment, pleasure and interaction among relatives and friends taking it as a disconnection of the labour and routine world.

On the one hand, the leisure need can be substituted by any other activity that generates the same or similar sensations such as the cinema, the theatre, dance classes, reading, doing sport among others. These become in a threat of alternative products against the sector.

On the other hand, the gastronomic need can be substituted by any other perspective as it can be luxury restaurants, fast food establishments, take-away food restaurants, etc. The difference between the two perspectives lies in the elaboration of the products, that is, in the personal experience that each person wants to provide. Therefore, we can claim that if there is no threat in the distinction of the products because each of them already has its originality, the diversity of alternative products can be a threat in the gastronomic world.

Rivalry between existing competitors

The competition is marked by the rivalry between the existing competitors. With regard to this study, there is a lot of competition due to the different reasons such as the existence of numerous companies with the same resources and sizes, the slow development of the sector, the high fixed costs they have to face as for example insurances and premiums, the short period of time they have to sell their products due to the expiration date of the products. In addition to these we can also find reasons as the facility that clients and consumers can choose another similar service or the exit barriers which are difficult to overcome mainly due to the difficulty to get through enormous payments like loans to banks or suppliers' contracts.

This high competition leads to less incomes and less attraction in the sector but even so at the end of the year all the establishments are kept with positive profits thanks to the Spanish culture found in the bars

3.3. Market analysis

3.3.1. Sector analysis

The hostelry is a productive activity which is in charge of providing food and drink services apart from accommodation. Inside this sector we can find other activities such as hostels, guesthouses, hotels, restaurants, coffee shops and bars. The main characteristics of this activity according by "El Empleo para la Hostelería y el Turismo" are: the great heterogeneity that it presents due to the diversity of professionals and services that covers this sector; Its business structure by the presence of a large number of self-employed workers and small enterprises (73.4% of the companies have less than 3 employees) and their importance in the economy, due to the multitude of jobs it generates, registering an increase of 6.1% in October 2016 compared to October of the previous year in the number of workers affiliated to the Social Security.

In relation to the economic situation, this sector suffered great consequences because of the crisis in 2008. It had to cope with the low amount of clients since they substituted the entertainment expenses by the priority ones and they also had to face the new taxes or the rise in previous taxes. However, the worst year for the sector was in 2014 when there were more closed establishments than they were opened, specifically 44.582 closed in front of 39.596 which opened.

In light of all these adversities, the hostelry sector has become in a powerful sector, with a large number of affiliates to the Social Security and with a huge occupation burden.

3.3.2. Consumers' analysis

Even though the Spanish people kept on going to bars as a leisure need to disconnect and socialize with friends and relatives, the consumption habits have changed due to the crisis. Apart from this, the crisis made families to spend less in this sector and focused more on the priority expenses in life. Even so, in 2015 the recovery in all the needs can be observed and noticed.

In 2015, the average expenditure per household increased by 2.2% over the previous year, in which hotel, coffee shop and restaurant groups, communications and furniture, equipment and other housing expenses recorded the highest increases in spending. On the contrary, the group of other goods and services decreased. Expenses in hotels, coffee shops and restaurants in 2015 were € 2,158, with an increase of 164 euros over the previous year, being encouraging data for the sector.

Table 2: Average expenditure per household by expenditure group 2015

Expense group	Average household expenditure (€)	Percentage distribution	Annual rate of change	Annual difference
TOTAL	24.091	100,0	2,2	530
1. Food and non-alcoholic beverages	3.531	14,7	1,2	42
2. Alcoholic beverages and tobacco	328	1,4	1,6	5
3. Articles of clothing and footwear	1.382	5,7	1,0	14
4. Housing, water, electricity and fuel	7.345	30,4	0,3	25
5. Furniture, equipment and others	1.074	4,5	6,5	66
6. Health	907	3,5	1,7	15
7. Transportation	2.676	11,1	3,0	79
8. Communications	1.087	4,5	6,9	70
9. Entertainment, shows and culture	1.661	6,9	4,7	75
10. Teaching	275	1,1	2,2	6
11. Hotels, and restaurants	2.158	9,0	8,2	164
12. Other goods and services	1.667	6,9	-1,8	-31

Source: Own elaborate Data: INE



Another aspect found in the clients' behaviour has been the importance of the ICT in the society and consequently, the business had the necessity to be adapted to this new way of life. The clients, before visiting a bar, are get used to checking the opinions on Internet and they also like to investigate in the social networks about the place they are going to visit. In this sense, the concept "Ibar" is being implemented. Besides, they look for a harmony with respect to the decoration of the local, that is, with a less number of glasses and cutlery, an original kitchen with flavours which offer distinctiveness, the simplicity for payment and reservation.

The habits of the Spaniards have also changed. Nowadays, the locals are more frequented than the franchises, the time for having a drink has been advanced, they have become more "bareros" during day than at night and the *afterwork*, that is, the habit of having a drink when the working day has finished instead of after dinner as it was done years ago has become very popular among the Spanish society.

3.4 Competence analysis

3.4.1. Competence levels

In this section we are going to deal with the different competence levels based on the consumer perspective, which are: competitors in product form, competitors in product category, generic competence and competence in budget level.

Competence in product form: it refers to those locals which provide the same service or cover the same need to the same market segments. All the bars of Almenara will be within this category. More specifically, the locality has 20 bars in force for a population of 6.000 citizens. It can be pointed out that L'antic, El Tubo, La Muralla and El Papi are the main competitors of the Chambers.

Competence in product category: It comes down to those business which have the same attributes but with a difference presence. All the coffee shops in Almenara will be within this category. These cover the need to have a coffee, a soft drink or even a drink. There are the following coffee shops: Horno Artur, Nenufar, Snoopy, Café del Mercado and Café de Xulla.

Generic competence: It groups all the business that solve the same need. With respect the Chambers, it covers the gastronomic and leisure needs. Thus, the competence at

this level would be supermarkets and pubs. Regarding supermarkets you can find *Consum*, *Summa* and *Charter*. On the contrary, there are no pubs in force in Almenara.

Competence in budget level: it refers to the business that struggle for the same consumer budget, that is, they compete for the budget. It is like going to the hairdresser, going to a beauty salon, doing sports on official circuits, going shopping, etc.

Figure 5: Levels of competence



Source: Own elaboration

3.4.2. Main competitors

The place where *Chambers Café* is located, Almenara, there is a lot of competence due to the amount of bars, apart from 6 coffee shops, for a population of 6.000 citizens. In this locality, it is well represented what has been analysed in the macro environment part (2.1.1) since it can be said that in Almenara there is a great competence in the hostelry world and anyone can find a “barera” culture settled among the inhabitants of this town in order to help keep such number of bars in a small quantity of population.

The main competitors of the *Chambers* are the following bars: *Antic*, *Tabo*, *Muralla* and *Papi*. These establishments offer similar products and prices to the ones of the *Chambers* but the difference relies on the style and on the setting. Another point in favour is that these bars are well located in zones of the town.

- **L'ANTIC**

This bar intends to transmit a traditional essence with a home cooking and low prices. This bar welcomes clients of different ages but teenagers are the ones who goes to this bar the most because of the low prices. It is well located because it is in the town centre and also within the bars' zone from the lower are of the town. This place offers different innovative activities with home cooking as for example, the 5 senses dinner for Valentine's day on the 14th of February. It offers two options of menu for lunch which are: an ant-crisis menu of 6 euros and the Antic menu of 9 euros. The establishment is no very big but it has a terrace that helps it expand the zone.

Image 5: Logotype Antic



Source: Facebook Antic

- **EL TUBO**

This bar was opened many years ago and it is usually frequented by young people older than the ones who goes to the previous bar. It is situated in the same zone as it is the *Antic* and the *Chambers*, that is, in the lower zone of the town. This follows the line of offering sandwiches and savouries of good quality at a similar price as the *Chambers Café*. This holds events as a pub in some especial times of the year such as on the 24th of December, on Christmas eve, it changes into a local without tables, with music until dawn and only drinks are served that night. The local has an average dimensions and it has a terrace which expands the zone during summer and when it has the pub service.

Image 6: Logotype Tubo



Source: Facebook Tubo

- **LA MURALLA**

This bar has a minimalist essence. It offers more elaborated plates and the clients are older than in the rest of the bars. This is situated next to the bar *Papi*, in the high zone of the town. Its products are of better quality and the prices are higher since if you go there to eat you may pay between 20 and 25 euros per person. This holds activities during the local festivity such as the garlic sauce contest in which they offer a giant barbeque that gives benefits to the bar. The establishment is quite small indoors but it also has a terrace quite wide and in good conditions to offer a good service.

Image 7: Logotype Muralla



Source: Facebook Muralla

- **EL PAPI**

This is a typical bar in Almenara with a traditional menu of sandwiches and savouries and it has a heterogeneous public. It is situated in the high zone of the town close to the *Muralla*. It has a cuisine of good quality and with a similar price as the *Chambers Café*. This makes sporty activities as for example, concentration of cyclists or football tournaments in summer. This local has two floors of small dimensions and it also has a wide terrace.

Image 8: Logotype Papi



Source: Facebook Papi

3.4.3. Summary table of competitors

Table 3: Summary Table of Competition

COMPETITORS	LOCATION	STYLE	STRENGTHS	WEAKNESSES
L'ANTIC	Almenara	Traditional	- Good location - Low prices - Carries out innovative activities	- Low quality - Lack of website - Small dimensions
EL TUBO	Almenara	Traditional	- Good location - Average quality - Performs pub activities	- Average dimension - Lack of website
LA MURALLA	Almenara	Minimalist	- Good location - More elaborate dishes - Sponsor of village party activities	- Lack of website - Small dimensions
EL PAPI	Almenara	Traditional	- Good location - Good quality - Sponsor of sports activities	- Lack of website - Average dimension

Source: Own elaboration



4. MARKET SEGMENTATION

As it was mentioned previously, *Chambers Café* presents two lines of profitability: from Tuesday to Thursday and from Friday to Sunday. Both lines present the same profile of people who frequent the bar. The difference of public between both lines lies in the multitude of people and the variance of services that these people frequent. The profile of people are adults between 22 and 70 years old, with a middle income and with a young and modern spirit who want to spend pleasant moments. From Tuesday to Thursday, consumers usually frequent the local for lunches and to have a coffee or a soda when they finish their workday in the afternoon. From Friday to Saturday, all services abound: mid-morning snacks, lunches, dinners, and after-dinner drinks being the latter two more frequented. For this reason, it is important to guide the business according to the time frame.

- Breakfasts, lunches, meals and snacks (from 8:00 a.m. to 4:00 p.m.)

The types of clients in this range are adults between 30 and 70 who demand more lunches, coffees, sodas and beers. They are people who:

- Before they go to work they have breakfast there
 - Group of parents drinking coffee after taking children to school.
 - Group of women who go to buy to the *Consum* and then come together for a drink.
 - *Consum* workers who go to eat their toasts with a coffee or a soda.
 - Workers from other companies such as *Alianza Galadtrans* or workers from the town hall who go to have their toasts or sandwiches accompanied by coffee or soda.
 - Pensioners who go to have a coffee in the middle of the morning and meet their friends to have a good time.
- Afternoon-Evening (from 16:00pm to 20:00pm)

The types of clients in this range are adults between 22 and 60 who demand more coffees, sodas, beers and snacks. In this interval the people who frequent the bar is younger. They are people like:

- Women and men who meet their friends when they finish their workday.



- Group of women who normally gather for a coffee before going to pick up the children from the school.
- Young people who meet for a few beers at the end of their school day.

- Dinners (from 20:00pm to 23:00pm)

The types of clients in this range are adults between 25 and 65 who demand a delicious dinner and with the essence of Chambers Café cuisine. They are people like:

- Group of friends who want to hold an event or just get together to enjoy a good time together.
- Couples looking for escaping from the routine

- After-dinner drinks (from 23:00 pm until closing)

The types of clients in this range are adults from 22 to 45 years who seek to have a drink in a pleasant place and with good atmosphere. The closing of the local depends on the multitude of customers and the time of year. They are people like:

- Group of friends.
- People who had dinner at the place and stay there for having a drink.

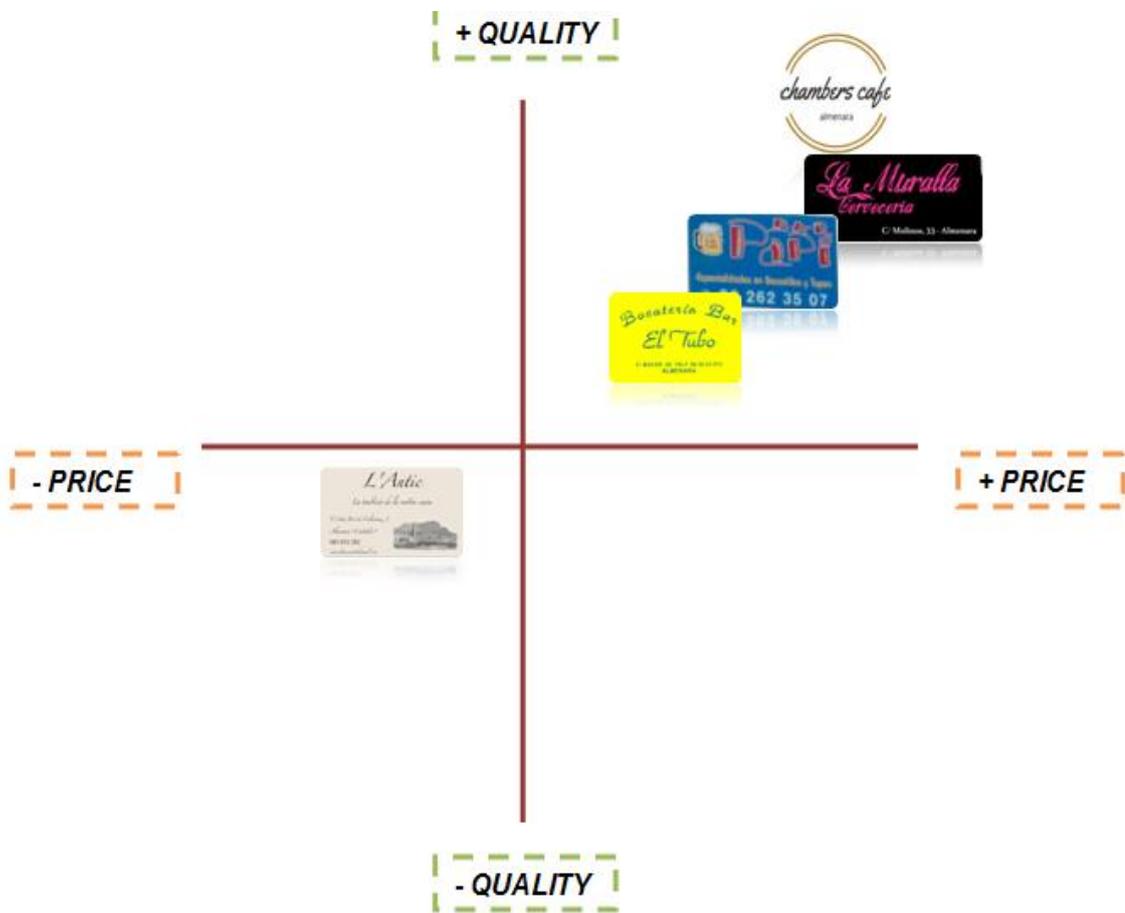
Such division can be a profitable strategy for several reasons:

- It helps identify market opportunities, that is, discover some segments that are not attended by anyone and that could serve.
- Identify specific segments which are still in the growth phase that could be served by this service.
- Allows a better evaluation of the competition, since it can identify better who are the most immediate competitors.
- Allows a better adaptation of the products offered to each time slot, adapting the business to the needs of the market.

5. POSITION

Positioning is the set of all the consumers’ perceptions in their mind with respect to a brand, product or service, after having identified the market segments. In that case, a positioning map has been created to visualize *Chambers Café’s* position in the consumers’ minds over those of the competition. It is defined based on two clear attributes, quality and price, since these two variables provide competitive advantage to the company. It is made according to the analysis of competition in section 3.4.

Figure 6: Positioning map



Source: Own elaboration



6. SWOT ANALYSIS

	STRENGTHS	WEAKNESSES
INTERNAL ANALYSIS	<ul style="list-style-type: none"> ○ Good location ○ Good quality in their products ○ Great variety of drinks ○ Parking free ○ Large terrace and conditioned for the winter ○ Modern facilities ○ Owner training ○ Kitchen with new menu ○ Use of social networks and 	<ul style="list-style-type: none"> ○ Lack of menu for meals ○ Lack of qualified staff ○ Lack of innovative products ○ High prices on mixed dishes
EXTERNAL ANALYSIS	<ul style="list-style-type: none"> ○ Power Sector ○ Reduction of unemployment ○ Increase in social security affiliates ○ Increase of the culture "barera" ○ Increase in average spending per household in bars and restaurants 	<ul style="list-style-type: none"> ○ Many competitors ○ High poverty level ○ Reduction of average spending per household in bars and restaurants ○ Changes in consumer habits ○ Increase in taxes
	OPPORTUNITIES	THREATS



STRENGTHS

- Good location: Located in a quite passing place and near of the only supermarket of large dimensions in the town.
- Good quality in its products: It offers fresh and good quality products at all times.
- Great variety of drinks: it offers a great diversity of drinks and brands. It features variety in both alcohol and non-alcoholic drinks, as well as beer.
- Free parking: it gives the opportunity to park for free since it is a busy street with few places to park.
- Wide and conditioned terrace for the winter: it has a very large terrace and equipped with stoves for the winter. In addition, it has a good rigid plastic insulation which performs the function of a wall.
- Modern facilities: The local has an excellent and exclusive decoration.
- The training of the owner: the owner, Vicente Vivas, has a lot of experience in the sector besides marketing studies that have helped him in the business. He has the highest degree in marketing and has worked in large hotels in Valencia such as Rey Don Jaime or Meliá among many others.
- Kitchen with a new menu: It has a new and innovative kitchen because you get different savouries every year and these end up being copied by the other competitors.
- Use of social networks and web page: they are continuously updating its website and social networks so that customers know the new innovations that are included, and the drinks that appear depending on the time of the year, such as horchata, a glass of lemon ice or the cream of coffee in summer.

WEAKNESSES

- Lack of menu for meals: There are not enough diners at lunch time for a profitable menu.
- Lack of qualified personnel: There is no adequate staff in the Chambers who accepts working under irregular timetables or working on holidays. The bar needs flexible staff.
- Lack of traditional products: Perhaps the majority of customers would like traditional products more than the innovative ones.
- High prices for combined dishes: It offers slightly higher prices than the competition due to better quality.



OPPORTUNITIES

- Powerful sector: the hospitality sector has become a very heavy sector with a high number of employment.
- Reduction of unemployment: The unemployment rate is declining in recent years thanks to the employment in this sector.
- Increase in social security affiliates: the increased occupancy in the sector led to an increase in social security affiliates.
- Increase of "barera" culture: Spaniards observe bars as a place of leisure where they can disconnect from their routine and they are also able to spend fun moments with theirs.
- An increase in average spending per household in bars and restaurants: after the crisis there was a decrease in average expenditure per household, but in recent years it has started to increase.

THREATS

- A lot of competitors: There are a lot of bars in the locality, specifically 20, as well as cafés.
- High poverty level: The poverty rate in Spain is quite high due to the economic crisis.
- Reduction of average expenditure per household in bars and restaurants: Although spending in the leisure sector has increased in recent years, it does not reach the level of expenditure per household that existed before the crisis.
- Changes in consumption habits: The Spanish due to the economic crisis have changed their habits of consumption, replacing the need for leisure for more primordial need for life.
- Increase in taxes: New taxes have been introduced and others have increased that have affected the livelihood of the hostelry sector.



7. OBJECTIVES

The objectives allow to specify the purposes of the organization and identify aspects that must necessarily be controlled and taken into account in order to achieve the goals with the purpose of collaborating with the mission of the company. In this case, its main objective is to continue competing in the market and continue increasing its profitability and growth. In addition, a series of goals are set for the annual period:

- 1) Increasing sales by 8% over the previous year.
- 2) Increasing revenue by 2% over the previous year.
- 3) Making the clients frequent the bar.
- 4) Attracting 10% of new customers.
- 5) Increasing the degree of customer satisfaction by 40% offering the best attention to customers in an attentive and reliable way.
- 6) Increasing the geographic range of local knowledge.
- 7) Promote the presence of customers during the week.

8. STRATEGIES

According to the definition of Navas and Guerras (2001): "competitive strategy is the way in which a company confronts its competitors to try to obtain a higher performance than theirs". Thus, the company that wants to be successful will have to define correctly the most appropriate strategy to achieve its objectives. Therefore, this section will explain the different strategies used by Chambers Café.

The first strategy to be considered is based on Porter (1982) and is based on the competitive advantage that the company aims to achieve. Secondly, the strategy defined by Miles and Snow (1978) will be explained. This will depend on the attitude of the company regarding its environment. Next, the strategy defined by Kotler and Sighn (1981), which takes into account the behavior of the company with respect to its competence, is presented. And finally, the strategy of Ansoff (1965), based on the different growth options will be analysed.



8.1.Competitive advantage of the strategy

Porter defined three clear strategies according to the competitive advantage of each company: a leader strategy in costs, differentiation and approach.

In this case, Chambers Café, follows a strategy of differentiation, concretely differentiation through product. This is due to the high level of quality of its products, in addition to the diversity, quantity and freshness offered in its dishes.

8.2.Competitive strategies in relation to its environment

Miles and Snow define four competitive strategies based on how a company can act in the face of market evolution: exploratory, analytical, defensive and reactive strategy.

Chambers café follows an analytical strategy, because it has clear which is its fundamental business but keeping an eye on the innovation. For this reason, it tries to identify opportunities, launch new products which are unknown in the area as, for example, the "cajun chicken", which has been copied by all the bars in the town. In addition, it is being headed to new markets through the sporadic rice supply of great quality and variety.

8.3.Competitive strategy regarding the competitors

Kotler and Sighn (1981) take into account the behavior of the company with respect to its competitors. Its strategies are: leader strategy, challenger strategy, follower strategy and strategy designed around market niches.

Chambers Café follows a leader strategy because it occupies a prominent position and marks a trend when it comes to new products.

8.4.Growth strategy

Ansoff's matrix, also called product-market matrix, is perfect for determining the strategic direction of the growth of a company, so it is only useful for those companies that have set growth objectives. It refers to the relationship between the existing situation in the company and the possibility of development of both of products and markets. As a result you get: market entry strategy, new product development strategy, new market development strategy, new market development strategy or diversification strategy.



Chambers Café follows a **market entry strategy**, as it seeks to obtain a greater rate of the market by working with its current products. For this, it is appropriate to increase the customers' consumption, attract potential customers through promotions and advertising and attract customers belonging to the competence. In this sense, Internet and social networks are very useful to find potential customers and make the current ones stay.

9. MARKETING MIX ACTIONS

In this section is going to be presented the corresponding actions in order to meet the objectives proposed in point 7. Each one of them is defined in relation to each of the components of the marketing mix. In order to have a better visualization of the relationship between these objectives and the proposed actions, at the end of the section you can find a table that collects all of them in a sintered way.

9.1 Product decision

Action 1. Offering gluten-free products suitable for celiacs

Make a smaller menu containing gluten-free products for celiac and gluten-intolerant customers, as well as offer commonly non-allergic products.

The time for executing this action is set for an annual period. After this period, the menu should be revised to modify possible customer suggestions, remove or add products.

This action fulfills the objectives of:

- Increase sales by 8% over the previous year.
- Increase revenues by 2% over the previous year.
- Attract 10% of new customers.
- Increase the degree of customer satisfaction by 40%.



Action 2. Offering new experiences

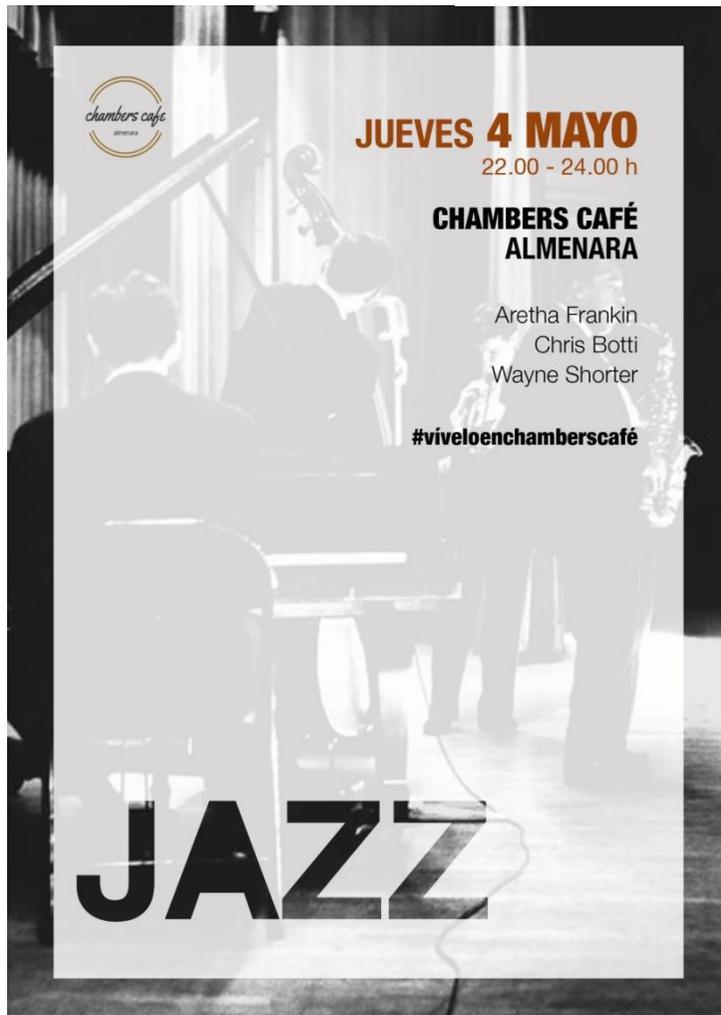
Offering new experiences to customers with dinners with live music, dinners accompanied by humorous shows, beer afternoons or nights with a native English, or coffee afternoons and teas with storytellers.

The execution time of this action would be two experiences a month, mainly, on Thursdays or Fridays to boost and take value of the weekdays.

This action fulfills the objectives of:

- Increase revenues by 2% over the previous year
- Make the customers frequent the bar regularly
- Attract 10% of new customers
- Promote the presence of customers during the week.

Image 9: Examples of new experiences



Source: Own elaboration



Action 3. Offering themed dinners

Offering themed dinners inspired by different geographical areas, for example, Lebanese, Italian, Mexican, Chinese or Japanese dinners among others.

The proposed executing time of this action is for one day a month during one year, namely the second Thursday of each month, where most people have already earned the wage or the pension and can afford to eat out.

This action fulfills the objectives of:

- Increasing revenues by 2% over the previous year.
- Making the customers frequent the bar regularly
- Attracting 10% of new customers
- Increasing the degree of customer satisfaction by 40%.
- Promoting the presence of customers during the week.



Image 10: Examples of thematic scenes

The poster features a background image of a building facade with arched windows. The text is overlaid on a semi-transparent white box.

chambers café
almenara

JUEVES 8 JUNIO
21.00 - 23.00 h

**CHAMBERS CAFÉ
ALMENARA**

aperitivo:
hummus tahini

plato principal: (a elegir)
camarones con especias libanesas
pinchos en salsa del medio oriente
albóndigas de carne

postre: (a elegir)
pastel de sésamo
dátiles envueltos

15 €

#vivoenchamberscafé

**CENA
LIBANESA**

The poster features a background image of a person playing a trumpet. The text is overlaid on a semi-transparent white box.

chambers café
almenara

JUEVES 11 MAYO
21.00 - 23.00 h

**CHAMBERS CAFÉ
ALMENARA**

aperitivo:
nachos con guacamole

plato principal: (a elegir)
tacos de trompa
enchillada de pollo
frijoles de ternera

postre: (a elegir)
arroz con leche
bueñuelos mexicano

15 €

#vivoenchamberscafé

**CENA
MEXICANA**

Source: Own elaboration



9.2 Price decision

Action 4. Promotional prices on special days

Offering promotional prices on special days such as Mother's Day (in May), Women's Day (8th March), Father's Day (19th March), Grandparents 'Day (in July) and Valentine's day (in February). On those days, the second drink of the dinner will be free.

The execution time of this action will be during the dinners of those fixed dates.

This action fulfills the objectives of:

- Increasing sales by 8% over the previous year
- Attracting 10% of new customers
- Increasing the degree of customer satisfaction by 40%.

Image 11: Examples of promotional prices



Source: Own elaboration



9.3. Allocation distribution

Action 5. On Sundays, dinners are home delivered for only €1'50 more.

Offering a service for dinners of home delivery only on Sundays for € 1'50 more. The service will be available from 9:00 pm to 11:00 pm and will only take place in the geographical area of Almenara.

The time execution of this action will be every Sunday of the year from 9:00 a.m. to 11:00 pm.

This action fulfills the objectives of:

- Increasing sales by 8% over the previous year
- Making the customers frequent the bar regularly
- Attracting 10% of new customers
- Increasing the degree of satisfaction by 40

Image 12: Examples of home delivery



Chambers Café

23 minutes ago

Domingos entrega de cenas a domicilio por tan sólo 1,50 €



Like



Comment



Share



Source: Own elaboration



9.4. Communication decision

Action6. Use of the social networks.

The use of Facebook and the creation of Instagram are important tools to make the local known, since much of its target audience uses these networks. As a result, Instagram has more than seven million users of all ages.

The use of Facebook and Instagram will serve to publish price promotions on special days, home delivery service on Sundays, new menu for celiac and allergic, themed dinners every Thursday of the month and new experiences carried out twice a month. The time execution of this action is proposed for the whole year being posted on previous days to the indicated dates.

This action fulfills the objectives of:

- Attracting 10% of new customers
- Enhancing the presence of customers during the week

Action 7. Keeping the social networks updated regularly

It is proposed a regular publication of news, business innovations or just a nice "good morning" phrases to customers. In addition, all publications on Facebook and Instagram must be accompanied by the hashtag **#víveloenchamberscafé** to be recognized by its customers and generate interest for those who are not familiar with it.

Contests and draws could also be held such as:

- Upload to Instagram an original and funny photo with the hashtag **#víveloenchamberscafé** and tag **@chamberscafé**. The user of that photo with most "likes" will be rewarded with a dinner for two people.
- Go into the draw to win a dinner for two people making a drawing of the Chambers café and publish it on Facebook or Instagram with the hashtag. **#Víveloenchamberscafé**
- Who during this hour presses "like" on this post will have a free beer today.



The execution time of such action is throughout the year on alternating days. And it should be noted that the rewards of these draws and contests will be held on weekdays.

This action meets the objectives of:

- Making the customers frequent the bar regularly
- Attracting 10% of new customers
- Enhancing the presence of customers during the week

Image 13: Examples of publications in social networks



Source: Own elaboration

Action 8. The participation of the establishment on the local festivity

Chambers café is sponsor of the local festivity, for that reason, the owner advertises his business in the book of the festivity. In addition, he gives away t-shirts and bags for the organizers of the festivity.

The execution time of this action is during the month of September, since the last week of this month takes place the local festivity.

This action fulfills the objectives of:

- Increasing sales by 8% over the previous year.
- Increasing the geographic range of local knowledge

Table 4: Summary actions plans

ACTION	OBJETIVES
Action 1: offers gluten-free products suitable for celiac.	1) Increasing sales by 8% over the previous year. 2) Increasing revenues by 2% over the previous year. 4) Attracting 10% of new customers 5) Increasing the degree of customer satisfaction by 40%.
Action 2: Provide new experiences	2) Increasing revenues by 2% over the previous year. 3) Making the customers frequent the bar regularly. 4) Attracting 10% of new customers 7) Enhancing the presence of customers during the week
Action 3: Offer themed dinners	2) Increasing revenues by 2% over the previous year. 3) Making the customers frequent the bar regularly. 4) Attracting 10% of new customers.



	<p>5) Increasing the degree of customer satisfaction by 40%.</p> <p>7) Enhancing the presence of customers during the week.</p>
Action 4: Promotional prices on special days	<p>1) Increasing sales by 8% over the previous year.</p> <p>4) Attracting 10% of new customers.</p> <p>5) Increasing the degree of customer satisfaction by 40%.</p>
Action 5: On Sundays dinners are home delivered for € 1.5 more.	<p>1) Increasing the sales by 8% over the previous year.</p> <p>3) Making the customers frequent the bar regularly.</p> <p>4) Attracting 10% of new customers.</p> <p>5) Increasing the degree of customer satisfaction by 40%.</p>
Action 6: Use of social networks	<p>4) Attracting 10% of new clients.</p> <p>7) Enhancing the presence of customers during the week.</p>
Action 7: Publish content on a regular basis	<p>3) Making the customers frequent the bar regularly.</p> <p>4) Attracting 10% of new customers.</p> <p>7) Enhancing the presence of customers during the week.</p>
Action 8: Participate in village festivals	<p>1) Increasing the sales by 8% over the previous year.</p> <p>6) Increasing the geographic range of knowledge of the local.</p>

Source: Own elaborate



10. TIMETABLE, BUDGET AND CONTROL

10.1. Timetable

In this section the schedule of the actions presented above. You can observe here in which moment each action is going to be implemented.

Table 5: Schedule

ACTION	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.
Action 1: offers gluten-free products												
Action 2: new experiences												
Action 3: themed dinners												
Action 4: Promotional prices												
Action 5: delivery to the house												
Action 6: social networks												
Action 7: Publish content												
Action 8: festivals												

	Staff rest month
	Maintenance
	Implementation only a few days a month

Source: Own elaboration

10.2. Budget

Regarding the budget necessary to carry out the actions proposed in the previous section, it is important to emphasize that those that need priority financing are: action 1 (gluten-free products), action 2 (new experiences), action 3 (themed dinners) 5 (home delivery dinner on Sundays). The remaining actions do not require a large number of capital.

Action 1 would be the most capital needed because gluten-free products are more expensive than the rest. Therefore, the expense would be 3,000 euros per year. Next, action 2 would also mean a greater investment since you have to hire a show whether they are musicians, comedians, storytellers, English natives etc. The cost of this action would amount to 2,500 euros per year. Actions 3 and 5 would have approximately the same cost: about 720 euros per year each. On the one hand action 3 needs the acquisition of products typical of the theme of each dinner and, on the other hand, action 5 needs the hiring of a person to carry out such action. And finally, it is necessary to add a cost of 200 euros for other unforeseen expenses. With all this, it can be said that the total payments would be € 7,140 per year.

Table 6: Budget

ACTION	BUDGET
Action 1: offers gluten-free products	3.000€
Action 2: new experiences	2.500€
Action 3: themed dinners	720€
Action 5: home delivery	720€
Others	200€
TOTAL	7.140€

Source: Own elaboration

10.3 Control

Each action fulfills a series of objectives; therefore, it is necessary to take control of such actions so that the objectives are developed error-free. It is very important to manage the results since it allows to know periodically if the expected objectives are being fulfilled. In addition to this, the result management gives also the chance of making corrections on time and of giving further information of future actions needed for the business.

The following table shows the methods performed for the control of each target and the periodicity in which it is performed.

Table 7: Control

OBJETIVE	METHOD CONTROL	PERIODICITY
1) Increasing the sales by 8% over the previous year	Comparison of previous year's sales	Quarterly
2) Increasing the incomes by 2% over the previous year	Comparison of previous year's income	Quarterly
3) Making the customers frequent the bar regularly	Meetings with the work team	Bimonthly
4) Attracting 10% of new customers	Meetings with the work team.	Bimonthly
5) Increasing the degree of customer satisfaction by 40%	Undertake surveys	Semiannual
6) Increasing the geographic range of knowledge of the local	Meetings with the work team.	Monthly
7) Enhancing the presence of customers during the week	Meetings with the work team	Monthly

Source: Own elaboration



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