

Target Market Project

Boba Tea Industry



Katherine Rheeman

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SECTION A: The Marketing Environment

Everything to Know About BOBA

1

The Thai word “Boba” refers specifically to the chewy little pearls made from tapioca.

2

The pearls are gluten free and commonly mixed with brown sugar for flavor.

3

The beverage itself may be a tea or juice and is commonly referred to as boba tea, bubble tea, or pearl milk tea.

4

As the nutritional value depends on the preparation, many drinks are high in sugar, carbs, and calories.

MYDOMAINE



A1. Industry Potential

Besides water, coffee and tea are traditionally consumed beverages by people all across the world. Originating in Taiwan, a new tea-based drink called bubble tea (boba) has gained immense popularity, and has been rising heavily in California. The major ingredient is the tapioca pearls (chewy balls) that are added to different flavored teas, smoothies, and slushes. Hundreds of businesses have taken advantage of this growing industry and are now booming all across California.

The global boba tea market size valued at \$1.89 billion in 2018, is expected to reach \$3.49 billion by the end of 2026, exhibiting a CAGR of 8.09% (Article #4). The U.S. bubble tea market is expected to account for a share of 18.7% alone by 2026. On average, a store can sell between 150-500 drinks a day, some even over 1,000 depending on the popularity of the location.

Although there are many different types of flavors and ingredients to choose from, fruit flavored boba drinks have been leading the flavor segment of the market. By 2026 however, black tea and milk teas are expected to lead the market, as well as an emphasis on nutritional value and healthier alternatives.

Ding Tea (competitor #1) was established in 2004 with the goal of bringing consistent quality and establishing an ideal franchise. Ding Tea has over 20 stores in the U.S. and is continuing to expand internationally (Website #1). Founded in 2006 in Taiwan, Gongcha has expanded to over 225 countries and over 1500 locations worldwide. Gongcha is extremely prosperous in Asia, while only recently expanding to the U.S. (Website #2). Both have their own signature drink items and specialties, while focusing on freshness and quality.

Implications: The boba tea industry has changed the way people traditionally drink tea, and has expanded upon Asian American culture in the U.S. Originating from Taiwan, businesses have been successfully staying true to the traditional methods of brewing boba, while also adding new items that cater to Americans. While projections for growth look promising, the dominance of chains and franchises as well as competition will make it increasingly hard for new entrants. As a new business owner, I should be looking for a specific niche to stand out amongst my competitors, and attract a targeted audience.

A2. Current Trends

Boba has become one of the most popular desserts/drinks in today's culture, as it stands as a medium to bring groups of people together to socialize and bond over a cheap drink. Because of the tendency for groups to gather at shops after meetings, events, and work, boba shops are pressured to operate into later hours in the night (Article #5). This has led some shops to stay open past midnight, and many are finding their stores relatively empty during the brighter hours. Customers are also expecting faster service and better efficiency.

As the rise of boba chains and stores increase exponentially by the year, the standards for the quality of the tea and boba have soared as well. Customers are now looking for fresher, higher quality teas at Ding Tea or Share Tea over places like Boba Loca and Quickly's. They are also looking for a greater variety of toppings including foam, grass jelly, aloe vera, egg pudding, brown sugar, red beans, and more aside from the traditional tapioca boba pearls (Article #8, CI #1, 3, 5, 6, 8). All of these factors lead customers to be more willing to pay a higher price for the same amount of drink at a better quality shop over a cheaper alternative.

Along with quality and variety, customers are now expecting the ability to customize their drinks to perfection. Places like Ding Tea and Gongcha that allows you to choose your own levels of sugar and ice, and create their drinks per-order, have raised the bar for other stores that have pre-made teas and drinks (Website #1, 2). People are expecting these customizable options for dietary and health needs as well (Article #2).

Another growing trend includes the rise of environmental awareness, leading customers to stray away from plastic waste (cups and straws). Some boba shops have started to offer discounts for reusable cups and straws, and are even selling their own brand cups.

Social media and digital apps are widely used amongst businesses in order to improve efficiency, offer different ways of ordering, as well as delivery for customers. Most businesses have active social media accounts that update customers about new drinks, promotions, deals, and try to engage communication.

Implications: The implications of the current trends show that due to the increase of boba stores and options, customers have higher standards when it comes to factors like quality, hours, efficiency, customization, and variety. As a new business owner, I will try to cater my business to various demographics, including those who are expecting a place to socialize at night. I will also have an extensive menu of different teas, milk teas, smoothies, juices, ades, coffees, and toppings in order to maximize options for customers. I will also include a "build your own drink" option that allows customers to fully customize their own

drinks including different sugar and ice levels, mixing teas and flavors, choose toppings, and more.

A3. Competitive Factors

Direct Competitors:

- Ding Tea
- Gongcha
- Sharetea
- Boba Time
- 7 Leaves Cafe
- Tastera

Indirect Competitors:

- Starbucks
- 85 Degree Bakery
- Jamba Juice
- Coffee Bean & Tea Leaf

The boba industry is growing rapidly and is expected to grow exponentially for the next decade (Article #4, 5). These businesses and chains have been successfully able to retain customer loyalty and brand image through various modes of communication, as well as their innovative drink ideas (Article #3, 7). People love boba whether it be because it is convenient and cheap, or because they love their go-to drink at their go-to spot (CI #2, 3, 4, 5, 15, 21). Boba has been also gaining this reputable image of bringing people together, and has become an icon of socializing amongst students and workers alike (PI #2, CI #1, 3, 4, 5, 7, 16). Because of their large demographic of students and company workers, many businesses are opening during late hours to cater towards these people. A growing trend, and now set expectation amongst customers is high quality and fresh tea and boba, and also the ability to customize their drinks. Customers are also expecting the basic toppings and flavors that all boba stores must have, as well as their own signature item that sets them apart (Article #6, 8, CI #3,4,5,16, 19).

Specialty drinks and desserts have been around for much longer than boba has been introduced to the States, making the market flooded with indirect competitors. Many people grapple with deciding to get coffee or boba tea, and this is a huge disadvantage for businesses as they are not able to predict a customer's behaviors and preferences.

Competitors like Starbucks and Jamba Juice are such established industries that it may be intimidating for newer boba businesses.

Implications: There are now higher expectations for new boba businesses, as various competitors have been continuously raising the bar. I need to be able to meet these expectations, while also creating an image that is unique to our own brand. My job is to discover a niche that my business will thrive under and cater to customers' needs with our menu.

A4. Acknowledgment of Technological Factors

Technology has been the most effective method that businesses use in order to remain efficient and relevant in the market. Stores are expected to have the right equipment for day-to-day operations, whether it be boba machines, registers (Apple pay, cash, credit/debit), seal machines, containers, menu displays, and so much more. I pads are now heavily implemented as registers as well as manuals for employees to work from. Other essential items include cooking pots, containers, straws, shakers, and ingredients such as the tea, tapioca, syrups, milk and more (PI #2, 3 6). These are the most basic things that stores must have to survive a day of business.

With the business of our society's lifestyle, customers now want to be able to "grab-n-go", meaning businesses would need to implement ways to order and pay beforehand (CI#3). With the help of apps such as Grubhub, Uber eats, Yelp, and even the basic phone, people are able to to-go their orders and even pay beforehand so they only need to spend a minute in the store (Article #5). Catering is also a huge event that is being handled through websites and/or apps.

Customer rewards/loyalty programs are also being implemented through mobile apps, where they are able to get points per order. Social media is also becoming a huge expectation as people want to receive updates about the store or menu through their phones.

Implications: Realizing the influence of technology on the success of any business is so crucial to survive. I must be able to implement all these essential technological factors into my business and see if there are any ways to improve/add to these.

A5. Acknowledgment of Political/Legal Factors

It is crucial to be aware of political and legal factors in order to be able to stay in business and away from the public's criticism. Business owners should always keep up-to-date with the changing laws based on their locations, and do anything to avoid even small discrepancies.

For most food/restaurant related businesses, hygiene and sanitation is one of the most important legal issues to consider. This includes cleanliness of the store (bathrooms, kitchen, seating area, counters, etc.), maintaining correct temperatures for certain foods, having the right amount of bleach in the sink, avoiding cross contamination, having employees maintain proper hygiene (washing hands, using gloves), and more (Article #11). Stores are expected to be able to pass regular health inspections at any given time. Failure to meet health standards could pose a risk of closure.

Another factor to keep in mind is employees' wages and rights. Businesses must comply with their region's minimum wage laws (Fair Labor Standards Act) as well as employee benefits. Employees must also obtain Food Handlers cards in order to be able to prepare and serve food. Aside from the law, it is important to set a healthy working environment for employees so that they are able to perform better and stay motivated.

Implications: I must recognize that failure to meet regulations can lead to serious consequences and may even lead to closure of my business. It is crucial to understand all the laws within the state/county that I will be planning to operate in, including health regulations and employee laws. I should implement cleaning and quality control as a mandatory task everyday, as well as have employees do routine checks throughout the store. I will make sure that my employees are all qualified to work with all the correct registration and certification required. Most importantly, I will make it a priority to keep my employees satisfied with their jobs, while properly training them and treating them right.

A6. Acknowledgment of Social/Cultural Factors

"You get what you get, and you don't make a fret" is simply a dead value that society does not comply with anymore. People expect to be able to have control over every aspect of their lives, including being able to choose the level of sweetness and flavors of their beverages. Starting with customers asking for less ice, and then asking to adjust sweetness, boba businesses have recognized the need for customers to be able to

customize their own drinks (PI #1, 3, 4, 5). Being able to adjust sugar and ice levels, as well as mixing different flavors and toppings has become a norm/expectation in this industry (CI #1,2,3,4,5). Newer businesses have started asking customers for sugar/ice levels and their preferred topping as a part of their normal customer service routines.

The rise of healthy lifestyles and dietary restrictions have led to a demand for healthier and organic drink options (Article #2, 8). These include fruit/vegetable juices, low sugar drinks, add-ons such as protein powder/whey, alternative milk options, vegan toppings (pearls, grass jelly) and more. It is important for businesses to be transparent with their ingredients as more and more people are becoming sensitive to these issues.

Although boba shops are known for their speed and efficiency, they are also hotspots for hangouts, social gatherings, and students. As the demographic is highly skewed towards college students and young working adults, people love to come in groups and linger for a while with their drinks (Article #3,5, PI #1,2,6). Businesses are expected to have pleasing aesthetics/interior, maintain cleanliness, have plenty of seating and space, outlets and wifi for those who want to study, and most importantly, late hours for those who want to come after an event or meeting (CI #3,5,6). Boba shops are making most of their profit during later hours due to the busy lifestyles customers have during the day.

Taking advantage of social media platforms is essential for businesses to thrive. The most important app for boba shops would be Yelp, as they are able to receive feedback from customers as well as find out ways in which they can improve. Many people discover businesses through Yelp, and determine if it's worth their time through other people's reviews. Instagram is also a highly important platform, as many people like to boast their drinks on their stories/feed. Having a strong presence on these platforms allow businesses to attract more customers, and maintain loyal ones.

Implications: As a new business, it is crucial that I understand the rising trends in society as well as recognize the rising expectations of customers. Customization of drinks and toppings is an essential factor that I will be implementing into my own menu, and I would be focusing on variety. Having a nice and unique interior/design of cups would motivate customers to post on their social media handles, and hopefully attract other customers. I would also consider having later hours as there is a demand for it in the industry.

A8. Consumer Behavior Factors

1. Taste and flavor of drink (CI #1,2,3,4,5,6,7, 10,)
2. Quality/Freshness of tea (CI #2, 3, 5, 6, 7, 8, 10, 11, 15, 17, 20, 21)
3. Speed of Service (CI #5, 6, 13, 15, 17, 23)
4. Customization of sugar/ice levels (CI #1, 6, 7, 15, 18, 20)
5. Variety of flavors and topping (CI #1, 4, 6, 8, 14, 19, 24)
6. Consistency of drink taste (CI #1, 2, 15, 18, 19, 20, 22)
7. Late hours (CI #1, 3, 6, 7, 12, 13, 15, 19)
8. Convenience of location (CI #3, 7, 14, 18, 20)
9. Enough seating options (CI #3, 7, 11, 15, 20, 21)
10. Friendliness of Employees (CI #2, 4, 7, 10, 13, 15, 19, 23)
11. Price of drink (CI # 1, 4, 15, 20)

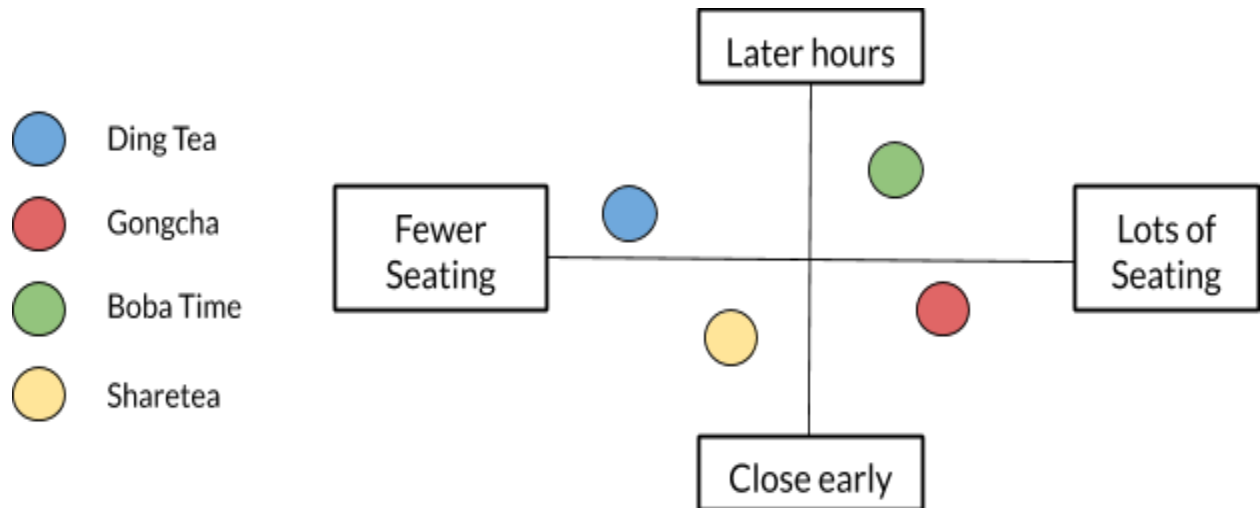
Implications: It is crucial for a business to recognize their consumer's needs and factors of motivation that shape their behaviors. If businesses are able to fulfill these needs and cater to these factors, customers will be attracted to their products over others. As a part of the food industry, taste is the most important factor that customers are looking for. The quality and taste of the tea and toppings is what makes one store stand out over another, as many have expressed their willingness to pay more money for it. Boba lovers are looking for freshness in the tea, freshly cooked boba, fresh fruit in smoothies, and more. People are also looking to be able to customize their drinks to their preferred levels of sweetness as well as substitute to match their dietary needs. Speed of service is important and must be implemented well while also maintaining other factors such as friendly customer service - no one wants to wait over five minutes for a drink. Seating is also crucial as large groups tend to stay away from crowded stores and opt for better seating options. As the demographic is shifted towards young students and adults, people are wanting later hours to be able to hang out and drink their favorite drinks after events.

SECTION B: Competitive Analysis

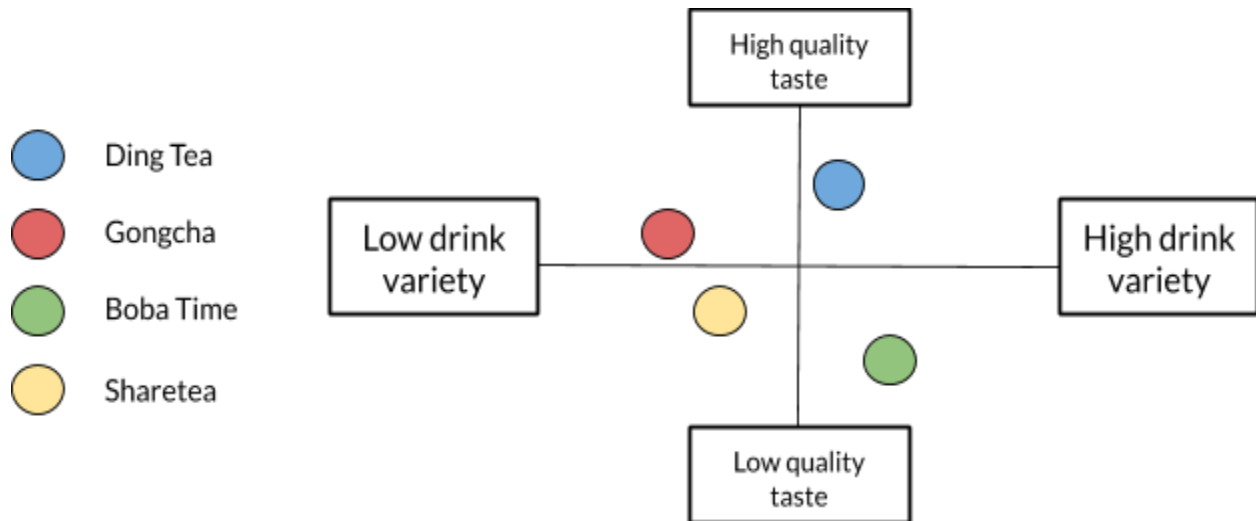
Ding Tea



B1. Positioning Maps



Why? I placed Ding Tea where I did on the horizontal line because the store has fewer seating options compared to its competitors. The store itself is extremely small and can get very crowded during rush hours (CI# 1, 5, 7, 10, 18, 22). The tables can only seat up to four people at a time and it is hard to move them around - this is unaccommodating towards large groups of people who want to hang out in the store. Most large groups have to order, wait outside, and then find seating somewhere else in the mall (stairs, food court, etc.). It is located where it is on the vertical line because Ding Tea is relatively average when it comes to their hours. They open at 11am everyday, and close at 10:30pm on weekdays, 11pm on weekends. This is slightly later than some of their competitors who close at 10pm, but it cannot be considered late at all. Many customers have expressed their wishes for later hours as they want to stop by after late night events (CI# 5, 18, 22).



Why? I placed Ding Tea where I did on the horizontal line because they have a relatively large selection of drinks and toppings compared to its competitors. They have many different flavors for each category of drinks (teas, milk teas, slushes, smoothies, coffee, juice, yakult) and plenty of different toppings (Website #3). However, Ding Tea never adds new drink items and sticks to what they have which are pretty generic flavors for most boba shops. I placed it where it is on the vertical line because nearly all of the customer interviews from Ding Tea talked about the exceptional quality and taste of teas, as well as their freshness (CI #1, 3, 8, 9, 10, 11, 12, 13, 14, 15, 16, 22). People seem to rely on Ding Tea for the quality of their teas and are willing to pay the price for it.

B2. Primary Target Market Analysis

Primary Demographic is ranked first due to the extremely saturated demographic of Asian American, younger consumers (PI #3,4, CI #1, 6). Although it is a popular drink amongst all ages, it is most popular amongst the ages 15-30.

Why? Although it isn't exclusive to one culture or group of people, it is more known and popular amongst Asian Americans since it is a Taiwan-originated dessert. The location is also placed at a Korean dining and shopping mall called The Source, making it no surprise that the majority of the customers are Asian. Known as a hangout or pick-me-up spot, groups ranging from younger students to company coworkers all like to frequent the shop (CI #2,4,5,6). The reasonable price point also attracts consumers of all ages.

Primary Geographic is ranked second due to the fact that it is located in a Korean mall in Buena Park. The mall itself is booming with people trying to eat with families and friends that there is heavy foot-traffic, especially during the night.

Why? Customers prioritize convenience of location as they want to be able to "grab-n-go" or be able to fulfill their dessert cravings after a large meal. The mall is also located next to the freeway, and commuters from work are able to easily stop by for a drink. Near the mall, there are also many popular restaurants as well as Asian supermarkets, making it a good attraction for people to stop by after running errands or eating out.

Primary Benefits is third because Ding Tea is always seeking to provide their customers with the best quality drinks and service.

Why? Boba is considered a treat that can be enjoyed with family and friends, and it allows people to come together and socialize (CI #3,4,6,). Ding Tea also provides an atmosphere in which groups of all sizes can come together and hang out while enjoying their favorite drinks. Another benefit is their flower wall that many people come to take pictures in front of. This has become a staple at many other locations, and fans can quickly recognize it on social media.

Primary Psychographic is ranked fourth because the customizability of Ding Tea allows for people to cater to their specific preferences.

Why? People like to have variety and customizability when it comes choosing their drinks and Ding Tea caters to these expectations very well (PI #1,4, CI #2,5). They also focus highly on quality and taste, and people are willing to pay extra for their exceptional taste and service.

B3. Customer Experience and Strategy Analysis

Customer Experience/Product Objective: The primary objective of Ding Tea is to provide their customers with high quality tea and boba, while also providing a variety of different options, all at a reasonable price point. They offer their own delicious recipes to the classic milk teas (black, oolong, jasmine, thai, hokkaido) and offer toppings such as golden boba which is unique to its competitors. Their most popular drinks include their Signature Milk Tea, Monster Boba, and Jasmine Milk Tea which have people loyal to the store (PI #1,2,5,6).

Product Strategies: Ding Tea has exceptional quality control as they are constantly brewing new tea and cooking boba every 2-3 hours in order to maintain freshness. Drinks are made per order which also ensures fresh quality of their drinks compared to other competitors (Website #1). Employees are trained to measure and make drinks per customer's sweetness and ice preferences, so they are able to ensure the same quality for every custom order. They also opt for fresh tea leaves and natural brewing methods over powders and syrups - all of these methods ensure the finest quality that customers can taste and are willing to pay for.

Although the store is relatively small, there are seats for both small and large groups, and even include an aesthetically pleasing flower wall for pictures. The space is also constantly kept clean, with a simple white marble interior with gold accents that are aesthetically pleasing. They also operate into later hours than neighboring stores which are preferable amongst students and workers alike.

Strengths:

- Freshness (CI #1, 2, 9, 10, 11, 12)
- Taste (CI #1, 2, 10, 11, 13)
- Convenience (CI #2, 12)
- Made per order
- Price

Weaknesses:

- Sustainable/Environmentally friendly options
- Unhealthy
- Hours (CI #14)

B4. Pricing Analysis and Strategies

Products	Gongcha	Ding Tea	Industry Average
Milk Tea	\$4.00	\$3.90	\$3-5
Fruit Tea	\$3.50	\$3.80	\$3-4

Price Objective: Ding Tea meets competition on the mid-high end of the industry average. Prices are a bit higher than average, but succeed in meeting the perceived value. They charge \$0.55 for a topping add-on/size upgrade, allowing prices to rise fast based on preferences.

Price Analysis: Ding Tea's price positioning in terms of competition is relatively average, maybe a little higher for its industry. Additional costs for toppings/upgrades can drive prices high, as well as tax and tip. Ding Tea's mission statement is to be able to provide high quality drinks for an affordable price (Website #3)- driving prices any higher will seem like a breach in their values. Customers express that their prices are justifiable due to their taste and quality (CI #2, 5, 8, 10, 17), and there are even some who are willing to pay more. At the same time, many have said that the main reason they prefer Ding Tea is due to their affordability as well as convenience - this will definitely affect how consumers react to significant price changes. Because of the fact that their primary consumer demographic is students or young workers, Ding Tea likes to portray an image of affordability and will most likely be keeping their prices average. However if they were to raise their prices by 20%, irregular customers would probably frequent a different store. At the same time, if they were to lower their prices by 20%, it might give off an image that they lowered their quality and deter a large group who take quality and freshness very seriously.

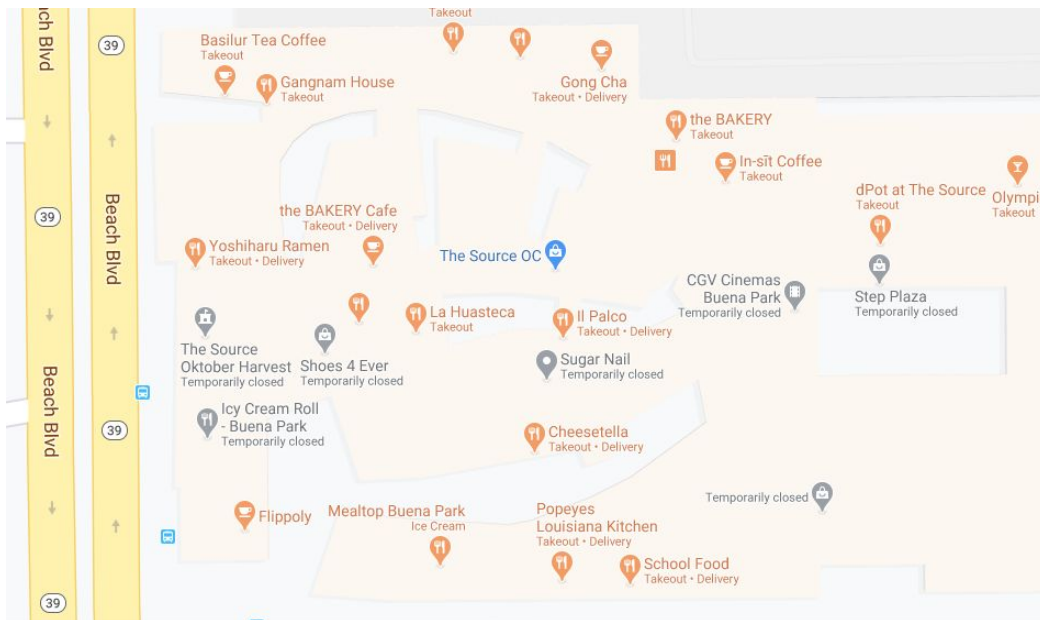
Strengths

- Drinks made per order (CI #4, 6, 17)
- Price is justifiable for the quality (CI #3, 11, 15)
- Freshness (CI #3, 4, 8, 11, 17)
- Variety of toppings and drinks (CI 4, 7, 19)

Weaknesses:

- Toppings raise prices fast (CI #5, 16, 17)

B5. Place Objective and Strategy Analysis



Place Objective: Ding Tea is placed in an area filled with an Asian demographic, placed near businesses that might bring in business. It is placed in an area with heavy foot traffic, allowing it to be seen well.

Place Analysis: Ding Tea is located at The Source mall in Buena Park, in a place filled with foot traffic and an Asian demographic. The mall is primarily Korean with a plethora of restaurants, dessert shops, clothing/makeup stores, k-pop merchandise stores, and more. Surrounding the mall is also a predominantly Asian area with Korean supermarkets and restaurants such as H-mart, the Kang Hodong Baekjeong Plaza, Hannam Chain, and more. Ding Tea is placed on the first floor of the mall with indirect competitors such as Okbingsul, Flippoly, Honeymee and more right next to it. The mall itself has 4 boba shops as well as over 10 shops selling drinks - this might cause concerns about competition. However, Ding Tea has such a loyal consumer base that they are always thriving amongst its competitors. Even during days that the mall is relatively slow, people can frequently see Ding Tea still filled with customers, especially during later hours (PI #1, 2 CI #7, 12). The mall is also close to many churches, schools, and workplaces, allowing convenience for groups of friends and coworkers, and even families to frequent.

Ding Tea also offers online ordering and phone orders, as well as delivery options through Grubhub, Doordash, and Postmates. Customers can avoid long lines or order catering through these services, and can even enjoy their favorite drinks without having to step out of their homes.

Strengths:

- Located in an predominantly Asian area (CI #1,2,7)
- Convenient for people eating at The Source (CI #11, 12, 14)
- Koreans are always stopping by (PI #5, CI #7, 13)

Weaknesses:

- There are still other boba stores in the mall (PI #5, 6)
- Can get crowded during weekends

B6. Non-Digital Promotion Objectives and Analysis & Strategy Examples

Non-Digital Promotion Objective: Ding Tea utilizes various non-digital promotional strategies in order to increase awareness about their new products, sales, and increase foot traffic within their store.

Non-Digital Promotion Strategy:

New Acquisition Strategies: Ding Tea heavily relies on word-of-mouth to attract new customers (CI #6, 9, 12). In order to increase talk about their brand, they do their best to provide exceptional service to anyone who walks into their store - amazing and quick customer service, consistency, etc. They also utilize aesthetics and ambiance in order to attract people who have a preference towards those things - they have a huge flower wall for pictures, cute decorations, a clean marble interior, hip music, and more. One specialty item on their menu would be their Monster Boba Latte, which is a milk-based drink sweetened with brown sugar and maple syrups. Customers would be more inclined to visit this store for this unique drink that they won't be able to try at their other boba shops. Ding Tea also places banners and flyers throughout The Source to attract customers that are debating between different dessert places.

Existing Customer Strategies: Ding Tea focuses heavily on maintaining great service towards their existing customers. They recognize that their loyal customers are more valuable than trying to promote to potential customers (PI #3, 7). Employees are trained to provide the best experience they can by delivering exceptional and friendly customer service, maintaining a clean store, and making drinks quickly and correctly. They also have a remake policy that allows customers to have their drink remake if there are any dissatisfactions with their drinks. Their menu items and drinks are probably the main

attraction for customers, as many have their “favorite” drink that they always return for (CI #10, 11, 12, 13, 14). Some of the most popular drinks would be their Signature Milk Tea, Monster Boba Latte, Yakult, and Wintermelon (CI #3, 4, 11, 13, 14). Ding Tea also utilizes a lot of sales and promotions to encourage their existing customers to come back - they offer stamp cards (free drink per every ten drinks), BOGO discounts during certain seasons or holidays, random \$1 off discounts, and even a 10% discount for people who work at The Source.

Strengths:

- Word of mouth (CI #4, 10, 11, 12 15)
- Discounts and sales (CI #11, 13, 16)
- Customer Service (CI #3, 5, 11, 12, 13, 15)
- Remake Policy (PI #4)
- Good location (CI #5, 10)

Weaknesses:

- No samples (CI #6)
- Rely heavily on word-of-mouth (PI #3, 5)

B7. Digital Promotion Objectives and Analysis & Strategy

Examples

Digital Promotion Objectives: Ding Tea utilizes platforms such as Yelp, Instagram, Facebook, and food apps in order to provide customers easy access to their menus and promotions.

Digital Promotion Strategy:

New Acquisition Strategies: Yelp, Instagram, and Facebook are used to attract new customers to Ding Tea. Yelp would be the most insightful for new customers as they like to base their decision to visit a store on other people’s experiences (Website #1). They are able to look at customer reviews, menu items, and also prices. Ding Tea is relatively active on Instagram - although Ding Tea at The Source does not have a huge following, other locations such as Las Vegas have huge platforms attracting customers into stores around them. They post new drink items, BTS videos on how to make drinks, promotional events, and are active in replying to comments about their products/brand (Website #11). Their

website is also a great source for potential customers as they are able to easily navigate through it, find locations nearby, look through menu items, order catering, and are also given direct links to all of their other social media platforms.

Existing Customer Strategies: Through the same platforms, existing customers are kept up-to-date with new drink items, promotional events, and constant pictures of their favorite drinks. Through the messaging app Fivestars, customers under the loyalty program are texted discounts and sales every week including \$1 off, BOGO deals, and more. These discounts and promotions usually last one to three days, giving customers an incentive to visit their store as soon as possible. Customers are also able to order online and get delivery options through UberEats, Postmates, Doordash, and Grubhub which allows for better efficiency and convenience. Partnership with these apps has significantly raised sales and encourages customers to enjoy their favorite drinks wherever they are. Satisfied customers are more likely to order catering for events that they are hosting, which can also be arranged through their website or via phone call. Active posting and reposting of fan photos on Ding Tea's Instagram also encourages social media users to promote the drinks on their own profiles/stories. Fans like getting recognized by their favorite businesses, and the business also gets free promotion to the fans' followers as well.

Strengths:

- Online ordering and delivery (CI #6, 8, 10)
- Active social media platforms (Website #1, 11)
- Discounts and promotions (Website #11, CI #11, 12, 14)

Weaknesses:

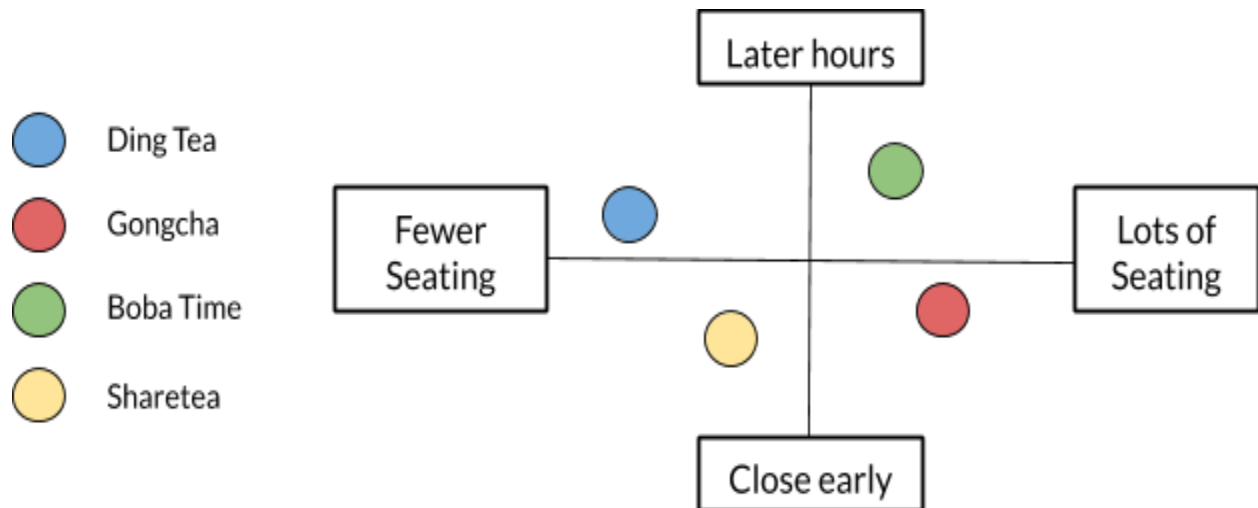
- Not active with replying to customers via social media (Website #1, 11)
- No ingredients list on menu (Website #3)

SECTION B: Competitive Analysis

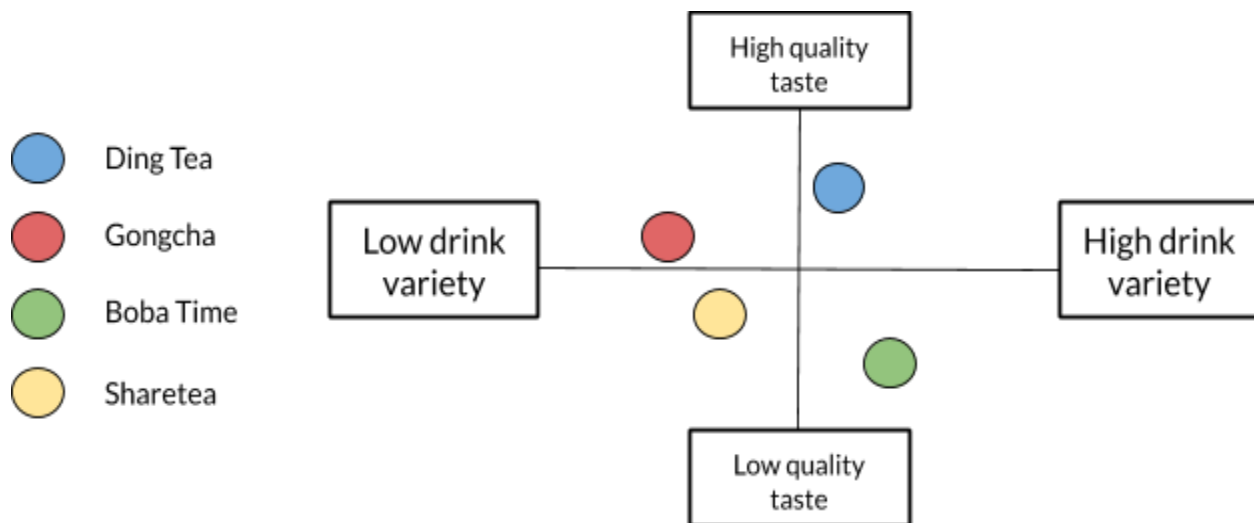
Gongcha



B1. Positioning Maps



Why? I placed Gongcha where it is on the horizontal line because they are located in the food court which is filled with tons of seating. However, it can get limited because it is packed with people eating from different stores in the food court. The seating is also not exclusive to Gongcha which is also a limitation. However unlike Ding Tea, it is great for large groups to hang out as the tables are fitting for many people (PI #2). I placed it where it is on the vertical line because Gongcha closes pretty early compared to its competitors. They operate from 11am-10pm, and this is because the food court itself closes at 10pm (Website #4). They are losing a whole hour of potential customers that are probably opting for Ding Tea downstairs.



Why? I placed Gongcha where it is on the horizontal line because they have limited variety in their menu. Although they are always coming out with new drink series and lines, they don't have that many flavors and types of drinks. For smoothies, they only have matcha and the only fruit smoothies are probiotic smoothies with mango, lychee, passionfruit, peach and lemon flavors. They also only have two types of coffee and very few types of fruit tea (Website #4). Competitors like Ding Tea have at least ten different flavors for each type of drink, but Gongcha is very limited in their selection. They also don't have some basic toppings such as aloe, jelly, and crystal boba. Customers say that they sometimes get confused by the lack of flavors (CI #3, 4, 23). I placed it where it is on the vertical line because Gongcha prides itself on providing fresh, high quality tea. Their prices are higher because of their quality, and customers say that it meets expectations (CI #4, 16, 23).

B2. Primary Target Market Analysis

Primary Demographic is ranked first due to the highly saturated demographic of Koreans. Because of Gongcha's immense presence in South Korea, Koreans of all ages are more likely to visit over any other group (PI #6, Website #7).

Why? Although it isn't exclusive to one culture or group of people, boba in general is more known and popular amongst Asian Americans since it is a Taiwan-originated dessert. Gongcha in particular has established itself as a trademark bubble tea chain in South Korea, making the demographic even more saturated towards Koreans. Koreans of all ages are frequenting the business for the reminiscence of their hometown. Being located in a Korean-centric shopping mall in Buena Park, it attracts even more Koreans than its competitors.

Primary Geographic is ranked second due to the fact that it is located in The Source mall in Buena Park. The mall itself is booming with groups of (especially Asian) families and friends eating and shopping around.

Why? The Source is located near many Korean-American churches, companies, supermarkets, shopping plazas, and restaurants. Near the mall, there is the Kang Hodong Baekjeong plaza, H-mart, Zion Supermarket, Hannam Chain, and more which are all primarily Korean stores (Website #12). Groups of students and adults alike come to Gongcha for either a quick drink or to converse and hangout. Sundays are usually packed with customers as many local youth groups come for fellowship after service (CI #9). It is located in the food court filled with many other dining options, allowing for convenience after a meal as well.

Primary Benefits is third because Gongcha has staple drinks and are always coming out with new menu items to satisfy customers' needs.

Why? Gongcha's milk foam drinks as well as teas are a staple in every chain across America and internationally. People who have frequented Gongcha in different countries are able to enjoy the same drinks at this location - many Koreans have mentioned how it reminds them of home (CI #15, 18). They also are coming out with new menu items and specialty lines such as cherry blossom, strawberry, matcha and more which brings customers a variety of drinks to choose from. Gongcha also uses k-pop and Korean celebrities to promote their products by placing celebrity cutouts, playing Korean music and music videos on screen, and even offering free merchandise.

Primary Psychographic is ranked fourth because the customizability of Gongcha allows for people to cater to their specific preferences.

Why? People like to have variety and customizability when it comes choosing their drinks and Gongcha caters to these expectations very well (PI #1,4, CI #2,5). Employees are trained to ask for ice and sugar levels for every order, and even have specific measurements to balance out the ingredients. Because they have a set guide, their drinks

are consistent no matter the difference in sugar or ice levels. They also allow customers to choose their own toppings for each drink.

B3. Customer Experience and Strategy Analysis

Customer Experience/Product Objective: The primary objective of Gongcha is to provide their customers with premium quality tea and boba with freshness that they can taste (Website #4). They offer a variety of drink options as well as customizability with toppings and creative mixes. Gongcha also prides themselves on providing new drink series for more variety and innovation.

Product Strategies: Gongcha ensures freshness of their drinks by cooking toppings and brewing tea every four hours (Website #4). Most drinks are made per order, and customers are asked to choose their preferred sugar and ice levels based on their preferences. Employees are trained to measure and make drinks per customer's sweetness and ice preferences, so they are able to ensure consistency for every custom order (PI #5, 6). Gongcha is also always coming out with new series of drinks such as cherry blossom, taro, matcha, and many more to provide innovation and more variety for customers. Whilst coming out with new drinks, Gongcha also has their own staple specialty items such as milk foam and milk tea drinks that customers favorite.

This location is slightly unique as they are placed in the food court at the top level at The Source - they operate as a booth-like shop rather than a physical independent store. Although this seems like a disadvantage for maximizing customer experience, Gongcha makes up for this well by incorporating great ambiance. They have Korean celebrity cutouts, play k-pop music videos/songs, and have aesthetically pleasing signs and menus to attract customers. Gongcha promotes their products by taking advantage of the Korean Hallyu Wave, and successfully attracts fans of Korean culture and entertainment. Fans appreciate the ambiance and free merchandise, and Koreans like to be reminded of their homes (CI #10, 11, 12). Although they don't have their own seating, the plethora of seating options in the food court allows huge groups to come by and enjoy their drinks

Strengths:

- Customizability (CI #3, 4, 11)
- Ambiance and Korean culture (CI #12, 15)
- Innovation and new drink series (CI #15)
- Freshness (CI #3, 12)

Weaknesses:

- Hours (CI #17)
- Don't have some drinks that other stores have (CI #18, 19)

B4. Price Analysis and Strategies

Products	Gongcha	Ding Tea	Industry Average
Milk Tea	\$4.00	\$3.90	\$3-5
Fruit Tea	\$3.50	\$3.80	\$3-4

Price Objective: Gongcha meets competition on the mid-high end of the industry average. Prices are a bit higher than average, but barely meet the perceived value. They charge \$0.50 for a topping add-on, allowing prices to rise fast based on preferences.

Price Analysis: Gongcha's price positioning in terms of competition is relatively average, maybe a little higher for its industry. Although their drinks are made per-order, they aren't known for having very fresh teas or toppings, making their price a little higher than its perceived value (CI #10, 11, 13). Besides Pearl Milk Tea and a few other drinks which already come with boba pearls, other drinks require an additional \$0.50 per every topping customers want to add. This can raise prices very high, and more expensive drinks like smoothies and coffee can go up to even \$6 including different toppings and tax. Gongcha's primary loyal customers are Korean who frequent the store regardless of price because it reminds them of home (Gongcha is heavily based in South Korea).

If Gongcha were to raise their prices by 20%, there would be a significant difference in sales, as some people already complain about the prices (CI #13, 15).

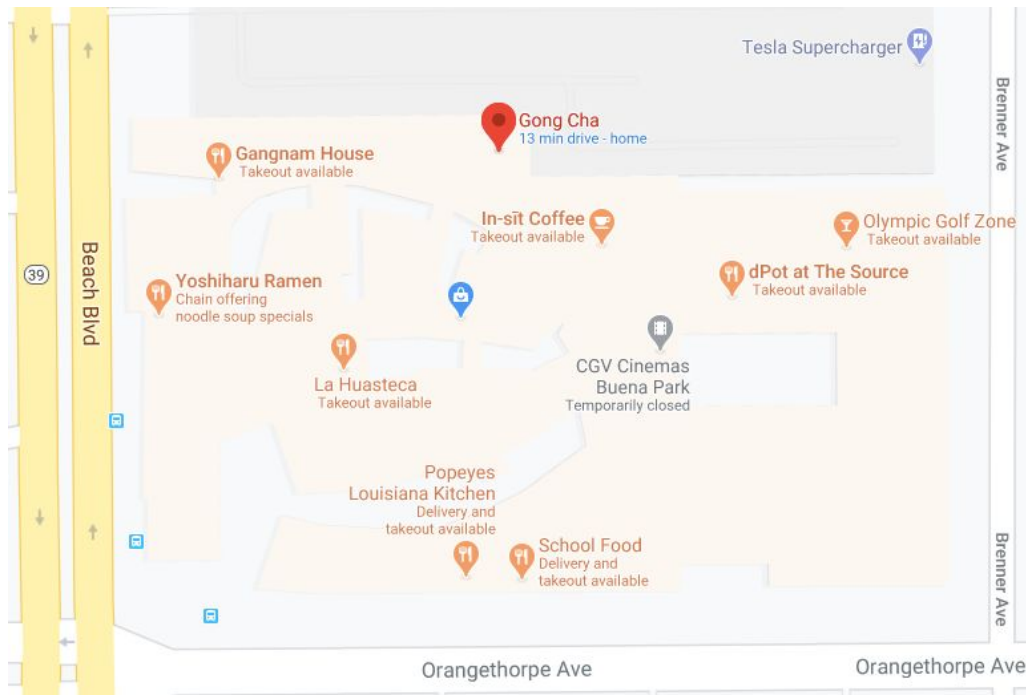
Strengths:

- Some drinks already come with toppings in it (CI #10, 11, 3)
- Drinks made per order (CI #3, 6, 11)
- Can control sweetness/ice level (CI #3, 6, 11, 13)
- Always have new unique special drinks (CI #10, 11, 13)

Weaknesses:

- Can get a little too pricey for the quality/quantity

B5. Place Objective and Strategy Analysis



Place Objective: Gongcha is placed in an area filled with an Asian demographic, placed near businesses that might bring in business. It is placed in an area with heavy foot traffic, allowing it to be seen well.

Place Analysis: Gongcha is located at The Source mall in Buena Park, in a place filled with foot traffic and an Asian demographic. Surrounding the mall is also a predominantly Asian area with Korean supermarkets and restaurants such as H-mart, the Kang Hodong Baekjeong Plaza, Hannam Chain, and more. They are placed in the food court on the upper level which is filled with families and workers dining or taking a break. It is one of the only dessert stores in the food court, making it convenient for customers to spot and stop by after a meal. The mall is predominantly Korean, with Korean food, clothing, and beauty stores surrounding it - this is advantageous as Gongcha is already known as a popular chain in South Korea (Website #2). Although there are a plethora of stores and dessert shops inside of the mall itself, Gongcha has a loyal customer base that keeps people frequenting their business. The Source also advertises k-pop and Korean Hallyu, bringing in diverse fans from the area. Gongcha takes advantage of this well as they always have Korean celebrity cutouts and accessories (cup sleeves, stickers, music) to attract fans.

Gongcha also offers delivery options through UberEats, Postmates, Grubhub, as well as their website. Customers can also order online through their website to avoid lines, and catering is an option for certain locations (Website #2).

Strengths:

- Located in an predominantly Asian area (CI #1,2,7)

- One of the only dessert shops in the food court (CI #14)
- Convenient for people eating at the food court (CI #11, 12, 14)
- Koreans are always stopping by (PI #5, CI #7, 13)
- K-pop fans get free merchandise (CI #16)

Weaknesses:

- There are still other boba stores in the mall (PI #5, 6)
- Can get crowded during weekends

B6. Non-Digital Promotion Objectives and Analysis & Strategy Examples

Non-Digital Promotion Objective: Gongcha takes advantage of Korean Hallyu and k-pop to promote their products, as well as innovative drink ideas to attract customers.

Non-Digital Promotion Strategy:

New Acquisition Strategies: Having a strong presence in Korea, Gongcha relies on their success in Korea to carry over to the Korean-American culture here. As k-pop has been gaining immense popularity all over the world, Gongcha has been endorsing deals and partnerships with various Korean celebrities to promote their products. In their store, they have cutouts of celebrities, free merchandise, and k-pop music videos playing all throughout the day. Some of their ambassadors include famous actors Park Seo Joon, Lee Seung-gi, and Gongyoo, which attracts fans around the area to visit and take pictures with their cutouts. Gongcha also pays k-pop groups to talk about their drinks in videos/live streams or carry their drinks around for promotion - extremely popular groups like BTS, NCT, ITZY, Blackpink, and many more have been spotted enjoying their drinks, and fans are always hunting for their idol's favorite drink recipes (Article #20). Fans of these groups are more inclined to visit the store to try out what their favorite celebrities enjoy, and there are always teenage girls carrying Gongcha drinks around at The Source (PI #10).

Existing Customer Strategies: Similarly, Gongcha relies heavily on a Korean consumer base to come back to their store. By utilizing the same strategies, existing customers are still encouraged to come back for the "Koreanized" ambiance and entertainment. Gongcha does not have many discounts or loyalty programs, but the few times they offer promotions definitely encourages their existing customers to come back for their favorite drinks. They focus on creating a good experience for customers while in the store, and also come out with new drinks for them to try out.

Strengths:

- Customization
- Free merchandise
- Customer Service (CI #3, 5, 11, 12, 13, 15)
- Good location (CI #5, 10)

Weaknesses:

- No samples (CI #6)
- No loyalty programs (PI #3, 5)
- Too focused on Korean culture

B7. Digital Promotion Objectives and Analysis & Strategy

Examples

Digital Promotion Objectives: Gongcha uses digital sites like their website, Yelp, Facebook, V-app and more to promote their business to people all around the world.

Digital Promotion Strategy:

New Acquisition Strategies: Gongcha's website is designed so that new customers are able to learn more about their business, find nearby locations, browse through the menu, and even order online (Website #4). They effectively promote their new menu items/series on the front page of their website, and also provide links to their other social media platforms. An important quality about their social media is that they only have one official page per platform for the entire chain, while other stores have different accounts for each other their locations (Website #13, 14) - this reduces confusion, and new customers are able to find information faster. They also repost their customers' pictures on their page in order to encourage more interaction and traffic on their page. Friends of existing customers will be able to see these posts and gain an interest towards the business. As stated before, k-pop stars and Korean celebrities are also a huge factor in promotion, as they promote Gongcha's drinks through their live streams on V-app (Korean livestream platform) or YouTube (Website #15). Yelp is also important as potential customers are able to view other customers' reviews and complaints.

Existing Customer Strategies: Through the same platforms, existing customers are kept up-to-date with new drink items, promotional events, and constant pictures of their favorite drinks. Reposting fan photos encourage existing customers to post their drinks

onto their own social media platforms. Gongcha is also partnered with apps such as UberEats, Postmates, and Grubhub for customers to be able to order their favorites from their homes.

Strengths:

- Online ordering and delivery (CI #6, 8, 10)
- Active social media platforms (Website #1, 11)
- Website (Website #11, CI #11, 12, 14)

Weaknesses:

- Not active with replying to customers via social media (Website #1, 11)
- Not many discounts and promotions

SECTION C: TIME OUT



C1. Ethical Issues and Action Plan

Situation: It has been 6 months since the grand opening of my new boba business in Buena Park. I pride myself on being a Christian business owner with core values that reflect the Bible - although I am not explicit with my beliefs, I try to stick to my values by practicing good business ethics, using sustainable products (metal, a good source of tea leaves), and catering towards students on a budget. It was doing great in the beginning with long lines for our BOGO deal, as well as a ton of interest on social media. After the initial hype however, sales went down and we are struggling to pay rent, especially as Buena Park rent is so high and there are tons of competition surrounding us. On top of that, our landlord wants to increase our rent because other business owners are doing the same. In the midst of our worries, we got approached by an influencer management company that has offered promotion of our business via one of their most popular influencers. She is an Asian-American food blogger as well as Twitch gaming streamer, and has millions of followers on multiple platforms. Every business that she has promoted has gained plenty of traction afterwards and have gotten a lot of interest from other food blogs. There have been other boba shops that were featured on newspaper articles and popular YouTube channels after her promotion. We are sure that sales would increase by at least 40%, as well as tens of thousand of new followers on Instagram. Our major concern is with the influencer - she is infamous for smoking marijuana and e-cigarettes, as well as portraying an overtly sexualized image. She has been seen smoking and flaunting skin on her daily Twitch streams, and many of her fans are also avid smokers. By agreeing to this partnership, we would be promoting values that we do not stand for as a Christian business. On the other hand, we know that if we don't accept, we will have to lower the quality of our drinks and might even go into bankruptcy.

Tension: By agreeing to this partnership, this would definitely be a breach in our Christian values, and change the image of our business as a whole. Being placed near schools and churches, our main demographic is students and young adults - we are afraid that this partnership might negatively impact their values and even encourage them to partake in these activities. Our location might even become a hotspot for smokers and rowdy gamers. This partnership will allow us to not only avoid bankruptcy, but also gain traction that we never imagined to ever receive before. I want to be able to provide my family, employees, and customers with the best experiences and am unsure of what to do.

Ethical Dilemmas:

1. I do not support smoking marijuana or vaping
2. I do not support sexualization of products or businesses

3. This partnership might affect young consumers' behaviors
4. By not accepting, my business might go into bankruptcy and I must lay off some employees
5. By accepting, my business will thrive and gain more revenue than expected

Biblical Principles:

1 Corinthians 6:19-20 - "Or do you not know that your body is a temple of the Holy Spirit within you, whom you have from God? You are not your own, for you were bought with a price. So glorify God in your body." Because our bodies belong to God and the Holy Spirit resides in us, we are to stay away from things that make our body unclean - this includes things such as alcohol, smoking, drugs, etc. Our bodies should be used to glorify God, not our own worldly desires.

Romans 12:2 - "Do not be conformed to this world, but be transformed by the renewal of your mind, that by testing you may discern what is the will of God, what is good and acceptable and perfect." We are called to use our wisdom to discern what is good and what is wrong. Turning a blind eye to God and ignoring our values for profit is definitely not glorifying to God. Infatuation with the things of this world (smoking, sex, money) only prevents us from experiencing what God has in store for us if we were to fully trust him.

Action Plan: I think it would be best to turn down the offer from the influencer management company because I do not want my business to be associated with drugs and sex. Partnering with this company and influencer will change the image that my business wants to portray.

Rationale: Although it would be an amazing opportunity for growth, I think that it is better to stick to my values and trust God instead. As a Christian business, it would give people the wrong idea to be associated with these worldly values, and I want it to be a safe space for young people and believers. Even though it might be costly, I will remain prayerful for more opportunities to come. I believe the fact that one management reached out to us is an indicator that other companies and influencers will recognize our potential soon. We will actively seek out other promotional opportunities from our end, and seek people who hold values that are in line with the Word.

C2. S.W.O.T. Analysis

Strengths:

- Knowledge of industry and customers
- Projection of Industry Growth
- Located in a predominantly Asian-American area
- Located near schools, churches, companies
- Fast and friendly customer service
- Drive-thru
- Sampling
- Fresh ingredients
- Delivery and online ordering
- Strong rewards/loyalty programs
- Strong social media/website
- Customization
- Good seating and interior design
- Unique design of cups and logo

Weaknesses:

- New business owner
- No brand awareness
- Lack of funding
- Direct and indirect competitors fully established
- Lack of experience in industry

Opportunities:

- Drive-Thru to reduce crowding
- Good environment for studying/meetings (Wifi, seating, outlets)
- Drink sampling
- Sustainable options (discount for metal straws, reusable cups)
- App for online ordering and rewards program
- Alternatives for certain diets
- Extend hours of operation
- Partnership with celebrities/influencers

Threats:

- Large chains/franchises
- Drive thru might limit extending to other locations
- Heavy competition
- Customization might change consistency of drinks
- Product differentiation

C3. Competitive Analysis

Problem #1: Lack of seating/space (CI #1, 2, 5, 11, 15, 17, 18). Customers say that seating is lacking and stores become very crowded.

Solution: The implementation of a drive-thru will significantly reduce foot traffic and crowded lines inside the store itself. This will open up more seats for people wanting to study as people won't be waiting for their drinks on tables. There will be plenty of tables of varying sizes, as well chairs. The store will be designed in a way that will separate seating areas by noise - the farthest from the register/kitchen will be designated for those who want to study quietly, while the other side will be for those who want to hang out and converse. The study area will have plenty of outlets and will be closest to the internet router, while the other side will have things such as board games and couches.

Problem #2: Store closes too early (CI #11, 19, 20). Many college students and coworkers want to be able to visit after events/shifts, and many also want to study till later hours as well.

Solution: Most boba shops close between 10-10:30 PM making it hard for people with late night events and hangouts to pick up their favorite drinks (PI #4, 6). My business will operate from 11:30 pm-12 am for those who want to remain in the store, and our drive thru will be open all the way until 2am. This allows customers who want to study/hangout late to do so, and our employees can use the 2 hours to start closing the store and cleaning while the drive thru remains open (it will most likely be slower then).

Problem #3: No environmentally conscious efforts (CI #19, 21).

Solution: For those who want to sustain the environment or even save some money, we would be offering 10% discounts for people who bring their own reusable cups and straws. We will also be selling our own merchandise of reusable drink cups (glass or thermal) as well as metal straws that are big enough for all the toppings to go through. We will also be promoting awareness programs with signs and posters behind the stations.

Problem #4: Customers hate long wait times (CI #3, 5, 10, 14, 17). Sometimes it seems like employees are ill-equipped for rushes.

Solution: During rush hours, we will be having at least four employees working as well as a manager to oversee everything. One will be taking drive thru orders, one at the register,

and two to three of them will be making drinks - the manager will be assisting wherever is needed. In order to avoid being understaffed/overstaffed, we would have to see at which hours customers are piling in - we would expect these to be during lunch and dinner hours, as well as late at night during the weekends. All employees would be trained to the point where they can make drinks quickly without having to look at the recipes.

Problem #5: Unable to sample certain drinks (CI #18, 19, 22).

Solution: In order to allow customers to fully decide on what they want to order, we will be offering sampling options for all drinks that are not blended (for walk-in orders only, not drive thru). We will have small premade batches of each flavored drink including milk teas, fruit teas, and coffee, so that customers can try certain flavors that they are unfamiliar with. During rushes, we will limit their sampling to three, as it might cause long lines and waits.

C4. Internal Marketing Strategy for 3rd Product

Systems of Quality and Consistency

Potential Concern #1: Inconsistency of drink (flavor and sweetness)

Potential Solution #1: With customization comes the risk of inconsistency of drinks. In order to combat this, we will be having a specific recipe for each level of sweetness and ice that customers want. Employees will also be trained to memorize at least the original ice/sweetness level recipes for each drink, and tea will be cooked the same exact way each time. In order to promote an anxiety-free work environment, we would not be testing our employees, but simply encouraging them and having managers watch over them as they are getting trained. We will also be requiring employees to use measuring cups for every single ingredient rather than eyeing proportions.

Potential Concern #2: Inconsistent inventory of drinks or toppings

Potential Solution #2: Customers hate it when they take their time to get to a store, fully anticipating their favorite drink, only to find out that they ran out. In order to maintain a fully stocked inventory, employees will be trained to check for tea and topping levels every two hours to see if more need to be prepared. The manager will also be doing daily inventory checks of all items (syrups, tea leaves, toppings, fruit, straws, cups, toilet paper, etc.) and reporting them to me so I can stock up and order. After finding out our rush

hours, we will also be preparing extra items an hour before in order to maintain fully stocked.

Employee Satisfaction & Training

Potential Concern #1: Unmotivated or lazy employees

Potential Solution #1: Before hiring, I will give potential workers an explanation on why employee attitude and customer service is crucial for my business. In order to combat laziness and slacking off, I will implement a rewards system and as cheesy as it sounds, an “employee of the month” wall. Along with my judgment, each employee will be nominating one coworker for the title, and that employee will be getting a small bonus included in their monthly tip paycheck. A friendly and positive working environment will also motivate workers to offer their best, and employees will have the option to switch shifts with other available workers if they are not feeling their best that day.

Potential Concern #2: Employees feel undervalued and unappreciated

Potential Solution #2: Along with the monthly bonus, I think that it is crucial for all workers to maintain a friendly relationship with their bosses and managers. I will be hosting team dinners every three months in order to appreciate each other as well as talk about concerns and work through them. Employees will also be given a free drink per shift, as well as given discounts for their immediate families to use. Employees will also be encouraged to voice out any concerns (bad relations with coworkers, feeling overworked, time conflicts) to their managers or myself, and we will be willing to listen and help them through.

Research Systems

Potential Concern #1: Customers feel their feedback is unheard

Potential Solution #1: Many businesses fail to respond to customers on platforms such as Yelp, Instagram, and Facebook. We will have a designated media assistant who will help respond to all complaints on these platforms. For customers with our loyalty program and app, they will be asked to rate our service after each purchase. Those who are unsatisfied will be receiving a response from our team, and in worst cases we will offer a free drink coupon. Taking feedback into account is so important for the success of our business as it will allow us to understand how to improve, and how to better cater to our customers' needs.

Potential Concern #2: Customer feedback is not actually implemented

Potential Solution #2: As important as it is to listen to our customers, it means nothing if we don't actually drive change and implement the recommendations. Employees will be trained to directly inform the manager about any complaints or suggestions from customers, and the manager will be informing me every week about the main ones. Similarly, our media assistant will be gathering all the responses from customers and informing me. During our team meetings, I will be addressing all the concerns and changes, as well as how to go about them so that everyone will be kept up-to-date.

C5. Purpose Statement & Why Third Business Will be Successful

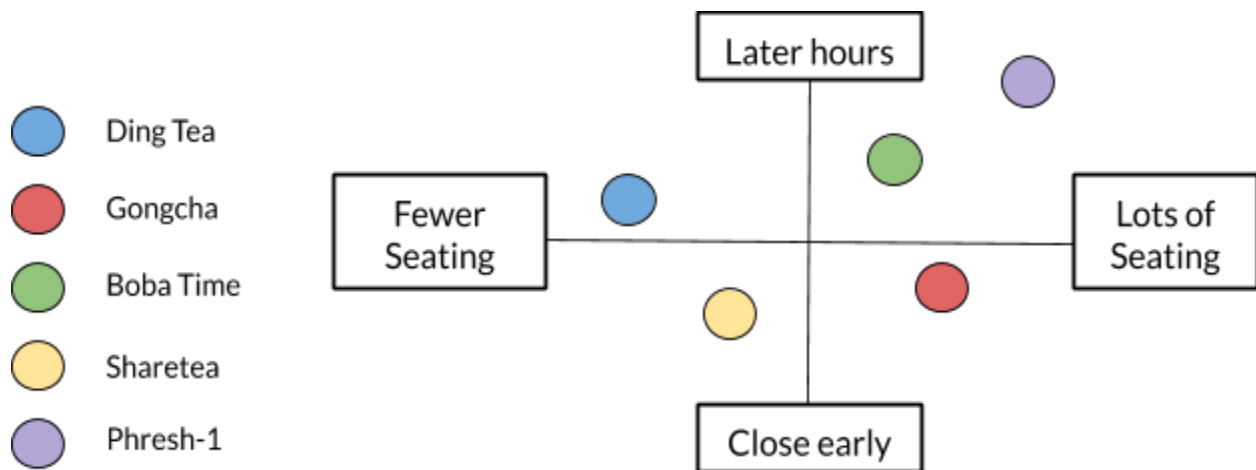
Purpose Statement: Phresh-1 exists to provide a community of boba-lovers a unique and delicious experience that they will want to come back for. We are dedicated to providing fresh, premium quality tea and boba for a sustainable, budget-friendly price. Focused heavily on students and young adults, our business seeks to provide an atmosphere to get your grind on, or to get together with your friends to bond over our high quality drinks. We believe boba is more than just a drink - boba is something that brings communities, friends, and families happiness and unity. From a few minutes wait in our drive-thru to a three hour study session inside our store, our goal is to provide maximum satisfaction for all our customers. We ensure that there will be an item that caters to your taste, and will do our best to help you through customization and sampling. As a business, our desire is to bring a content smile across your face after a sip of our fresh tea.

SECTION D: New Business

Phresh-1



D1. Positioning Maps



Why? I placed Phresh-1 where it is on the horizontal line because we have designed our store to be accommodating towards both small and large groups who want to do different things. In order to maximize spacing, one side has been designated for studiers and small meetings, while the other for groups that want to hang out. Our drive thru also frees up some seating for those who actually want to hang around in the store. I placed it where it is on the vertical line because our store will be operating into the late hours, later than most of its competition. Our store and dining will be closing at 12am, which will give plenty of time for groups that want to hang out after events and classes to come (CI #5, 8, 19). The drive-thru will be closing at 2am for those who want a late night snack to be able to stay in the comfort of their cars. This will give employees with closing shifts two hours to clean up the store and get ready for closing, as well as prepare ingredients for the morning.



Why? I placed Phresh-1 where it is on the horizontal line because we will be having a similar amount of flavors and variety as Ding Tea with a few more specialty items. We will have all the basic types of drinks such as milk teas, fruit teas, smoothies, slushes, and coffee, along with various different types of flavors. In addition, we will have our own specialty lines including sea salt drinks, cold foam topping, and seasonal flavors. We will also have food items like shaved ice, popcorn chicken, cajun fries, and waffles - some competitors do not sell food items. Customers love to have variety as well as food items to choose from (CI #5, 8, 14). I placed it where it is on the vertical line because we will be focusing heavily on the freshness and quality of our tea and toppings. We will be importing our tea leaves from Taiwan as well as our tapioca pearls. Tea will be brewed and boba cooked every 4 hours to ensure freshness, and our fruits will be fresh. Customers would be able to trust in our drinks for quality taste and freshness.

D2. Primary Target Market

Primary Benefits is ranked first because Phresh-1 seeks to cater to everyone's needs through our various seating options, ordering methods, drinks, and customization.

Why? Our business welcomes those who are seeking to grab a quick pick-me-up, and they can do so by waiting a few minutes in our drive thru. We also encourage those who want to come study by incorporating a seating area filled with outlets and good internet. Those who want to hang out with friends over some games on a couch also have options. Our variety of flavors and toppings, customization of sugar and ice levels, and various substitutions for dietary needs allow everyone to find something that they can enjoy.

Primary Demographic is ranked second because we are mainly targeting students and young adults (ages 15-25) who live busy lifestyles.

Why? Not many boba stores are suitable for studying, as many are geared towards speed and conversations. Our store invites those who need to get schoolwork or company work done while drinking their favorite drinks. College students especially love to hangout late after events or classes, and our late hours allow them to grab a drink and bond well into the night (CI #3, 5, 6, 15, 18). Located in Buena Park, many Korean-American youth groups/college ministries will also be able to fellowship at our store.

Primary Geographic is ranked third because we will be located in Buena Park (5427 Beach Blvd, Buena Park, CA 90621), close to cities like La Mirada, Fullerton, and La Habra. These locations are filled with Asian-Americans, as well as colleges, highschools, churches, and companies.

Why? Located near many schools and workplaces, people in this area are always looking for a good study spot. There are also no drive-thru places in this area, allowing our business to stand out amongst its competitors. Students will be able to stop by during their short lunch hours, or even come after class to study and hangout. There are also plenty of local churches around that are always seeking new fellowship spots. These cities are also filled with Asians-Americans (mostly Korean) who are already familiar with boba, and they are always willing to try out new options.

Primary Psychographic is ranked fourth because Phresh-1 targets a consumer base that lives busy lifestyles which prefer speed and convenience, but also value community and fellowship.

Why? Our different options (drive thru, studying area, hangout area) allow customers to be able to cater to their different lifestyles and needs. It is convenient for people of all circumstances, whether they are in a time crunch or have all the time to spare (CI #19, 20). Aside from in-person orders, we also extend our convenience to digital options such as our app and website.

D3. Customer Experience and Strategy Analysis

Customer Experience/Product Objective: The primary objective of Phresh-1 is to provide our customers with premium quality tea and boba with freshness that they can taste. We also seek to offer a unique and customized experience that caters to all different types of needs.

Product Strategies: Being a food business, our main focus should be on the taste and quality of our main item: boba. Phresh-1 offers all of the classic boba tea options such as milk tea (black, oolong, jasmine, hokkaido, early gray, thai, taro), fruit teas, smoothies, slushes, and coffee. We will also be offering a variety of different toppings including boba, honey boba, crystal boba, grass jelly, egg pudding, milk foam, fruit jelly, aloe, red bean, and even fruit pieces. We ensure freshness of our ingredients by brewing tea and cooking boba every four hours, and using fresh fruits. Our source of tea leaves will be directly from Taiwan where boba tea originated. Drinks are all made per order with the customers' preferred sugar and ice level to maximize freshness. Customers are also able to customize their drinks by choosing their own drink base and toppings, but are also given recommendations for our favorite combinations. Sampling of drinks as well as substitutions (milks, sweeteners) allow customers to design their perfect drink.

Phresh-1 offers a different experience each time a customer chooses us. Customers are able to spend just a few minutes in the drive-thru line for a quick and efficient pick-me-up. They are also able to come in for a study session and spend hours trying to get work done, as there will be an area with plenty of seating options and outlets. On another day, they are able to come in with a group of friends and hangout on the sofa while playing games. All of these experiences are complemented by one of our high quality, delicious drinks. Opening at 11:30pm and closing at 12 (store)-2 (drive thru)am, people will be able to stop by during their lunch hours, after school or work, and after late events.

Our store will also be well-staffed with motivated and fully trained employees to maximize speed, efficiency, and provide exceptional customer service. Along with a manager to supervise the store, there will be at least 4-5 employees working during rush hours to reduce lines and wait times for both the store and the drive thru. There will be sufficient equipment including registers, seal machines, blenders, and shakers, to allow for faster service. Customers are also able to skip lines by ordering online through our app or website. These are all to combat the main complaints of long wait times and slow workers made by customers of competitors around us (CI #1, 3, 7, 12).

We recognize the growing trend as well as the importance of environmentally sustainable options. In order to cater to this, we will be selling our own reusable Phresh-1 cups that come in two sizes (16oz and 24oz). We will also be selling our own metal boba straws. In order to encourage use of these sustainable materials, we offer a 10% discount to those who bring their reusable cups and straws. Behind our wall of reusable cups, we will also display flyers and messages that raise environmental awareness.

Why? Based on my research of customers at competing businesses, freshness, taste, hours, and space are all extremely important factors when it comes to experience. Customization is so important in my store because I want everyone to be able to enjoy something without having to worry about their health, diets, allergies, or pickiness. The environment that I have chosen for my store caters to students and young adults that are living busy lifestyles, but also need time to cool down and relax.

D4. Price Analysis and Strategies

Products	Gongcha	Ding Tea	Industry Average	Phresh-1
Milk Tea	\$4.00	\$3.90	\$3-5	\$4.25
Fruit Tea	\$3.50	\$3.80	\$3-4	\$4.00

Price Objective: Phresh-1 meets competition on the mid-high end of the industry average.

Price Analysis: Phresh-1's prices seem to be a bit higher than competition, but that is because we offer complimentary original boba for no extra charge. Some of our fruit teas and recommended combinations will come with complimentary bits of fruit and jellies in them as well. Competitors charge \$0.55 for a topping add-on, even for the most basic topping. We will charge \$0.55 extra for any toppings beyond that, as well as for a size upgrade. I believe the price is justifiable due to the quality of our tea leaves and other ingredients, and customers are also paying for the time that they will be spending in the store. We also offer features that other businesses do not offer such as a drive-thru and late hours, so customers would be willing to pay the extra prices for them (CI #16, 19). Considering these factors, we are technically offering a better price value than competitors.

Why? Although we can charge more for the time and experience, we choose to remain relatively close to competitors because our main demographic consists of students and young adults. They will most likely be on a budget and probably will opt for different options if we were to raise our prices even more. Regardless, customers will recognize our unique qualities and benefits that are worth the price. Our exceptional speed, consistency, and friendly customer service will also add value to our products.

D5. Place Objective and Strategy Analysis



Place Objective: Phresh-1 is placed in Buena Park (5427 Beach Blvd, Buena Park, CA 90621) which is extremely close to cities such as Fullerton, La Mirada, La Habra, and Cerritos.

Place Analysis: Buena Park is highly concentrated with Asian restaurants and supermarkets all around it. Near it are the H-Mart plaza, Zion Market Plaza, Hannam Chain Plaza, and The Source. The large number of Asians in the area as well as direct and indirectly competing businesses will ensure familiarity with boba amongst potential customers. Beach Blvd is always flooded with traffic, allowing our store to be seen by many people during their commutes. It is close to schools like Biola, La Mirada High School, Sunny Hills High School, and more, attracting students to our area. Surrounding it are also tons of local churches as well as company offices - youth groups, college ministries, and coworkers are able to stop by for meetings and fellowship over a drink.

Although there are plenty of direct competitors near Phresh-1 including Boba Time, 85 Degrees Bakery, BobaYa, and Ding Tea, our store offers a drive-thru option, later hours,

and better seating over them. Our unique qualities will allow us to differentiate ourselves from the sea of competitors in Buena Park.

Why? Regardless of our location, we do not have to worry immensely about competition because Phresh-1 offers many unique benefits over our competitors. Many people complain about long wait times during rush hours, and would probably prefer to go through our drive-thru for a faster and more convenient alternative (CI #4, 7, 10). Many students also lack hangout spots after late night events because most businesses close around 10pm - our late hours will definitely attract groups of night owls while other businesses done operating (CI #2, 18).

D6. Non-Digital Promotion Objectives and Analysis & Strategy Examples

Non-Digital Promotion Objective: As a new business, Phresh-1 will rely on unique factors to increase awareness of our brand, and help them understand how our business differentiates from others.

Non-Digital Promotion Strategy:

New Acquisition Strategies: We will be hosting a Grand Opening event in order to attract new customers. The first 25 people will get one free drink and a free BTS poster, and 25 people following will get a free drink. The rest of the opening week will feature a BOGO discount, as well as 25% off all our merchandise (reusable cups, straws, shirts). Leading up to opening, we will be passing out flyers to nearby schools and churches, as well as posting them in Korean supermarkets and plazas. Our store will have a huge banner as well as cutouts of celebrities to attract attention as well. We will also be posting pictures of our menu items in front of our store along with big signs to promote to passerbys. Following opening, we will continue to utilize signs and banners, as well as flyers throughout the city. These signs will all highlight our drive-thru, late hours, specialty drinks, and our unique interior.

Existing Customer Strategies: For our existing customers, it is crucial to provide them with exceptional service and drinks. Allowing them to sample drinks and walking them through our menu will make them realize that our employees care about their preferences and actually know what they are talking about. We would also ask them if they have any suggestions for our business and make them feel like their opinions are valid and useful. Being efficient as well as providing a delicious drink will motivate them to come back as well.

Why? As a new business, it is crucial to raise awareness about your brand and help customers understand what makes you stand out amongst your competitors. By using these strategies, I can emphasize the goals and vision of my business while catering to the needs of my customers. Creating a memorable experience for each customer through services will encourage them to come back and share the word to their acquaintances about our place.

D7. Digital Promotion Objectives and Analysis & Strategy

Examples

Digital Promotion Objectives: Phresh-1 will utilize social media handles such as Instagram, Yelp, Facebook, YouTube, and our app to promote our business and products.

Digital Promotion Strategy:

New Acquisition Strategies: Before our opening, Instagram and Facebook will be the main ways we promote our business - we will add pictures of our menu items and drinks, interior, and promote a grand opening sale. We will also partner with influencers (Instagram and YouTube food bloggers) and Korean celebrities to raise interest amongst fans and communities. After opening, we will be extremely active on our Instagram and encourage people to post their drinks to their own profiles and stories - this will promote our business to our customers' friends (employees will take part in this as well and promote to their followers). We will also be offering app-exclusive discounts to new members, raising their incentives to check out our store.

Our website will be a huge factor in allowing potential customers to know more about our brand, menu, online ordering and catering options, and also lead them to our various different socials. It will be designed in a way that incorporates our main aesthetic, and will be easy to navigate through different tabs (home, about us, menu, order online, catering, contact us).

Existing Customer Strategies: We will be focusing on our own Phresh-1 app for existing customers. After getting them to sign up, they will be able to join rewards programs (digital stamp cards), order online, get notifications about app-exclusive discounts, know about new menu items, and other promotional offers. We will also have a feature that allows customers to rate their experiences after each order as well as provide feedback. They can also submit blog posts/photos of their own drinks which can be featured on our

Instagram and Facebook pages. Our unique interior and aesthetic decor will also encourage customers to take photos in our store and post to their social media - this will allow us to indirectly promote to their followers.

Responding to customer reviews on Yelp and other social media will also be highly emphasized, and we will be having a designated media person to do so. We will be focusing on responding to complaints and implementing change based on them. In worst case scenarios, we will call them back for a refund or a free drink on the house as our apologies.

Why? Many businesses fail to respond to their customers' reviews, leading them to feel like their complaints and suggestions are unheard. Phresh-1's customers would feel satisfied knowing that their voices are being heard, valued, and taken into account by our management. Social media and digital apps are extremely prevalent amongst our demographic, and it is the best way to reach our customers and improve efficiency within the store.

SECTION E: WORKS CONSULTED

WEBSITES

Website #1: <https://www.yelp.com/biz/ding-tea-buena-park-buena-park-3>

Brief Description: This is the Yelp page for Ding Tea at The Source.

Relevance: Website includes the reviews of customers (highlights strengths and weaknesses of business) and complaints that they may have. Some complaints are about the small interior and inconsistency of drinks.

Website #2: <https://www.yelp.com/biz/gong-cha-buena-park-2?osq=gong+cha>

Brief Description: This is the Yelp page for Gongcha at The Source.

Relevance: Website includes the reviews of customers (highlights strengths and weaknesses of business) and complaints that they may have. Some complaints are about the lack of inventory (certain drinks or toppings) and the inconsistency of drinks.

Website #3: <https://www.kungfutea.com/>

Brief Description: This is the website of a direct competitor, Kung Fu Tea.

Relevance: Website highlights many promotional items and events including mystery boxes, “emoji collection”, drinks of the month, and more. They have different links for partnerships, products, apps, and even merchandise.

Website #4: <https://www.1992sharetea.com/>

Brief Description: This is the website of a direct competitor, Share Tea.

Relevance: Website is modern, and similar to many other boba shop websites. Currently, they seem to be pushing for expansion as their homepage is a direct affiliate link to opening up a franchise. They also have many links to catering and locations.

Website #5: <https://itsbobatime.com/>

Brief Description: This is the website of a direct competitor, Boba Time.

Relevance: Website is very helpful with menu options and pictures of trending drinks on the homepage. They also highlight their social media handles with direct links to Instagram and blog posts. They also have various store locations that you can easily navigate through the website.

Website #6: <https://dingtea.club/>

Brief Description: This is the website of a main competitor #1, Ding Tea.

Relevance: Very simple website with links to locations, vendor, menu, and catering. The website needs to be updated as it is missing various new locations in the Orange County area. Also includes links to their social media handles, where they are more active.

Website #7: <https://www.gongchausa.com/>

Brief Description: This is the website of a main competitor #2, Gongcha.

Relevance: Modern website with relevant links to menu, franchise, locations, contacts, etc. One thing that stands out is their gift card option that they emphasize. They do not have a catering or events option.

Website #8: <https://www.yelp.com/biz/its-boba-time-buena-park?osq=boba+time>

Brief Description: This is the Yelp page for Boba Time in Buena Park.

Relevance: Only three stars with most customers complaining about the unfriendliness of staff and long wait times. There seems to be an inconsistency with the quality of the service and drinks.

Website #9: <https://www.yelp.com/biz/its-boba-time-buena-park?osq=boba+time>

Brief Description: This is the Yelp page for Share Tea in Fullerton.

Relevance: With a solid four stars and about 1,000 reviews, most people seem to enjoy the drinks and service at Share Tea. Many people are encouraged to check-in to Yelp for free toppings, increasing the review rate.

Website #10:

<https://www.glassdoor.com/Overview/Working-at-DING-TEA-EI IE2041715.11,19.htm>

Brief Description: This is the Glassdoor page for Ding Tea franchises.

Relevance: This website highlights employee reviews and their experiences working at various Ding Tea locations. Employees say wages are too low for the amount of work they are expected to do, and there are not enough employees working during rush hours. Not adequate breaks or raises.

Website #11: <https://www.instagram.com/gongchatea/>

Brief Description: This is the Gongcha's official Instagram page.

Relevance: Their Instagram shows that they are active in posting and reposting customers' posts, as well as keeping customers up to date with promotions, deals, and new drink items. They lack communication with customers in the comment sections.

Website #12: <https://www.instagram.com/dingtealasvegas/>

Brief Description: This is the Instagram page for Ding Tea in Las Vegas.

Relevance: Although this page is exclusive to Las Vegas, Ding Tea has a large following while regularly posting videos and photos of their drinks which get reposted by food blogs.

They post something daily, as well as update fans about promotions, hours, new menus, and encourage engagement in the comment sections.

Website #13:

<https://www.grubhub.com/restaurant/ding-tea-6990-beach-blvd-1st-floor-buena-park/923335>

Brief Description: This is the Grubhub page for Ding Tea.

Relevance: Customers are able to order online and delivery through this app, and are regularly leaving reviews behind. Many complain about the mistakes in their order, or the long wait times. The comments are mostly filled with complaints as customers feel no need to write a review complimenting them.

Website #14:

<https://www.facebook.com/GongChaUSAcA/posts/say-hello-to-our-brand-endorser-park-seo-jun-park-is-a-talented-actor-and-rising/1774135572674265/>

Brief Description: This is the Facebook page for Gongcha.

Relevance: Gongcha regularly uses Korean celebrities to endorse their products, and actor Park Seo Joon is their newest model. Comments show that many fans are hyped about this addition and are willing to visit the store to see his cutouts and merchandise, as well as try out his favorite drink.

Website #15:

<https://www.fda.gov/regulatory-information/search-fda-guidance-documents/guidance-industry-food-labeling-guide>

Brief Description: The FDA regulatory guide for food labeling and handling.

Relevance: This informs businesses about the required food laws and regulations that their businesses must adhere by. Businesses should be attentive to all local health regulations and practice safe and legal businesses practices. Not adhering to certain laws will cause major consequences and even shutdown in worst cases.

Website #16: <http://www.buenapark.com/residents/about-buena-park/demographics>

Brief Description: The demographics of Buena Park

Relevance: This is important for the location of our third business. There are many Asians in the area as well as Asian restaurants and supermarkets. Buena Park is also in the middle of La Habra, Fullerton, La Mirada, and Cerritos, attracting people from all cities.

ARTICLES

Article #1:

Cathy Erway. *The Plastic Straw-pocalypse Is Coming. What Will It Mean For Boba?* March 20, 2018.

Relevance: This article highlights the growing environmental trend of eco-friendly straws, and how it might affect the boba industry. Starting with Taiwan's ban on plastic straws, many businesses worldwide are starting to contemplate the effects and possible solutions to the crisis.

<https://www.grubstreet.com/2018/03/plastic-straw-bans-boba-bubble-tea.html>

Article #2:

Corleon, Jill. *What is the Nutritional Value of Boba?* October 15, 2019.

Relevance: This article highlights the nutritional value of a cup of boba tea (calories, sugar content, fat, etc.) It talks about the contrast between the health benefits of traditional tea and the potential health risks that the tapioca, syrups, and sugar might pose when paired together.

<https://www.livestrong.com/article/327076-what-is-the-nutritional-value-of-boba/>

Article #3:

Kim, Diane. *7 Ways Boba Businesses Conquer Customer Loyalty (and You Can Too)*. October 21, 2019.

Relevance: This article lists out specific methods that boba shops use to curate customer loyalty and brand reputation. Some ways include embracing technology and rewards programs, monitoring social media and reviews, taking note of preferences and trends, and valuing employee-customer relationships.

<https://blog.fivestars.com/7-ways-boba-businesses-conquer-customer-loyalty-and-you-can-too/>

Article #4:

(2019, October). *Bubble Tea Market Size, Share and Global Trend By Type (Black Tea, Green Tea, Oolong Tea, and White Tea), Flavor (Original, Fruit, Chocolate, Coffee, and Others), and Regional Forecast till 2026*.

Relevance: This article highlights the leading global trends of boba, with key industry insights such as projection, forecast, driving factors, and regional analyses.

<https://www.fortunebusinessinsights.com/industry-reports/bubble-tea-market-101564>

Article #5:

Zhang, J. (2019, November 5). *The Rise (and Stall) of the Boba Generation*. Retrieved from <https://www.eater.com/2019/11/5/20942192/bubble-tea-boba-asian-american-diaspora>

Relevance: This article talks about the culture behind boba and the importance of this "boba culture" to Asian Americans. It highlights the origins of boba in Taiwan and other Asian countries, how it made its way to America, and how it changed from a local Asian American "hangout spot" to a huge industry that prides itself on quality and image.

<https://www.eater.com/2019/11/5/20942192/bubble-tea-boba-asian-american-diaspora>

Article #6:

Passy, Charles. (2019, August 31). *Bubble Tea Now Comes With a Little Kick*. Retrieved from <https://www.wsj.com/articles/bubble-tea-now-comes-with-a-little-kick-1156726000>

Relevance: This article talks about the fact that many New York boba shops are starting to add more trendy menus like cream cheese, brown sugar, and even alcohol. Because competition is so strong, many businesses are starting to transform in order to stand out. <https://www.wsj.com/articles/bubble-tea-now-comes-with-a-little-kick-1156726000>

Article #7:

Kim, Diane. (2016). *7 Ways Boba Businesses Conquer Customer Loyalty (and You Can Too)*. Retrieved from

<https://blog.fivestars.com/7-ways-boba-businesses-conquer-customer-loyalty-and-you-can-too/>

Relevance: This article talks about ways boba businesses have been increasing customer loyalty. They include technology and loyalty programs, rewards, reliance on social media and Yelp, paying attention to preferences, and more.

<https://blog.fivestars.com/7-ways-boba-businesses-conquer-customer-loyalty-and-you-can-too/>

Article #8:

Dinh, Shirley. (2017, May 26). *Living in a Boba Bubble*. Retrieved from

<http://thematadorsghs.us/index.php/2017/05/26/living-in-a-boba-bubble/>

Relevance: Talks about the origins of boba in the 626 area as the San Gabriel Valley transitioned from a white community to a hub for Asian-Americans and Mexicans. She emphasizes the importance of presentation and aesthetics of the shops/drinks as businesses are using this factor to appeal to younger, “hip” customers. Tea is also gaining leverage over coffee, as there are more healthy options and customization for people who need it.

<http://thematadorsghs.us/index.php/2017/05/26/living-in-a-boba-bubble/>

Article #9:

Vaibhav Sangwai, RoshanDeshmukh. (2020, April). *Bubble Tea Market by Base Ingredient*. Retrieved from

<https://www.alliedmarketresearch.com/bubble-tea-market>

Relevance: Includes global opportunity analysis and industry forecast for bubble tea. Compares market based on base ingredients (black tea, green tea, oolong tea, white tea), flavors (original, fruit, coffee, chocolate, etc.), and components (flavor, creamer, sweetener, liquid, tapioca pearls, etc.).

<https://www.alliedmarketresearch.com/bubble-tea-market>

Article #10:

Krishna, Priya. (2017, June 6). *A Brief History of Boba*. Retrieved from <https://www.foodandwine.com/tea/bubble-tea-taiwanese-street-drink-turned-american-addiction>

Relevance: Talks about the origins of boba and bubble tea as well as how it became an American obsession. It also talks about the traditional and most basic ways to make boba, and how businesses are using that base recipe to make their own menu items. It also talks about how boba shaped Asian American culture in today's society.

<https://www.foodandwine.com/tea/bubble-tea-taiwanese-street-drink-turned-american-addiction>

Article #11:

Jae, Eun Min. (2017, Jan 6). *Calories and sugars in boba milk tea: implications for obesity risk in Asian Pacific Islanders*. Retrieved from

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5217910/>

Relevance: This article talks about the nutritional value of boba drinks, and how they are definitely not as healthy as people think. In every milk tea that they researched, they found a sugar level that exceeded the upper limit of added sugar intake recommended by the USDGAC. Although the brewed tea itself is healthy, the added sugars and syrups as well as high fructose levels can actually influence obesity in the U.S.

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5217910/>

Article #12:

Karnasiewicz, Sarah. (2017, June 26). *The Culture-Bending Appeal of Boba*. Retrieved from <https://imbibemagazine.com/boba-tea/>

Relevance: This article talks about the cultural value that a simple drink holds, and its influence on Asian Americans and Asian culture in general. It mentions how boba is and will always be considered to be a "childlike treat" for teenagers and young adults, and how it will be unable to replace people's morning coffees or evening cocktails. In order to combat this, businesses started to mix coffee as well as alcohol and started their own niche of boba.

<https://imbibemagazine.com/boba-tea/>

Article #13:

Barth, Lauren. (2020, Feb 11). *When you drink bubble tea every day, this is what happens to your body*. Retrieved from

<https://www.thelist.com/188220/when-you-drink-bubble-tea-every-day-this-is-what-happens-to-your-body/>

Relevance: This article talks about the effects that boba has on your health while comparing the benefits and drawbacks. Boba can increase hydration, give an energy boost, can regulate your gut, and has powerful antioxidants in the tea. However, it also can cause weight gain, increased risk of type 2 diabetes, increased risk of heart disease, constipation, skin problems, and even has rumors of causing cancer.

<https://www.thelist.com/188220/when-you-drink-bubble-tea-every-day-this-is-what-happens-to-your-body/>

Article #14:

Gander, Kashmira. (2019, Jun 12). *DOCTORS DISCOVER OVER 100 UNDIGESTED BUBBLE TEA BALLS INSIDE TEENAGE GIRL*. Retrieved from <https://www.newsweek.com/doctors-discover-over-100-undigested-bubble-tea-balls-inside-teenage-girl-1443510>

Relevance: A sensational topic during its time, a fourteen year old girl in China was found in the hospital and found 100 undigested boba balls in her digestive system. This article points out the risks of drinking too much boba, and the potential danger that the chewy tapioca balls can pose. It also talks about the excessive sugar in these drinks.

<https://www.newsweek.com/doctors-discover-over-100-undigested-bubble-tea-balls-inside-teenage-girl-1443510>

Article #15:

Kang, Jenny. (2019, Nov 6). *ARMYs Figure Out BTS V's Favorite Gongcha Drink Recipe From His Vacation Vlog*. Retrieved from <https://www.koreaboo.com/stories/armys-figure-bts-v-favorite-gongcha-drink-recipe-vacation-vlog-grapefruit-greentea-ade/>

Relevance: This article shows how fans are attentive to their idol's favorite drink orders and are willing to go out of their way to buy it. People are heavily influenced by celebrities and pop-culture, and Gongcha takes advantage of this by endorsing popular celebrities as their models. Fans of BTS and other k-pop groups would be willing to pay any price for a sip of what their bias had.

<https://www.koreaboo.com/stories/armys-figure-bts-v-favorite-gongcha-drink-recipe-vacation-vlog-grapefruit-greentea-ade/>

Article #16:

Gromfin, Ryan. *How to Make the Health Inspector Happy*. Retrieved from <https://pos.toasttab.com/blog/on-the-line/restaurant-health-code-violations>

Relevance: A guideline for businesses on how to adhere to health laws and avoid getting fined or getting into trouble with inspectors. It also mentions ways in which businesses have failed to pass inspections.

<https://pos.toasttab.com/blog/on-the-line/restaurant-health-code-violations>

Article #17:

Byrne, Kevin. (2019, Sep 9). *The Case for Boba*. Retrieved from <https://www.socialstandards.com/blog/boba-bubble-tea-consumer-trends>

Relevance: Discusses consumer trends in the boba industry as well as their growth over the years. Also talks about some analytics on boba businesses' social media.

<https://www.socialstandards.com/blog/boba-bubble-tea-consumer-trends>

Article #18:

Yamanaka, Jasmine. (2019, Jan 5). *Ding Tea shakes the competition off with the best boba in Riverside*. Retrieved from <https://www.highlandernews.org/34400/34400/>

Relevance: Detailed review about a customer's experience at Ding Tea. Talked about the taste of multiple drinks she tried, and raved about its freshness and quality. Says their golden boba is a unique quality that differentiates them from other businesses as well as their Monster Boba Latte.

<https://www.highlandernews.org/34400/34400/>

Article #19:

(2019, May 8). *Bubble Tea in South Korea!*. Retrieved from <https://snackfever.com/blogs/magazine/bubble-tea-in-south-korea>

Relevance: Talks about how Gongcha is the biggest chain for bubble tea in South Korea, and you are able to find as many Gongcha's in Seoul as you are Starbucks. Other chains find it hard to breakthrough in Korea as Gongcha holds such a high relevance.

<https://snackfever.com/blogs/magazine/bubble-tea-in-south-korea>

Article #20:

Jiang, Irene. (2019, Nov 1). *I tried bubble tea from 7 major chains to see which has the best, and the winner was difficult to choose*. Retrieved from

<https://www.businessinsider.com/best-bubble-tea-compared-tiger-sugar-gong-cha-2019-10>

Relevance: Compares 7 different boba chains to determine the best. Winner was Gongcha due to their freshness and the quality that you can taste.

<https://www.businessinsider.com/best-bubble-tea-compared-tiger-sugar-gong-cha-2019-10>

PROFESSIONAL INTERVIEWS

Professional Interview #1

Female shift-lead/assistant manager at Ding Tea, The Source. She has been working there for almost a year and a half.

Interviewed 2/16/20 at Ding Tea.

Relevance: Eunice talked about how Ding Tea is one of the most popular and busy stores at The Source mall, and how it pressures them into hiring employees that are able to adapt well to a busy environment. She explained that during rushes, there are usually around 30 drinks that they have to send out in a short time, leaving no room for mistakes or slacking. She thinks that their greatest asset that sets them apart is the quality of their tea and their constant brewing of fresh "golden boba".

Professional Interview #2

Male employee at Ding Tea, The Source. Michael has been working there for almost a year. Interviewed 2/25/20 at Ding Tea.

Relevance: He talked about how their store is one of the most popular stores in The Source mall, and he believes it's due to their late hours and quick service. He says the store is busier later in the night than any other time during the day because there are many people coming after work, school, or events to hang out.

Professional Interview #3

Owner of Boba Loca La Habra. He has been running the store for over 12 years.
Interviewed 2/26/20 at Boba Loca.

Relevance: He talked about how the Boba Loca franchise is decreasing by the year because of competitors such as Ding Tea, Share Tea, Gongcha, and more. Boba Loca has been around for many years and has done little to change their concept, menu, aesthetics, and more. Because of this, the store only attracts locals nearby and loyal customers, rather than appeal to different demographics.

Professional Interview #4

Female employee at Boba Loca La Habra. Melissa has been working there for 3 years and is a shift lead.
Interviewed 2/26/20 at Boba Loca.

Relevance: She stated that she can definitely see how competition is driving their business down the well, and they are basically relying on regulars and loyal customers to keep their store open. Even she goes to other boba places because she can tell the quality in the taste is better.

Professional Interview #5

Male employee at Boba Loca, La Habra. Daniel has been working for almost 5 months.
Interviewed 2/26/20 at Boba Loca.

Relevance: He talked about how there is a discrepancy between the work that guys and girls have to do in the store. Girls are more for the front and making drinks, while all the guy employees are required to do heavy work and cooking in the back. He wishes that there was equality in work, or at least greater pay for the work that guys are expected to do.

Professional Interview #6

Female employee at Gongcha, The Source. She has been working for almost 9 months.
Interviewed 3/1/20 at Gongcha.

Relevance: She expressed that they are usually busier during weekends because The Source mall is usually only busy then. Her manager has strategically placed more staff during weekends to get through rushes, and only 2-3 employees during weekdays. She appreciates the credit card tips on their register because people usually tip more electronically than with cash.

Professional Interview #7

Male employee at Gongcha, The Source. He has been working for almost a year.
Interviewed 3/1/20 at Gongcha.

Relevance: He says business has been slower these days, but recognizes that Ding Tea downstairs is doing a little better. This is probably due to the fact that they are more well known in Orange County and have more locations than them. Gongcha only has a couple locations in the entire state of California, meaning less exposure. He emphasizes the importance of location and franchises.

Professional Interview #8

Male employee at Ding Tea, The Source. He has been working for almost a year.
Interviewed 3/11/20 at Ding Tea.

Relevance: Because of the ongoing coronavirus, he said business has been slower than usual. He knows of some people who have been fired due to the lack of customers at other stores in the mall. He is fearful that he might lose his job and other employees are as well.

Professional Interview #9

Female employee at Quicklys. She has been working for over a year.
Interviewed 3/20/20 at Quicklys.

Relevance: Although they are closed now, she states that business has been consistently getting slow beforehand. She believes this is due to the rise of newer shops like Ding Tea, and it doesn't help that Sharetea is right across the street from them. She realizes that the only reason they are still in business is due to their low prices as well as the fact that they are located between a local highschool and two colleges.

Professional Interview #10

Female employee at Sharetea. She has been working for over a year.
Interviewed 3/20/20 at Sharetea.

Relevance: Sharetea has been extremely popular and busy due to their location, as well as their image as a brand. Because they are located between highschools and colleges, people come in during lunch hours, afterschool, and after dinner. There are always lines and there has to be at least 3 employees working in the back.

CUSTOMER INTERVIEWS

Customer Interview #1

Female, 19, Biola Student
Interviewed 2/27/20

***Personal Friend**

Relevance: She believes that boba places are the most popular for college students and people who are involved in different clubs, ministries, groups, events. Many people like to get a quick drink after a meeting/event to hang out, hence emphasizing the importance of late hours and convenience. She thinks boba is great for both socializing, and for efficiently knocking down cravings.

Customer Interview #2

Female, early twenties, returning customer.

Interviewed 2/26/20 at Boba Loca

Relevance: She has been frequenting this business for almost ten years, and her family has been as well. She says that she likes this location because it is significantly cheaper than other boba places these days, and she doesn't have any problem with the taste. She does recognize that there are many competitors around the area, but she remains loyal to this business.

Customer Interview #3

Female, early twenties, returning customer.

Interviewed 3/11/20 at Ding Tea, The Source

Relevance: She says she comes to Ding Tea and prefers it over any other boba place because she can taste the quality of the tea and boba. She is willing to pay a higher price for it, and even expresses that there are places similar in price like Gongcha and Share Tea that are not up to par. She likes this location because it is open late and she is able to come with her co-workers or friends after work or dinner to hang out. Their service is also very fast.

Customer Interview #4

Male, mid-thirties, returning customer

Interviewed 3/11/20 at Ding Tea, The Source

Relevance: He came with his coworkers after work, and said that they do so often. He works at a Korean company nearby The Source and they frequent this place because it is affordable, tastes good, and fast. He said even though Gongcha is more reputable in Korea (where he comes from), he likes the taste of Ding Tea more. He also likes how they take Apple pay.

Customer Interview #5

Female, mid-thirties, returning customer

Interviewed 3/11/20 at Ding Tea, The Source

Relevance: I held this interview in Korean, as they work at the same company as the previous customer. She compared Ding Tea to Gongcha by saying that the Gongcha in America does not compare to the one in Korea. They are lacking the variety and flavors that the Korean stores offer. She likes Ding Tea because they have more options, and you are able to customize your drink more. She also appreciates how there are Korean-speaking employees that she can talk to.

Customer Interview #6

Female, college student, returning customer
Interviewed 3/12/20 at Gongcha, The Source

Relevance: She came in with a group of friends after a ministry event, and said that she came to Gongcha because there were less people in line compared to Ding Tea. She says she honestly can't taste much of a difference in quality between Gongcha and Ding Tea, but always finds herself going for Ding Tea. She likes how she can customize her drink here and how they have cutouts of cute Korean celebrities at the store.

Customer Interview #7

Female, college student, returning customer
Interviewed 3/12/20 at Gongcha, The Source

Relevance: Similar to the friend above, she likes Gongcha, but for some reason prefers Ding Tea downstairs. She thinks it is because of their atmosphere and aesthetics that draws her back. The employees there are friendlier as well. She believes that if Gongcha had more stores in the area, she would definitely check them out.

Customer Interview #8

Female, 19, UCSB Student, returning Ding Tea customer
Interviewed 4/1/20

***Personal Friend**

Relevance: Although she dorms at UCSB, she frequents Ding Tea every time she is back home. She mentioned that their customer service is always exceptional regardless of how busy they are, and are very quick and efficient in making drinks. Once she went in to order 30 drinks for an event and they got everything down in less than 7 minutes. She also likes their variation of drinks (teas, yakult, juice, coffee, milk) and better flavors than other stores.

Customer Interview #9

Female, 18, UCLA Student, returning Ding Tea and Gongcha customer

Interviewed 4/1/20

***Personal Friend**

Relevance: She prefers Ding Tea over Gongcha because she feels like even though Gongcha is always coming out with new drinks and lines, they don't really have a signature specialty. Ding Tea is more consistent with their flavors and she can taste the freshness. She also prefers the ambiance and aesthetics at Ding Tea. She feels like her money is well spent at Ding Tea over Gongcha.

Customer Interview #10

Female, 18, UCI Student, returning Ding Tea and Gongcha customer

Interviewed 4/1/20

***Personal Friend**

Relevance: She prefers Ding Tea over Gongcha because of their taste and their freshness. Gongcha is overly sweet and the sugar levels are sometimes inconsistent, while Ding Tea has a good balance with less of an artificial taste in their teas. She also likes how Ding Tea has much more discounts and deals than Gongcha offers.

Customer Interview #11

Female, 15, returning Ding Tea and Gongcha customer

Interviewed 4/1/20

***Personal Friend**

Relevance: She likes Ding Tea because their drinks are fresher, and she can taste the quality of their teas. Everytime she has gone, she feels like the experience she paid for was worth the price, whereas she felt her money wasted at Gongcha a couple times. Ding Tea is very consistent with their drinks and flavors.

Customer Interview #12

Female, 15, returning Ding Tea customer

Interviewed 4/1/20

***Personal Friend**

Relevance: She thinks Ding Tea triumphs over all the boba shops she has gone to because of the flavor of their milk tea. She usually sticks to the one menu item that she likes at every store, and Ding Tea's signature milk tea with boba never disappoints. She also likes their boba as they are always chewy and fresh (unlike other stores where they harden and get crumbly) and their tea always tastes fresh as well. The staff at The Source location is also always friendly and very fast with making drinks. The aesthetics are very pleasing as

well with a flower wall for pictures and she likes how there are pictures of all the employees in the front so she knows who to refer to.

Customer Interview #13

Female, 18, Biola student, returning Ding Tea customer

Interviewed 4/1/20

***Personal Friend**

Relevance: She likes Ding Tea because their honey boba is always chewy and cooked to perfection. She also can taste the freshness of their drinks and likes how they are made per order, so she knows they haven't been sitting in the fridge for hours before drinking it. She likes their variation of flavors, and how she can choose different flavors for different types of drinks like teas, milk teas, yakults, juices, and more. Overall, she knows her money is being spent well and has never been disappointed.

Customer Interview #14

Female, early 20's, returning Ding Tea and Gongcha customer

Interviewed 4/3/20

***Coworker**

Relevance: She likes Ding Tea because they are open later than Gongcha, so she can always stop by after work. She also likes their monster boba drink which Gongcha does not have. Even though Gongcha tastes pretty fresh, she still prefers Ding Tea because their boba is better and they have a better variety of drinks and flavors. Ding Tea also offers "The Source Discount" which gives 10% off to employees working at The Source mall, and she appreciates it a lot.

Customer Interview #15

Female, early 20's, returning Ding Tea and Gongcha customer

Interviewed 4/3/20

***Coworker**

Relevance: Because she is an intern from Korea, she is definitely more familiar with Gongcha. She says she can spot multiple Gongchas within miles of each other in the streets of Seoul and other major cities in Korea, and it is known as "The Boba Chain" there. She knows that the selection of drinks is quite different from here than Korea, but she still likes the flavor of their milk tea and especially the taro milk tea. She does realize that it can get quite pricey with the extra charges for a size upgrade and topping add-ons, as well as tax and tip.

Customer Interview #16

Male, 18, USC Student, returning Ding Tea and Gongcha customer

Interviewed 4/3/20

***Personal Friend**

Relevance: He actually likes both for different reasons. Ding Tea is better to frequent with a group of friends because their store has a better environment and better seating options, and their service is exceptionally faster. He also has his staple drinks he always likes to order, and has no complaints about the taste or the consistency. He appreciates how Gongcha is always coming out with new lines of drinks like their Strawberry Series, Milk Foam Series, Red Bean Series, and more. Being an avid k-pop fan, he also appreciates the constant blasting of k-pop hits in the store, as well as free merchandise and celebrity cutouts that he can drool over.

Customer Interview #17

Male, 17, returning Ding Tea customer

Interviewed 4/3/20

***Personal Friend**

Relevance: He likes how Ding Tea is definitely more convenient to order from than Gongcha, especially for events and catering. They have different ordering options such as via phone, through mobile ordering apps (Grubhub, UberEats, Postmates) and their employees are familiar with preparing pre-orders. He also likes their long hours as well as short wait times, regardless of the lines.

Customer Interview #18

Male, early 20's, returning Taster customer

Interviewed 4/10/20

Relevance: He likes Taster because they specialize in fruit based drinks (teas, smoothies, slushes) and they always add real fruit bits into the drinks so that they have a better texture and consistency. He also appreciates their precautionary measures during quarantine (no people allowed in the store, can only order through their app, good cleanliness) and how they still have long hours. He also likes how they sell jugs of their teas and some of their signature drinks for a pretty low cost, and it is so convenient to take home or to events.

Customer Interview #19

Female, early 20's, returning Taster customer

Interviewed 4/14/20

Relevance: She likes Taster because they are very efficient with their service and are always consistent with their drinks. Although they have a very few selection of drinks, they are all perfected in taste that she doesn't mind the lack of variety. She thinks the

COVID-19 has proven that apps are extremely crucial for businesses, as Taster only takes orders and payment through their app. It was an easy transition because many people already had the app. Regardless of the lines, they are also very fast with their service and rarely make mistakes.

Customer Interview #20

Female, CSULB Student, returning Ding Tea and Gongcha customer
Interviewed 4/14/20

***Personal Friend**

Relevance: She prefers Ding Tea because they are open later than Gongcha. Her workplace closes at 10pm so she can still visit Ding Tea for a drink afterwards, and it is also available after events on weekends. She likes their variety of flavors and thinks they have a better selection than Gongcha. She still likes to go to Gongcha with her church on Sundays because there is a better seating option for them in the food court.

Customer Interview #21

Female, CSULB Student, returning Ding Tea and Gongcha customer
Interviewed 4/14/20

***Personal Friend**

Relevance: She likes Gongcha because they have better ambiance. As an avid k-pop fan, she likes to watch their promotional videos of her favorite k-pop idols and their music videos while hanging out with her friends. She also likes how they have seasonal drinks and specialty items, while Ding Tea only has their set menu. Gongcha also has food items while Ding Tea does not.

Customer Interview #22

Male, early twenties, returning Ding Tea and Gongcha customer
Interviewed 4/14/20

***Personal Friend**

Relevance: He likes Ding Tea because their drinks taste fresher and they have more drink options. He also likes how it is easier to order online than it is for Gongcha. Ding Tea is exceptionally fast at going through rushes, while he has waited over 20 minutes for an order at Gongcha before. However, he likes going to Gongcha because it is convenient for him after dining at the food court, and he also likes how they play his favorite k-pop girls group Twice's music videos.

Customer Interview #23

Male, early twenties, returning Ding Tea and Gongcha customer

Interviewed 4/14/20

***Personal Friend**

Relevance: He thinks that both Ding Tea and Gongcha should operate later into the night because there is a demand amongst college students for it. If he had to choose, he would prefer Ding Tea just because they have better drinks and more variety. He would like to see more food items on the menu such as popcorn chicken and fries. He commends both businesses for being open during the COVID-19, but thinks that it is more convenient to order from Ding Tea during this time due to their presence online.

Customer Interview #24

Female, UCI Student, returning Ding Tea and Gongcha customer

Interviewed 4/14/20

***Personal Friend**

Relevance: She thinks both places are great, but Gongcha is more convenient in terms of seating. She likes to visit with her church small group, and it is better for them to all choose a dining option and get Gongcha while they're at the food court.