



Crafting a Nature-Inspired Café

“Elysian Delights”

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Executive Summary

The purpose of this business/communications plan is to outline the methodically and structurally organized process map for a newly established pastry shop and café. The document is divided into distinct sections that are arranged in the following order: explaining the idea behind the café and its roots, its general organizational structure, target audience segmentation and selection, location, communication elements like menu and café design, promotion strategy, and financial data. With several B2B (business-to-business) contracts, it is primarily a B2C (business-to-consumer) company aimed at creating and capturing customer value.

The information that follows relies entirely on the qualitative and quantitative analysis that is shown below.

Mission Statement

Elysian Dleights, a café tucked away in the middle of the city park, provides a tranquil haven that facilitates the reconnection of city inhabitants with nature, suggesting to them a variety of sustainably produced desserts and meals combined with locally sourced ingredients. Our goal is to encourage peaceful moments in the busy daily lives of our customers, establish strong relationships with them, and develop a more profound admiration for both the natural environment and the energetic cityscape. Our mission is to create a warm, inviting outdoor space where visitors might enjoy excellent food, unique desserts, and craft beverages, and the beauty of the park surroundings. We aim to enhance the quality of life, assist nearby communities, and make a beneficial impact on our city by fostering environmental awareness and a sense of belonging to nature. Additionally, by forming long-term agreements on collaborations, the café hopes to promote regional companies and food industries.

Mythological Reference

The concept laid behind the name of the café is one the essential key communicators in the business proposal. Mythological or historical reference can provide depth, cultural significance, and relevance, as well as ethereal resonance to the commercial notion of the business. Several instances might be given of some iconic and incredibly prosperous corporate histories to highlight not only the importance but also the practical reliance on mythological or historical allusion. The first such example, Nike, a 26 billion \$ worth of brand was named after the Greek goddess of victory, and the brand logo “swoosh” represents the wing of the goddess. (Independent, 2008) Starbucks’ logo was inspired by Norse woodcut, and the “Siren”, the depicted mermaid, is tied with the history of Seattle, where it was founded. The tech giant Apple’s history is linked to Isaac Newton’s story laid behind the theory of gravity. The following examples of successful businesses portray different mythological or historical references, but all of them share similar and specific characteristics that highlight the importance, meaning and need for this approach. With the same inspiration, a similar approach is applied to the creation of the concept of the following business plan.

- 1) Cultural Context: Mythology, as a part of cultural heritage, is a bond between the generations. Giving references to cultural symbols that consumers are already familiar with can promote a feeling of shared community and belonging which helps the business to build closer relationships with customers.
- 2) Longevity: Businesses that connect their roots with something greater than themselves tend to stay around longer. The company establishes its legacy while identifying itself with timeless themes and narratives because it extends its boundaries beyond specific goods or services.

- 3) Branding: Having a conceptual root to rely on, the company will more easily define its identity and branding, communicating its values, objectives, and vision. This, also, will help us to stand out from competitors in a memorable way.
- 4) Storytelling: People are more story-responsive by nature, as narratives evoke strong feelings. Therefore, the brand name, a main part of the company's storytelling, with a captivating narrative, can foster brand image.

Greek Mythology on Elysium



Image 1. Retrieved from Wikipedia.

Elysium, nowadays commonly known as Elysian Fields or Plains, is an idea about the afterlife that several Greek religious and philosophical cults held, and it evolved over time. Greek mythology holds a highly esteemed and surreal place for Elysium: the last resting place for the souls of the righteous and the brave. (Peck, pp. 588-589) These antiquated notions describe Elysium as a paradisiacal setting, a realm of unsurpassed beauty and unending serenity, where joy prevails, and

trouble is forgotten. Elysium would also be referred to as “The Fortunate Isles” or “The Isles of the Blessed” during the period of Greek poet Hesiod. (Westmoreland, p.70)

History

The very early references to Elysium can be traced back to the notions of Hesiod and Homer when they said that Elysium was a spot at the ends of the earth where it was easiest for men to live. More detailed depictions of Elysium can be found in Hesiod’s literary works, “And they live untouched by sorrow in the Islands of the Blessed along the shore of deep whirling Okeanos (Oceanus), happy heroes for whom the grain-giving earth bears honey-sweet fruit flourishing thrice a year...” (Evelyn-White, 1914) In “Aeneid,” Virgil describes Elysium as a comfortable location for the righteous dead to live out their afterlife, where they can sing, feast, and ride horses. Finally, according to Homer, Elysium was a place where Zeus enjoyed his perfect happiness as it was the pinnacle of paradise that a hero could reach. (Gill, 2019)

Influence on Modern Popular Culture

Throughout history, the legend surrounding Elysium has had a profound influence on literature, culture, and societies in general. Out of those is the very popular Champs-Elysees in Paris which stand for “Elysian Fields, with the nearby Elysee Palace – the residency of the President of the French Republic. Elysium now represents also several literary and artistic creations. For example, characters in David Gemmel’s Troy trilogy refer to Elysium as the “Hall of Heroes.” In Ridley Scott’s film “Gladiator” the commander Maximus addresses his troops as follows: “If you find yourself alone, riding in the green fields of with the sun on your face, do not be troubled. For you are in Elysium.” The soundtrack of the film is also called “Elysium” by Hans Zimmer and Lisa

Gerard. Matt Damon uses the word Elysium referring to luxurious orbiting space stations that the wealthy dwell on in contrast to devastated Earth where the impoverished live on.

Pastry/Café Concept

Elysian Delights – a bite closer to paradise!



Image 2. Invitation Card

Initially evolved as a pastry concept, Elysian Delights is a park café that would be a place for people to enjoy “their minutes in paradise.” Combined with its geographical location (see on page 9), the café would be a great place for those who want to enjoy peace, bejeweled with desserts that are unique and alluring to their taste. The café is also designed for those whose paradise is in healthy persuasions, as well as for those whose paradise is a place of escape from the mundane and exhausting life of industrial chaos: office work, traffic jams, bustling and meanwhile hustling

life. Just as Elysium is reserved for the most cherished heroes and noble souls, Elysian Delights is dedicated to the highest standards of pastry quality. Every bite is a tribute to the bliss and perfection of Elysium, created to stimulate your senses and take its customers to an unmatched world of pleasure.

➤ *Location Specifics*

The café is strategically located in the English Park of Yerevan on Italy Street (shown in the image). The location is specifically chosen following the café's underlying concept, and the results of market analysis – competitors' supplies. Elysian Delights, with its concept, will be the first such café in a park that would offer its customers many benefits (find more detailed information on page 30).



Image 3. English Park. Retrieved from Wikipedia.

Customer Value

The key to successful businesses has always been high-quality customer relationship management (CRM). One of the first instances in a successful business industry could be referred to Amazon. According to Kotler and Armstrong, “Amazon’s deep-down passion for creating customer value and relationships has made it the world’s leading online retailer. Amazon has become the model for companies that are obsessively and successfully focused on delivering customer value.” (Principles of Marketing, p. 24) Attracting and keeping loyal customers has been a difficult task to complete, however, it can be achieved when the company/business (with its working and serving staff) is passionate about identifying and meeting the needs of customers in specific target markets. And the employees in such companies are inspired to contribute to the establishment of valuable client connections through the promotion of customer value. But one might ask how customer value is defined. “Customer-perceived value is the customer’s evaluation of the difference between all the benefits and all the costs of a market offering relative to those of competing offers.” Crucially, consumers frequently fail to evaluate prices and values “objectively” or “accurately.” They take actions based on what they consider valuable. (Kotler and Armstrong, p. 35) According to the authors, the basis of fundamental marketing is “creating customer value” through strong customer relationships and “capturing value” in return for profit (shown in the image below).

Here are some key ways to plan for customer customer-perceived value of Elysian Delights:

- Location: Taking into account the strategically chosen location of the café, it should offer a quiet and picturesque environment. Therefore, the interior and exterior design should be

focused on creating a relaxing environment and atmosphere - in a way that would promote customer value.

- **Food Quality:** Elysian Delights will offer only high-quality and freshly made products. The Café will offer both nutritious and sweet treats to accommodate customers' dietary needs. Moreover, maintaining consistency in food presentation and flavor would be essential to win clients' trust and loyalty.
- **Community Engagement:** Organizing Park concerts, and local events would promote in customer value-building process: attracting more visitors to the café from the park and not only. It would foster the clients' sense of belonging.
- **SMM (Social Media Marketing):** Staying active on social media platform pages, sharing daily stories starting from food creation up to the serving process, sharing personal pictures and videos, and reels – communicating the environment of the café. SMM would greatly influence shaping customer value because social media pages create the image of the café in a more accurate and constructed manner.
- **Customer Feedback:** Whether it is at the beginning of the café opening or long after it functions, customer feedback is always essential in creating as well as keeping customer value.
- **USPs (Unique Selling Propositions):** Some of the desserts (i.e. Tiramisu) will have a new way of presentation – accentuating the use of specifically chosen locally produced ingredients, as well as a novel and unique combination of flavors.
- **Customer-Service Orientation:** Customer Service will always be at the focal point of capturing customer value: people do not only pay for the product, they pay also for the environment, service, and overall experience.

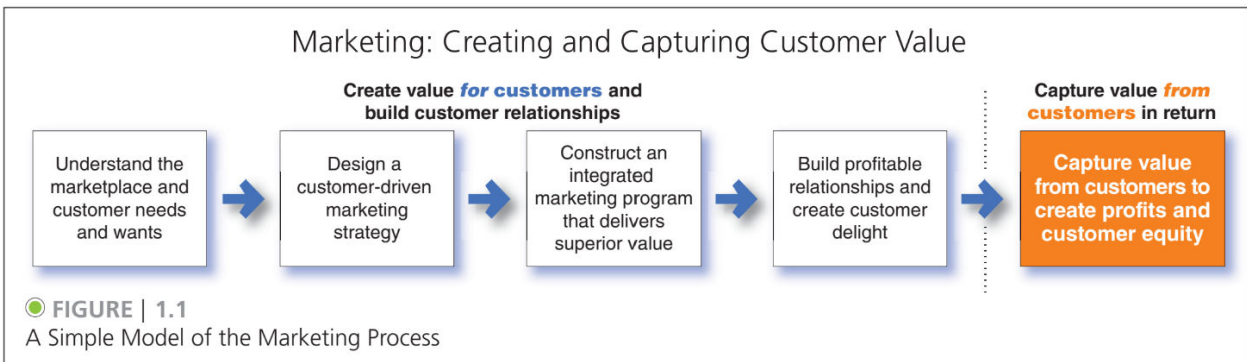


Image 4. A Simple Model of Marketing Process (Kotler and Armstrong, p. 27, 2014)

Segmentation

As shown above, to create customer value, there should be a certain understanding of the marketplace and identification of customer needs and wants. Therefore, understanding which group of customers the target is to serve shapes the basis of the subsequent marketing strategy. The first step is segmentation, “Dividing a market into distinct groups of buyers who have different needs, characteristics, or behaviors, and who might require separate products or marketing programs.” (Kotler and Armstrong, p. 73) To define a target market, Pinson and Jinnett advise on Psychographic and Demographic segmentation (shown detailed in the image below). (Pinson and Jinnett, 2006, p. 20)

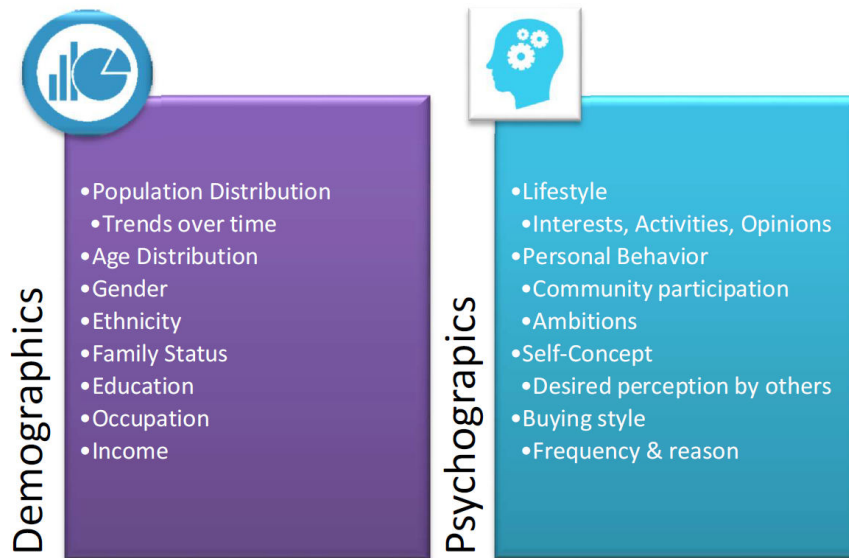


Image 5. Demographic and Psychographic Metrics (Pinson & Jinnett, p. 20. 2006)

Demographic segmentation is based on initially conducted survey results. Nearly all people of different age groups can be considered as the target audience of Elysian Delights, but most probable age groups would range up to 45 years old, more than 50% of whom would be females (see the survey results below).

What is your age group?

43 responses

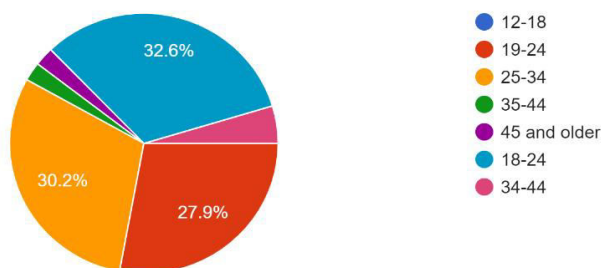


Image 6. Survey Analysis

What is your gender?

43 responses

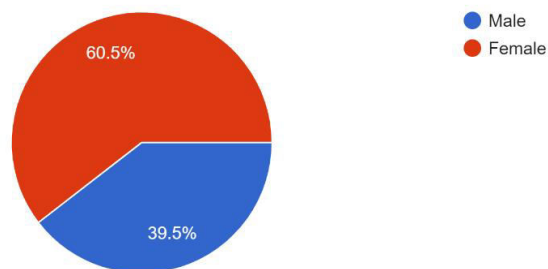


Image 7. Survey Analysis

In the first chart, there was a technical mistake – the age groups 19-24 and 18-24 can be considered one age group – from 19-24 years old. 60.5% of the survey respondents were from this age group. 30.2% were from the 25-34 age group and 4.7% from 35-44 age group. Only 1 respondent was of 45 and older age group. In the second chart, it is shown that 60.5% of the respondents were females. For this café, it is not necessary to specify data like education, employment, family status, or ethnicity because the idea behind it is more broadly applicable in those areas. What refers to income differentiator, the potential customers of the café would earn more than the average salary of Armenia (based on survey results, more than 300.000 AMD).

To which group is your monthly salary/income more corresponding?

43 responses

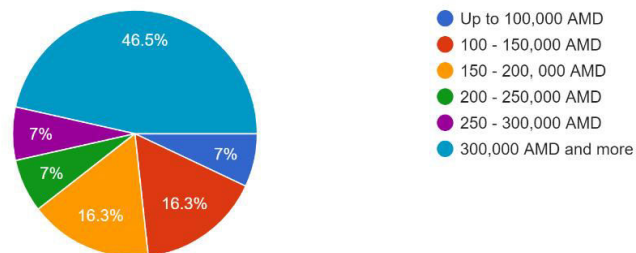


Image 8. Survey Analysis

As shown in the chart, 46.5% of respondents answered that their monthly income is 300,000 AMD and more.

While turning to *psychographic segmentation*, the picture here becomes more interesting and allure. According to psychographic segmentation, customers of Elysian Delights café are more likely to value a coexisting and harmonious urban and natural environment. Their lifestyle is usually centered on enjoying the outdoors, finding peace in the midst of the chaos of the city, and appreciating the beauty of nature. They probably favor relaxing pursuits like reading, having picnics, enjoying tasty snacks and desserts, or just pursuing the peaceful atmosphere of the park. When it comes to interests, they could be drawn to ecologically friendly activities and give priority to assisting local companies that share their commitment to sustainability. Additionally, they might appreciate literature, art, or mindfulness techniques that fit into their environment. Promoting a better work-life balance and giving self-care and well-being as a top priority could be regarded as ambitions of the potential customers.

● **FIGURE | 5.4**
Maslow's Hierarchy of Needs

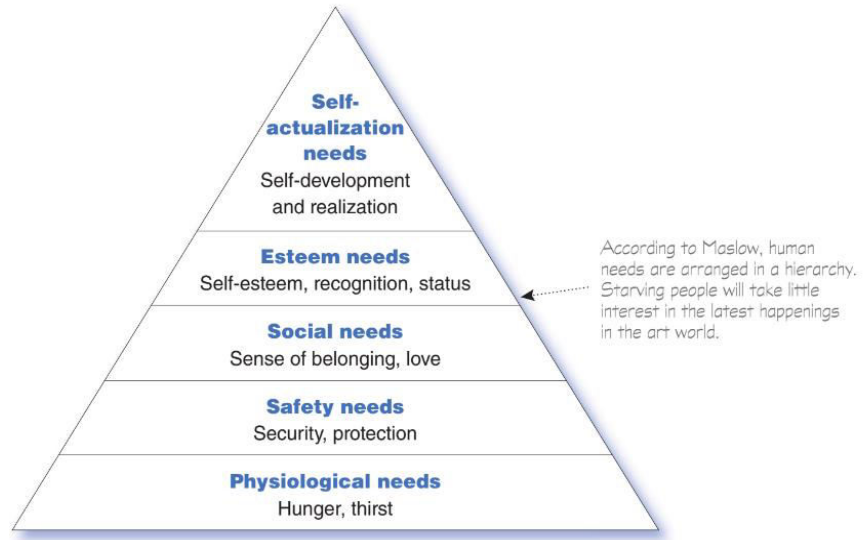


Image 9. Maslow's Hierarchy of Needs (Kotler and Armstrong, p.172, 2014)

In terms of psychographic segmentation, Maslow's hierarchy would better represent the demands of the target audience. Maslow distinguished the different human needs and outlined them in a hierarchy. (Kotler and Armstrong, p. 172) This hierarchy shows people's perception of the suggested goods and services based on the level of their needs. While defining the target customers of Elysian Delights café, based on the results of the survey, their psychographic features the level of self-esteem and self-actualization needs. The chart below portrays survey respondents' frequency of attending café. 32% of respondents attend café 2-3 days a week, and the same amount of respondents attend café once a week. 27.9% of respondents attend café twice a month.

How often do you visit a cafe?

43 responses

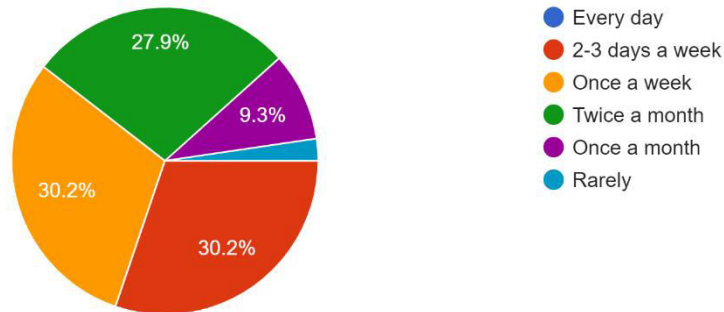


Image 10. Survey Analysis

How often do you treat yourself with dessert?

43 responses

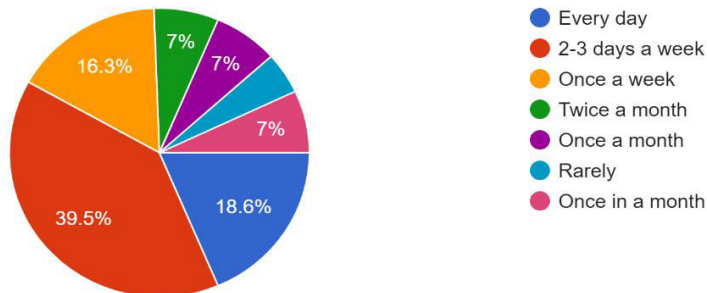


Image 11. Survey Analysis

The next chart shows the frequency respondents like to treat themselves to a dessert. The results show that 39.5% of respondents treat themselves to a dessert 2-3 days a week, 18.6% - every day, and 6.3% - once a week. To conclude this part of the survey results, definitely, the focus group of respondents showed that they stand above the three basic needs – they are in the stage of esteem needs and self-actualization needs. They enjoy dessert several times a week, and many of them let themselves attend a café starting from 2-3 days a week. This can be taken as an indicator that most

of the respondents are careful about their wants and wishes which contributes to positive self-perception and self-feeling.

While doing segmentation for Elysian Delights, it is geographical segmentation that makes more persuasive the location and target audience choice. The café is located in English Park on Italy Street, Yerevan, Armenia. It Completely corresponds to the concept of the pasty café – being a perfect mixture/place of a bustling city center, a tourist hotspot, and a cozy quiet fit for relaxation. It is a 12-minute walk on foot and a 2-minute ride on a car from the city center – the Republic Square of Yerevan. As well as it is located very close to the Ministry of Foreign Affairs, Yerevan State Municipality, and other state bodies. Moreover, there are many business centers around – Elite Plaza, Kamar, Yerevan Plaza, and Piazza Grande. There are also the Embassies of France and Italy nearby. Near the park, there is a hotel – Best Western Plus Congress, which is a hotspot for many tourists. Additionally, the park is currently one of the best places for many youngsters and elders to have a refreshing walk in the greens. Therefore, segmenting customers through the geographical location of the park would make it more clarified.

Target Audience

- 1) Routine-seekers: people who work in neighborhoods – offices and centers listed above. Elysian Delights would be a great place for those who are mentally overwhelmed in the office environment and need a refreshing walk in the park during lunchtime. The café would be a convenient place for them to have snacks for lunch, as well as enjoy coffee with a delicious dessert for the coffee break.

- 2) Pleasure-seekers: The café would also be a perfect fit for those who love to treat themselves often with small rewards while seeing something new, or turning to a loyal customer for a place that they enjoy.
- 3) Calm-seekers: Although being at the center of the city, the park is a quiet place for those who seek calmness. Those can be mothers who want to take a walk with their newborn in a calm environment. People who want to concentrate on their work/ studies, and those who just want to embrace the quiet environment, enjoying a dessert at the perfect time of the day not going far from the city center – to be easily accessible to different locations if needed.
- 4) Healthy-minded: The café would be a convenient enhancement to the park for those who enjoy taking morning walks or runs there (they would prefer often more central location because they either work or have other things to accomplish). Elysian Delights will have healthy offerings for them as a breakfast (so they would not be obliged to take their breakfast with them or walk towards other places/cafés).

Market Analysis

After doing target audience analysis, the next step comes to market understanding from which the same customers get offerings. To understand why our café's customer value should be shaped in a certain way, it is important to differentiate the café's standing point in the market. The Elysian Delights as a pastry café has 4 major competitors. Each of them has its specific characteristics in terms of pricing, positioning, geographical location, etc. Below are listed the competitors with their detailed matters:

1. Soho Patisserie and Chocolatier

Address: Saryan 24

Working hours: 09:00 - 23:00

Slogans and positioning:

“The biggest assortment of high quality and delicious pastries in Yerevan.”

“Explore the taste of Soho’s unique and handmade chocolates.”

“Our sweetness has no limits.”

Soho positions itself as the first pastry in Yerevan introducing unique, fresh, natural, and healthy desserts of both Armenian and Western cuisine.

Products: Pastry (layered or biscuit cakes, macarons, cheesecake, tiramisu, tarts), a grand variety of handmade chocolates, tea/coffee/lemonade available.

Pricing:

400 AMD for a macaron; 350-690 AMD for eclairs; 890 AMD for a berry-tart; 1200 AMD for a slice of cheesecake; 1200 AMD for a small cup of tiramisu.

2. Baguette and Co

Addresses: Abovyan 20

Working hours: 08:00 - 22:00

Vazgen Sargsyan 2

08:00 - 21:00

Buzand 3/1

08:00 - 21:00

Slogans and positioning:

“All the bread and croissant pastry are made from scratch in the house.”

“Healthy food made of organic and natural ingredients.”

“Freshly baked bread... healthy meal plans... premium quality flour from France.”

Products: “Meal Combos and Specialties” including snacks - sandwiches and pizzas, lunch hot deals, a wide variety of croissants, Danish, cheesecake, gelato, and good-quality coffee.

Prices: Chicken/Ham Sandwich – 2800 AMD; Salmon Croissant – 3000 AMD, Classic Croissant – 1000 AMD, Pistachio Croissant – 1400 AMD, Pain au Chocolate – 1200 AMD, macaron – 1100 AMD, Brownie – 1500 AMD, Tiramisu – 2300 AMD

3. Paul

Addresses: Abovyan 8 / Yerevan Mall

Working hours: 08:00 - 00:00

Slogans and positioning:

“Sweet moments with Paul’s visionaries, bread, and a coffee.”

“Where moments meet and connections blossom.”

“Embrace the beauty around you with Paul.”

“When the moments of solitude come with delightful flavors.”

Creates an emotional bond to connect with its customers - promoting all the possible cases: being in solitude, making connections, or just creating memories.

Products: Offers proper breakfast, lunch, dinner, and pastry.

Prices: 2500 AMD for San Sebastian; 2100 AMD for berry tart; 1500 AMD for large macaron; 1600 AMD for eclair; 700 AMD for gelato and 400 AMD for sorbet. Has a wide coffee and tea assortment - 1400 AMD for Americano, 1900-2400 for Cappuccino up to 3500 AMD for Irish coffee. As well as a wide variety of teas, lemonade, milkshakes, and ginger shots are available.

4. Patrick's Pastry

Addresses: Aram 64

Working hours: 09:00 - 00:00

Slogans and positioning: “Fresh croissants, desserts... The most delicious and unique croissants in the city are only available here. Pastry chef Patrick has created a place where you will always feel at home.” “A special and warm atmosphere.”

Products: Offers breakfast, lunch, dinner, and pastry variety.

Prices: 500 AMD for a macaron, 1500 AMD for a yogurt with chia seeds and fruits, 1900 for San Sebastian, 1900 AMD for Éclair with melon. Has a wide coffee assortment with 1200 AMD for Americano, 1500 AMD for Cappuccino, 1500 AMD for a latte, 500 AMD for soft drinks, 1500-2500 AMD for lemonades, and 1200-2500 AMD price range for teas.

Positioning and Differentiation

Where do we stand in the market?

To stand out in the wide market, with competitors who have working experience in the local market for several years, have a wide range of products to offer, and have a considerable and highlighted place in the market with popularity and large scale of loyal customers, Elysian Delights needs to have specific USP (Unique Selling Propositions) that would differentiate and position itself in the market in a way to achieve its mission and obtain loyal customers. Here are some of the unique selling points suggested for Elysian Delights:

- Al Fresco dining experience with the picturesque and calm environment: Al Fresco (outdoors) dining experience is provided also by our competitors – Baguette and Co, Paul, and Patrick's Pastry. However, they are located in the noisy center of the city – on Abovyan

Street or Cascade. Customers of our competitors enjoy dining outdoors in the fresh air but cannot feel the calm and relaxing aura because of the bustling and chaotic urban atmosphere.

- Locally sourced ingredients: Our competitors position themselves as providers of high-quality products because they use high-quality, famous, and imported products. Elysian Delights will promote the idea of high-quality pastries using locally sourced ingredients: Ararat Brandy, Grand Candy cocoa, Baghramyan flower, and specific farms for using fresh and local fruits and vegetables. The customers of Elysian Delights would feel a sense of belonging and would acknowledge that they promote not only Elysian Delights but also all of the following local companies.
- Family-friendly atmosphere: All of the following competitors could be regarded as a place creating a family-friendly atmosphere. However, given their location in the busy downtown, many parents might feel overwhelmed by letting their children take a walk a little bit away (not to cross the street or not to be a part of any accident). It would be perfect for those parents to come to Elysian Delights – where they can find tranquility and safety for them – as being with children itself makes parents more stressed and focused on the kids.
- Exclusive Park Access: Elysian Delights will be the first park café in Yerevan to provide high-quality products and service, offering reasonable price-quality correlation to its customers.
- Community involvement: Customers of Elysian Delights will be a part of live music performances, sports activity sessions (such as yoga), or art exhibitions adjacent to the café

area. Elysian Delights will not only be perceived as a café but also will be associated with all the community activities that create an atmosphere around it.

The Marketing Strategy and Marketing Mix

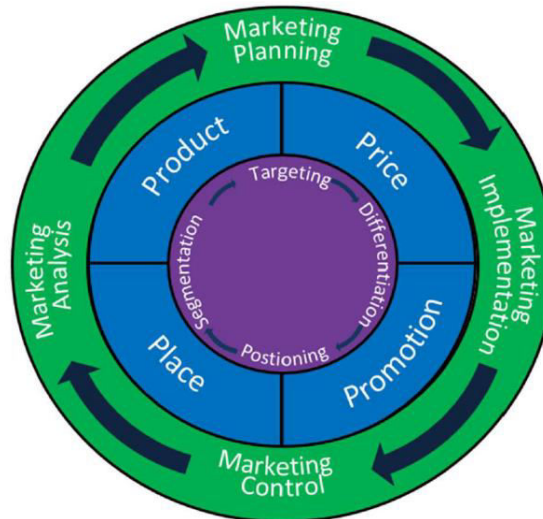


Image 12. Marketing Mix and Strategy (Kotler & Armstrong, p. 49, 2012)

Segmentation, Targeting, Differentiation, and Positioning, are considered to be the initial points of marketing strategy: “The marketing logic by which the company hopes to create its customer value and achieve profitable relationships.” (Kotler and Armstrong, p. 72)

The next step comes to the marketing mix: “the set of tactical marketing tools that the firm blends to produce the response it wants in the target market.” (Kotler and Armstrong, p.76) It consists of 4 tools, usually referred to as 4Ps in the marketing strategy: Product, Price, Place, and Promotion.

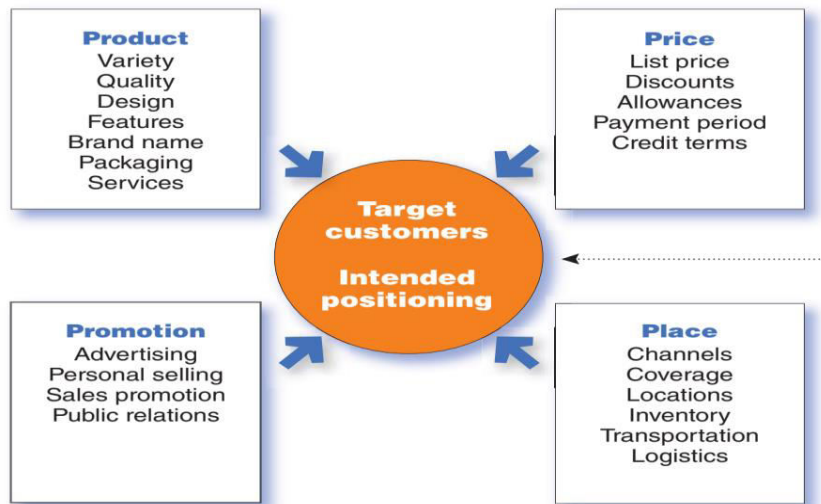


Image 13. The Four Ps of Marketing Mix (Kotler and Armstrong, p.76, 2014)

4Ps of Elysian Delights

1. Product

According to Kotler and Armstrong, the Product means “the goods-and-services combination the company offers to the target market.” (p.76) which includes product variety, quality, design, features, brand name, packaging, and services.

Variety – As Elysian Delights is a park café focused on making pastries, it will mainly offer to its customers sweets and desserts, but for those customers who are hungry and would like a small meal before the dessert, the café would offer healthy snacks – salad bowls, sandwiches, and wraps. A variety of desserts would be slightly more than for snacks, however, after some thoughtful processing and considerations, the conclusion was made – to make fewer products for customers to lessen their burden of choice (certainly, providing a considerable amount to be able to choose, as well), instead the café would change the list of menu products from time to time to

keep customers' interest. There are also vegan-friendly products to satisfy our customers fulfilled. The menu will also suggest crafted teas – a specific mixture of Armenian regional (mountain) herbs, as well as a mixture of tropical fruits. It will include classic coffee options, and a list of beverages – both fresh and bottled ones. Here is a list of menu suggestions for Elysian Delights:

Desserts:

- 1) Classic Tiramisu with Ararat
- 2) Pistachio Tiramisu with Ararat Cherry
- 3) Hot Brownie
- 4) Hot Salzburg Nockerl
- 5) Classic Cheesecake
- 6) Japanese Cheesecake
- 7) San Sebastian (with berry/ hazelnut-chocolate sauce)
- 8) Anna Pavlova in Elysium
- 9) Lava Cake
- 10) Profiteroles (vanilla/chocolate/pistachio)
- 11) Panna Cotta (with berry/ chocolate sauce)
- 12) Chocolate Pizza
- 13) Valentine's Strawberry
- 14) Classic Croissant
- 15) Pain au Chocolate
- 16) Cookies (vanilla/chocolate flavor)
- 17) Diet cookies (citrus – lemon, lime, orange; oat cookies)

18) Chia - Oats Pudding with Fresh Berries

19) Smoothies (made with fresh fruits/Greek yogurt)

Chia-oats pudding and smoothies will be on the menu for breakfast – up to noon. Also, some of the desserts would be introduced to customers as “today’s special” – Anna Pavlova in Elysium, Japanese Cheesecake, Hot Salzburg Nockerl, Valentine’s Strawberry and Chocolate Pizza. As those are not considered usual desserts in the local market as in the competitors' suggestions, those desserts will be introduced to customers one by one, and then, seeing the demand for those products, the decision would be made to include them in the menu or not. The other “regular” options would be typed in the menu. It must be noted that the menu should be subject to change periodically – every 3-4 months to awaken customers’ curiosity.

Snacks

1) Salad bowls

- Ceaser Salad (Chicken)
- Green Salad
- Salad with Salmon/Tuna/Shrimps

2) Sandwiches/Wraps

- Ham and cheese (with ciabatta)
- Chicken Sandwich
- Salmon Sandwich
- Veggie Sandwich
- Shrimp Cocktails

3) Cheese/meat charcuterie

Tea/Coffee

- 1) Herbal mix 1 (with green leaves)
- 2) Herbal mix 2 (with herbal flowers)
- 3) Tropic mix (tropical fruits)
- 4) Berry mix
- 5) Americano
- 6) Cappuccino
- 7) Espresso
- 8) Latte
- 9) Frappuccino
- 10) Mocha
- 11) Irish Coffee
- 12) Vietnamese Coffee

Beverages

- 1) Fresh-squeezed juice (orange, apple, mix)
- 2) Bottled Juices (Coke/Fanta/Sprite)
- 3) Water/ Mineral Water
- 4) 4 options of cocktails

Quality – As mentioned previously, the café's operations should always be centered on providing high-quality food. Elysian Delights will only collaborate with the best manufacturers and farmers keeping customer value as the priority.

Design - As the café is located in the park, the theme of the café should be minimalistic- as close to nature as possible. Therefore, the presentation of the products must be aesthetically appealing, meanwhile, refraining from high-class, restaurant rendering.

Brand Name and Features – The brand name of products is also important. Lockyer mentioned that menu item labels, that is naming menu products with more effective and evocative rather than regular names, aid in creating more favorable impressions in consumers' minds. (Lockyer, 2006) According to Wansink et al (2001), there are four adjectives of labels: brand, emotional, sensory, and geographic. Three of these labels will be used with different products of Elysium Delights:

- Brand (Tiramisu with Ararat)
- Emotional (Valentine's Strawberry)
- Geographic (Ana Pavlova in Elysium)

Services – As customer value is mainly based on giving memorable experiences, service becomes the center of providing that experience. Elysian Delights will provide customer-centered service with a goal – to exceed the customers' expectations and reward them with delight. This can be achieved by checking customers' feedback constantly and asking for advice (if necessary) for improvement of service, thus, showcasing the importance of Elysian Delights' orientation – personalized service with care and professionalism.

2. Price

Price is the “amount of money customers must pay to obtain the product.” (Kotler and Armstrong, p.76) It includes price lists, payment methods, credit terms, etc.

For the price list, Elysian Delights chooses a customer value-based pricing strategy, that is “setting prices based on buyers’ perceptions of value rather than on the seller’s cost.” (Kotler and Armstrong, p. 313) The prices are set in a way that would be more convenient compared to competitors’ pricing, however, would also indicate the high quality of the products, as well as should meet the customers’ high value. For example, the price of one portion of Classic Tiramisu will be 2100 AMD (Baguette and Co. priced it at 2300 AMD); the price of San Sebastian would be 1900 AMD (whereas Paul priced it at 2500 AMD). The pricing of Elysian Delights would correspond more to its one competitor – Patrick’s Pastry’s prices – but the coffees of Elysian Delights will be cheaper. Placed nearer Baguette and Co and Paul, Elysian Delights would offer high-quality desserts and meals at lower prices. Although the prices were also set in comparison with competitors’ pricing strategies, the pricing of Elysian Delights should never turn into merely demand-based or market-based pricing. (Price lists provided on pages 40-41)

Payment Diversity – Both cash as well as electronic payment methods will be accepted;

Online Ordering – There should be integrated gateways to ensure transactions.

Start-up Financials

<u>Financial Overview</u>	
Rent of Cafe Area	800.000 AMD

Rent of Kitchen Area	250.000 AMD
Furniture (chairs, tables, bar settlement)	1.500.000 AMD
Coffee Machine	2.500.000 AMD
Coffee Grinder	1.000.000 AMD
Glass showcase (for desserts)	1.000.000 AMD
Renovation of space/surrounding	8.000.000 AMD
Utensils (dishes)	2.000.000 AMD
Kitchen Appliances	15.000.000 AMD
Total	32.050.000 AMD

3. Place

Place includes “company activities that make the product available to target consumers.” (Kotler and Armstrong, p.76) It includes channels, locations, coverage, inventory, transportation, and logistics.

Distribution Channels – The café will have both upstream and downstream channels. Upstream would be regarded as those companies who are suppliers in the product-making process. Those would be Ararat Brandy, Baghramyan, Grand Candy, and others; Equipment suppliers (for both kitchen and café areas), Packaging Supplier (for takeaways and online orders) as well as the Banks. Downstream channels would be the Café itself – where the product is delivered to the customer, as well as Online Delivery – Yandex Eats, Glovo.

Location – Elysian Delights will be located on Italy Street, in English Park. The location is strategically chosen, taking into consideration the café’s concept and competitors’ location offerings. Before choosing the following location there were various considerations. The concept of the café would fit in three parts of the city – Abovyan Street, Saryan Street, and Isahakyan Street (Cascade). However, there were two matters to consider: firstly, all of our competitors are located on those streets; secondly – the rental for those areas starts from 8000\$ (3.120.000 AMD) up to 20 000\$. Even the minimal price of the area would be very much for such a start-up project. Also, the café itself would not generate such an amount of money to cover all those expenses. The location of the park needs fewer rentals (800.000 AMD – 1.000.000 AMD). The preferred location on Italy Street is neither too close nor too far from competitors, keeping the café in the center meanwhile isolated from the city hustle-bustle. As mentioned before (in geographic segmentation, p.14), the following location provides many customers from surrounding workplaces.

- The kitchen cannot be located in the park adjacent to the café because it needs wider territory which will lead to much higher rent. Besides that, the park is a public area, and the environmental restrictions would not let the café accommodate many equipment necessary for making the desserts. The kitchen would be located on Halabyan Street where rentals are around 250.000 AMD.

Market Coverage – The café would exclusively be located on Italy Street for the first 9-12 months.

- Future Perspective: If Elysian Delights succeeds in actualizing its mission, covers its expanses and makes more profit, obtains many loyal customers, it plans to future

perspective to turn Elysian Delights Park Café chain – to open the next branches in Lover’s Park (Baghramyan Street), in Tumo Park (Halabyan Street).

Transportation – As the meals and desserts would be made in the kitchen, there should be a courier for everyday transportation to the café. There might be 2-3 transportations a day (subject to change based on ordering quantity) – the monthly salary of the driver would be around 150.000 AMD.

4. Promotion

Promotion refers to “activities that communicate the merits of the product and persuade the target customers to buy it.” (Kotler and Armstrong, p.76) It incorporates advertising, public relations, sales promotion.

The objectives of the promotion mix of Elysian delights are the following:

1. ***Increase Brand Awareness*** – Establishing Elysian Delights as a café for health-conscious snacks and desserts enjoyed in a tranquil setting.
2. ***Creating Brand Image*** – Connecting with customers on an emotional level, making them feel a desire for identification with the café’s community.
3. ***Boost Traffic*** – Encouraging word-of-mouth advertising and turning first-time guests into loyal and frequent customers.
4. ***Promote the opening of the take-away entrance*** – Achieving a traffic boost will consequently promote the need of customers to take tea/coffee/snacks/desserts away. A separate service will promote effective time management.
5. ***Engage the local community*** – Building trust relationships with locals, park visitors, and the larger health-and-wellness community.

Strategies to achieve the goal and meet the objectives:

1. ***Branding (visual communication) and Social Media Marketing:***

- Create a brand identity that is visually appealing and represents the emphasis on nature and minimalism.
- Create and use Facebook and Instagram pages to promote advertisement. The initial SMM strategy would integrate posting images and videos from the café, the surroundings, the food-making and delivery process, the customers, and their feedback.
- Reach locals, office workers, and visitors searching for a distinctive park dining experience by using customized advertisements. (Tagging them as sport enthusiasts, and office workers, as well as turning advertisements on nearest locations)

2. ***Partnerships and Collaborations***

- Collaborate with local businesses to get discounts: Ararat Brandy, Baghramyan Flour, Grand Candy Cocoa, and Bakery. am

Contacts of Partners

Ararat Brandy - <https://en.araratbrandy.com> ;+374 10 51 01 00

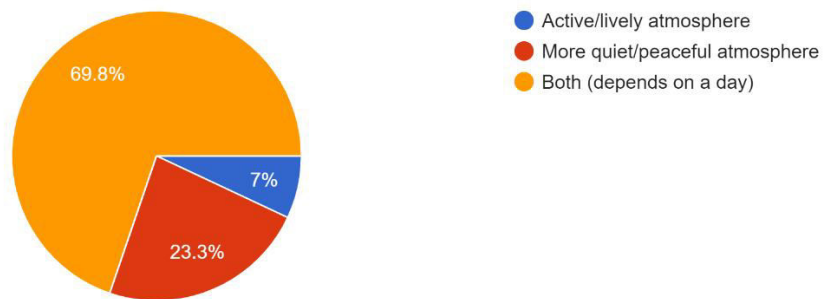
Grand Candy – infor@grandcandy.am; +374 10 44 56 63

Bakery.am – <http://bakery.am/>

- Organize weekend events with local musicians and artists, building a cultural center that draws the attention of a wide range of customers. According to survey results (shown below), 69.8% of respondents enjoy both an active/lively atmosphere and a more quiet/peaceful one. And to the next question, whether they enjoy live music in the café, 46.5% answered yes, and 37.2% answered sometimes. This shows that it would be great to make live music events from time to time and collaborate with local artists.

Which one do you prefer more in a cafe?

43 responses



Do you enjoy live music in the cafe?

43 responses

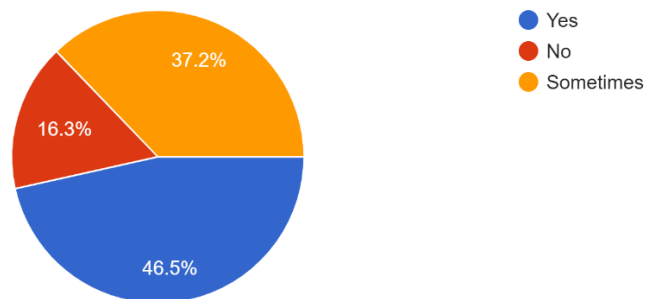


Image 14 & 15. Survey Analysis

3. *Signs for Directions*

- Signs (wooden arrows; with minimalistic design and environmentally-friendly material) strategically placed throughout the English Park area to attract guests' attention and guide them to the café.

4. *Engaging Influencers*

- Engage Media influencers to create excitement and promote reviews - sending invitations to local food and lifestyle bloggers and influencers. Here are the list of influencers and their pages to collaborate with:

Arevik Udumyan – lifestyle influencer

<https://www.instagram.com/arevikudumyan/?igsh=MWF3M2lvc3hnenlkg%3D%3D>

Heghnar Shalunts – food blogger

https://www.instagram.com/shalunts_fitcorner/?igsh=NW0wN25xdTk5ZzNx

Marianna Vardanyan – food blogger and lifestyle influencer

<https://www.instagram.com/vardanyanmarianna/?igsh=MWxwMDJvcn54cTR3dw%3D%3D>

Mary Nersisyan – lifestyle influencer, Journalist

https://www.instagram.com/mary_nersisyan/?igsh=MWQ4eTkzNjdmZWtzOA%3D%3D

Nerses Avetisyan – lifestyle influencer, singer, TV Host

<https://www.instagram.com/nersavetisyan/?igsh=bzdpYno5YXdyZzg5>

Anna Baghadasaryan – lifestyle influencer, food blogger, AUA student

<https://www.instagram.com/annabagy/?igsh=MTRyZHl0YTh3ZnRlcQ%3D%3D>

The following influencers were chosen based on their lifestyle and food blogging. Their working style corresponds to the minimalistic meanwhile high-quality style of the Elysian Delights. Nerses is a singer who can also promote live music concerts in the café. Anna is an AUA student who has many followers - mainly students and teenagers - and can integrate this audience into target customers as well.

A part of collaborations with influencers will be done before opening – informing the followers about the grand opening in an exclusive, aesthetic, and interesting way.

Another part of collaborations should be taken after the opening of the café.

5. *Making Incentives for Customers*

- Provide “Breakfast Special” options for people who are eager to take morning walks or runs in the park and to start their day in a healthy manner.
- Creating loyalty programs that provide discounts to loyal customers.

Menu Design

Menu design is another key factor in communicating the café's positioning and style and can be regarded as a part of the promotion mix. "Menu designers contend that a variety of factors affect consumer response, including background and text colors, texture, photos, item and price positioning, font(s), the use of boxes, menu size, and innumerable other factors (Panitz, 2000, p.3)." Therefore, the menu design of Elysian Delights must correspond to the minimalistic yet highly qualified concept and design of the café.

According to another research by Bailly et al (2016), menu design encompasses many different aspects, including item attributes, visual signals, menu layout, temporal considerations, menu shortcuts, and much more, than merely placing commands in a hierarchy. Furthermore, menu design needs to address the nuanced relationships that exist between menu elements and the context of use. Bailey, Lecolinet & Nigay worked out a standing research on visual menu techniques. According to them, "As an optimization problem, we identify three challenges: the need to (C1) characterize the design space by defining decision variables; (C2) develop predictive models of user performance to evaluate the quality of a given menu design for a given set of constraints, and (C3) implement optimization methods that systematically explore the design space. While focusing on the survey findings and research, as well as applying the three-step optimization strategy for creating a menu of the cafe in a park setting, the following parameters were withdrawn to reach aesthetic appeal and efficiency." (Bailly et al, p. 60)

C1: Characterizing the design space by defining decision variables:

Menu Categories: The menu will be divided into 5 categories: Pastries; Beverages.

(Tea/coffee/juice/water); Sandwiches/Snacks; Salads; Cocktails

Items Per Category: Pastries - 14 items, excluding specials of the day; Beverages - 4 infused tea options, 7-8 coffee options; Salads - 6 options; Snacks - 5-6 options; Cocktails - 4 options

Layout format: Single-page options

Visual design elements: Background suggesting garden, symbols suggesting food

Material type: Laminated; wooden board

Font size: Large for the dish/dessert title letters; medium for ingredients and price

Use of images: Included - either the background of leaves/park atmosphere; or the menu items images

Sustainability focus: Since this menu is designed for the park cafe, it would be more desirable and appropriate that all of the materials would be made from recycled materials.

C2: Developing predictive models of user performance to evaluate the quality of a given menu design for a given set of constraints:

Performance metrics: Customer satisfaction ratings - Tiramisu, Cheesecake, Brownie, Lava cake on the top of the pastry section, time to order - this is a good option to consider, however most of The desserts except for chocolate pizza will be pre-prepared, as salads and snacks as well. Therefore, there would be no specific order following preparation time.

Statistical modeling: Based on the ongoing data collection on how initial menu design affects the customer satisfaction, as well as variables on time orders or low rates on ordering future menu refinements would be followed by.

Refinements: As the overall modeling of the menu design would be more toward visual clarity rather than clutter, there should be an analysis of the impact of menu design on customer satisfaction.

for future possible improvements and changes.

C3: Implementing optimization methods that systematically explore the design space.

Pareto Optimization Method: Using this optimization method (highly used in the field of economics), also referred to as Pareto efficiency, we can see whether the simplified/clarified menu example affects quick decision-making and customer satisfaction.

There was also another popular theory of menu design on so-called “sweet spots” – that is usually the right-hand part of the menu. The study of Reynolds et al (2005) did experimental research where they found out that those boxing items in sweet spots of the menu failed to increase the sales of those products. (p.6) Therefore, the design of the menu of Elysian Delights should communicate simplicity refraining from eye-confusing boxes and separations.

Regarding the fonts of the items, Reynolds et al also found out in their research that upper and lowercase fonts in menu list labels are more preferred to all-capital fonts.

According to another menu design theory – “primacy and recency theory” – which refers to the order of the products in the menu list. This theory suggests that the first and last items on the menu are the easiest to remember. (Raynolds et al, 2005, p.3)

What do you prefer to enjoy more often? Choose up to 3

43 responses

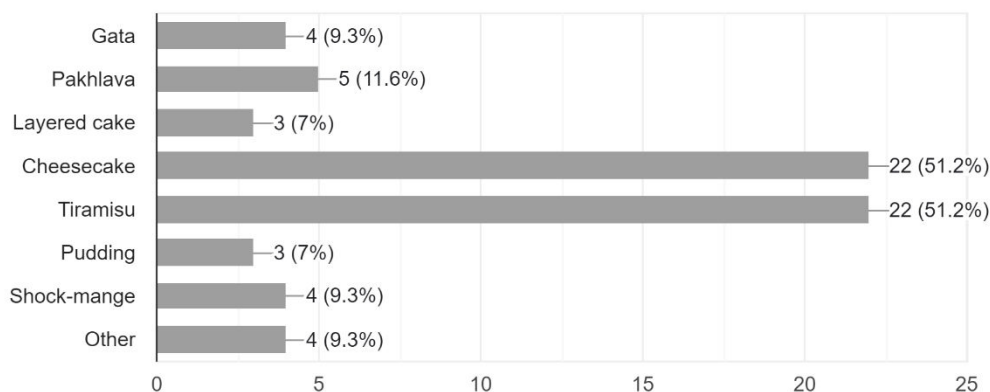


Image 16. Survey Analysis

The survey results showed that respondents enjoyed more often Tiramisu and Cheesecake, which led to ordering Tiramisu at the beginning of the menu list and Cheesecake as the last option.

There was also another popular theory of menu design on so-called “sweet spots” – that is usually the right-hand part of the menu. The study of Reynolds et al (2005) did experimental research where they found out that those boxing items in sweet spots of the menu failed to increase the sales of those products. (p.6) Therefore, the design of the menu of Elysian Delights should communicate simplicity refraining from eye-confusing boxes and separations.

Menu Design





Drinks

Espresso
1000 AMD

Americano
1200 AMD

Cappuccino
1500 AMD

Latte
1700 AMD

Frappuccino
1900 AMD

Irish
2800 AMD

Vietnamese
2500 AMD

Mocca
1500 AMD

Herbal Flowers Tea
2000 AMD

Regional Green Tea
1500 AMD

Tropical Mix
2500 AMD

Berry Mix
2300 AMD

Fresh Squeezed Juices
Apple/Orange/Mix
1800 AMD

Soft Drinks
Coke/Sprite/Fanta
500 AMD

Water/Mineral Water

Cocktails



Tequila Sunrise



Palome



Classic Daiquiri



Gin Fizz

Risk Analysis (SWOT)

The SWOT analysis, historically credited to Albert Humphrey (in the 1960s), is still used in contemporary business plans as it is a well-structured strategy to balance and assess the company's future possible developments and to see where it stands in the competitive local market. Here is a more detailed description of the SWOT analysis according to Kotler and Armstrong,



Image 17. SWOT analysis (Suomen Uusyrityskeskukset Ry, p. 15. 2011)

Here is the SWOT analysis for Elysian Delights:

Strengths:

- Location and Atmosphere;
- Brand Image;

- Product Offerings;
- Community Engagement

Weaknesses:

- Lack of indoor space;
- Environmental regulations and restrictions;
- Seasonal restriction (in fall/winter);
- Lack of experience in the field (compared to competitors')

Opportunities:

- Marketing and Promotion;
- Creating park-café's net/ new branches;
- Not limited operating hours and services

Threats:

- Law Changes (regarding cafés in public parks)
- Changes in the competitive market
- Dependency on weather conditions

Methodology

To make up the following business plan and to provide a profound explanation for all the data provided above, a mixed methodology method was used which includes both qualitative and quantitative research. From the qualitative research part, Kotler and Armstrong's book "Principles of Marketing" was used as a primary source to refer to theoretical data that are based on business analysis of successful company's experiences. Along with that book, several business projects of graduate students were taken as structural examples to follow. Many of the other qualitative research sources helped in creating the menu design.

As for quantitative research, a survey was held. (Results were shared in graphs in the corresponding sections above) As the survey was held for a public café, the sample size of respondents could not be calculated accurately and be realized in the scope of the Capstone project. However, survey respondents were strategically chosen – people who surely attend cafés of Yerevan often. The survey included both demographic questions and ones regarding respondents' interests and behaviors as customers. The respondents were 43 but their answers played a huge role in shaping strategies for the café.

Epilogue

To conclude the following capstone project – the business plan for Elysian Delights Café, I would like to reflect on the 4-year-journey that brought this academic work up to this point. The perspective of Elysian Delights is not just about creating a quiet and tasty place for customers, but to promoting the park café areas in Yerevan – where there are a lot hundreds of cafes in the hustle-bustle of the city but there is not a café that would provide customers unique experience in the park.

Challenges meeting ahead for this plan are well-acknowledged, however, the confidence that the approach to create something novel for this city, along with the professional team, will enable us to effectively overcome all of the obstacles.

To close, the following academic work is just the beginning for Elysian Delights on its way to prospering and thriving as a business. May this be the memorable base on which success will be built,

Sincerely,

Margarit Mosiyan

Founder & CEO

Elysian Delights

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