

Café Bustelo - Business/Marketing Plan

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Executive Summary

For this project, we are hoping to expand the target audience of the legendary, Latin coffee company, Café Bustelo. This brand has already done an outstanding job of making it's brand more known nationwide and since then has even produced so many more products to help bring their signature coffee to homes all over the US. However, this company, which was started by a Hispanic immigrant who moved to the US, has done a great job of targeting others like the founder. In contrast, we are hoping to broaden this audience to younger Latin Americans who attend college, are bilingual, and are between the ages of 18 and 25. Café Bustelo's first national advertising campaign, "Café Bustelo Was Here," which launched in 2019, did a great job of appealing to an older audience, being between the ages of 35-62 (Faw 2019). This campaign consisted of shirts, signs, buttons, and other merchandise that was colored bright yellow and in bold lettering read "I Heart Café Bustelo."

To be able to appeal and target a younger audience, we hope to help this brand improve its presence on social media. In addition to this strategy, we felt that partnering with such universities to hold events, sell Café Bustelo's products, and advertise the brand would be the perfect way to this age group. By bringing the brand to the college students, we feel this is the best way to target and appeal to this audience. While this strategy is "offline," we will be working online as well to better the brand's social media presence to connect to those who go to college remotely, especially during these unprecedented times.

Once the brand has successfully partnered with different universities across the country, we hope to launch a campaign called "Café con Chispa," a campaign that will revolve around Café Bustelo's 'Ready to Go Espresso Coffee,' which is espresso that is sold in recyclable cans

at an affordable price, and can be enjoyed straight off the shelf. We felt that this was the best product for the campaign because it pertains to the target audience perfectly.

Competitor Analysis

Like all successful businesses, Café Bustelo has many well-known competitors who sell their coffee to a variety of different customers. Some of these competitors include, but are not limited to, Café Pilon, Starbucks, and Dunkin Donuts. Because they have a more similar audience, Café Pilon is the main competitor of Café Bustelo. However, the goal is to have a bigger platform, and a more well-known brand, so we will be focusing more on the business and marketing strategies of big companies, such as Starbucks and Dunkin. The chart below places each of the three competitors in their own section, where their target audience, pricing of products, marketing strategies (online and offline), competitive advantages, strengths, and weaknesses will be listed. This is done to be able to easily see where improvements can be made in Café Bustelo's strategy, and where the company already has its strengths.

	Café Pilon	Starbucks	Dunkin Donuts
Overview	-a leading Cuban Coffee brand that came to the US in the 1930s. The brand started out with the U.S. Hispanic community in Miami, Florida of highschool and college students, and continued to grow as these first customers grew older and spread the company name through word-of-mouth. (www.cafepilon.com)	-opened in 1971 as a small coffee shop in Pike Place Market in Seattle. The brand name was kickstarted by Horward Schultz between 1981-87, when he came up with the idea of incorporating the Italian coffee shop experience into the Starbucks brand. Since then, the brand has grown immensely. (www.starbucks.com)	-Bill Rosenberg opened the first Dunkin in 1950 in Quincy Massachusetts. Five years later, the company became a franchise, there are more than 11,000 Dunkin Stores worldwide. (www.dunkindonuts.com)
Target Audience	-Mainly Cuban Americans	-"Hispter" men and women between the ages	-Americans (now worldwide) between the

	<ul style="list-style-type: none"> -based in South Florida but sold all in chain grocery stores all over Florida -good prices to bring back the taste of cafecito from home (www.cafepilon.com) 	<ul style="list-style-type: none"> of 25-40 -willing to pay a little extra for coffee (www.starbucks.com) 	<ul style="list-style-type: none"> ages of 18-50 -lead busy lives -looking for a quick bite or coffee on the way to work, school, etc. (www.dunkindonuts.com)
Pricing	<ul style="list-style-type: none"> -cheaper and more affordable (www.cafepilon.com) 	<ul style="list-style-type: none"> -on the higher end/more expensive side(www.starbucks.com) 	<ul style="list-style-type: none"> -affordable (business class) (www.dunkindonuts.com)
Marketing (Online)	<ul style="list-style-type: none"> -OK marketing online -functioning website -active facebook account -no instagram/twitter/tiktok -not extremely active on social media 	<ul style="list-style-type: none"> -great marketing online; strategic online pop-up ads -easy-to-use website -active facebook, instagram, twitter, and tiktok -very active on social media 	<ul style="list-style-type: none"> -easy-to-use website; strategic popup ads -active facebook, instagram, twitter, and tiktok -very active on social media -Celebrity Endorsement: Charli D'Melio (Garrison 2021)
Marketing (Offline)	<ul style="list-style-type: none"> -most physical ads are produced in South Florida -hard to find anywhere else 	<ul style="list-style-type: none"> -ads are everywhere: magazine ads, coupons, big store signs, etc 	<ul style="list-style-type: none"> -ads are everywhere: magazine ads, coupons, big store signs, etc
Competitive Adv.	<ul style="list-style-type: none"> -same style of branding -same style of coffee and similar background story 	<ul style="list-style-type: none"> -extremely popular and well-known brand world-wide 	<ul style="list-style-type: none"> -very popular amongst a wide age group -affordable
Strengths	<ul style="list-style-type: none"> -same coffee style and immigrant (Cuban) background story as Café Bustelo -affordable pricing 	<ul style="list-style-type: none"> -customers are willing to pay higher prices for their products -leading coffee brand -extremely good at strategic branding 	<ul style="list-style-type: none"> -well-known brand across the nation/worldwide -affordable pricing -celebrity endorsement w/ Charli D'Melio (broader audience) (Garrison 2021) -known for their coffee AND food
Weaknesses	<ul style="list-style-type: none"> -not very active on social media -not very well-known outside of US Hispanic communities 	<ul style="list-style-type: none"> -very high price that not everyone is willing to pay -well-known for their American style coffee and frappuccinos only 	<ul style="list-style-type: none"> -menu is more limited to American-style coffee -does not target Hispanics or make Latin-style coffee

Marketing Objective and Goals

Café Bustelo is a Hispanic coffee company whose story begins with a Spanish immigrant, Gregorio Bustelo, who arrived in the US with a classic American Dream (www.cafebustelo.com). Bustelo wanted to be able to bring the flavors of hispanic coffee, specifically Cuban coffee, to other immigrants who had fled their countries and come to the US in hopes for a better future. According to the Café Bustelo website, Gregorio “built the foundation of his business on three things: his love for delicious Latin coffee, supporting his community, and bringing people together” (www.cafebustelo.com). Bustelo did just that, by starting off his business in East Harlem, and later opening a New York City storefront in 1928 on 5th Avenue (www.cafebustelo.com). Because this new storefront, Bustelo Coffee Roasters, was one of the few authentically Latin coffee houses in the area, it became instantly popular. Later on in the 1930s, Bustelo began selling his coffee blend to other Latin super markets and “bodegas” (www.cafebustelo.com). Since many Cuban immigrants also went to Miami, the brand became immensely popular there, and today can be found across the nation.

The history of Café Bustelo is one of a Hispanic immigrant who came to the US and successfully achieved the famous “American Dream.” With that being said, the history of this company alone resonates well and draws attention towards the target audience - US Hispanics - because it’s a story that they too can connect to. This also gives the brand some level of credibility in the sense that the flavors come directly from “home” and that the owner is actually Hispanic, also leaving customers feeling more trustworthy in the brand. Café Bustelo also does a decent job of branding, best known for their “Café Bustelo Was Here” campaign, which was their first national campaign launched in 2019 (Faw 2019). In addition to their advertising, the company also has an easy-to-use website, with bilingual language options, colors pertaining to

Latin countries and wording that target their audience, and a way to set up an account for updates on the company and their products (www.cafebustelo.com). Moreover, this company does not only sell “authentically Latin” coffee, but also sells its products at a moderate price, making it very affordable for its customers. Lastly, Café Bustelo has also done a great job of molding to the changes of the market, creating coffee that can be sold and made at home, espresso shots in cans that are ready to drink right after their purchase, and K-Cups or pods for coffee machines that use this type of technology (www.cafebustelo.com).

Over the course of the brand’s start-up and existence, Café Bustelo has done an excellent job of making their presence as a big and well-known Latin owned coffee company. However, the brand has only perfected its reach towards an older generation of US Hispanics, many of whom are immigrants or the children of immigrants like the company’s founder. The newest goal of Café Bustelo is to try to better target an audience between the ages of 18 and 25. The audience of Café Bustelo is already bilingual, and consists of both U.S. Hispanics and people of other cultures (Navarro 2003). For this specific project, however, our main goal is to target Latin-Americans between the ages of 18 and 25 who go to any college or university located in the US. Below, marketing strategies and concepts will be further explained.

Target Market Analysis & Positioning

As discussed previously, the goal is to reach a target audience consisting of Latin American college students in the US who are between the ages of 18 and 25. This group would most likely be bilingual, since most of Café Bustelo’s audience is already bilingual. Also discussed in the section above, Café Bustelo has done an excellent job of making their brand name better known, especially with the “Café Bustelo Was Here” campaign. This campaign was

launched in 2019, and was the company's first national advertising campaign, which in the end proved to be extremely successful (Faw 2019). If you've ever seen yellow buttons, signs, shirts, or ads that read "I Heart "Café Bustelo," than you've seen ads for this campaign. To be able to reach the targeted audience described above, a campaign of this magnitude, or even something bigger is needed. A good example comes from one of Café Bustelo's major competitors, Dunkin. In September of 2020, Dunkin collaborated with famous TikTok star, Charli D'Melio to create her own signature drink called "The Charli." Within the day that this drink launched, the company saw a 20% boost in sales for all cold brews sold, and a 45% increase the day after the release (Weiss 2020) In this situation for Dunkin, the celebrity endorsement from Charli D'Melio not only caused their sales to surge, but has consistently helped their number of sales increase.

In this particular case, we are hoping to launch a campaign surrounding Café Bustelo's 'Ready to Drink Espresso Coffee.' The reason for this is because this product is espresso that is pre-made and ready to drink right off the shelf. Making a campaign about this product is a great first step, especially when targeting a market audience consisting of college students, because most of the time, this type of audience is looking for cheap coffee that tastes good, is cheap, and is ready to go. Bustelo's Ready to Drink Espresso Coffee is just that, costing only \$1.99 and holding the same Latin goodness in a recyclable can as Abuela makes on the cafetera at home (www.cafebustelo.com). This product is perfect in the sense that it can be delivered right to any student's doorstep at such a low cost, much lower than the price of competing products and companies. But how would such a campaign work to promote this item to college students? The first step is partnering with well-known grocery stores, small college-town coffee shops, or popular hangout spots amongst students. Café Bustelo is already available for purchase at Target,

Walmart, Publix, and even the Dollar General. The issue is that most people who like Café Bustelo don't even know it can be purchased at these locations.

For this campaign “Café con Chispa,” Café Bustelo will travel to campuses across the US giving students samples of their famous Ready to Drink Espresso Coffee. The company can set up in popular areas of the campus, for example, the prime location at Florida State University in Tallahassee, Florida would be on Landis Green. Doing so would not only spread awareness about the brand itself, but it would also give students the opportunity to try the product, and find out where they can purchase it. By setting up a tent in areas heavily populated by students in the center of these campuses, Café Bustelo will be able to literally be at the center of their audience. In addition to setting up in these campuses, the company can partner with universities across the US to sell this product in stores on campus, making it even easier for students to purchase their very own Ready to Go Espresso Coffee. Lastly, after partnering with these universities, the company would be able to hang and hand out fliers talking about the event to spread even more awareness about the product and brand's name as a whole.

Situational Analysis

Discussed earlier in the document were strengths and weaknesses of Café Bustelo's competitors. Starbucks, an already well-known and established coffee company has its greatest strength in customer loyalty; customers are always willing to come back and pay higher prices for their products. Dunkin, with its recent endorsement and collaboration with TikTok star Charli D'Melio has seen a huge increase in sales and like Starbucks, is already an extremely well-known company (Weiss 2020). Like its competitors, Café Bustelo has been able to make a name for itself, especially with its first national advertising campaign in 2019, “Café Bustelo

Was Here” or “Café Bustelo Estuvo Aquí” (Faw 2019). This campaign proved to greatly spread the name of the brand and help it to become more popular, like its competitors. Café Bustelo has a great website, a large group of loyal, Hispanic customers, and knows exactly how to target this already-existing audience. However, this brand is nowhere near as popular as its competitors and has a much more specific target audience currently.

Because this company is now looking to target a younger audience, Latin-Americans who are in college, bilingual, and are between the ages of 18 and 25, a good place to start would be on social media. Café Bustelo already has accounts on Facebook and Instagram. The company also has an account on TikTok, a new platform that has proven to be extremely popular amongst the targeted age group and audience. However, Café Bustelo’s account on this platform is not active, and becoming active and gaining followers on this account would be ideal to reach the said audience. Posting dances for different flavors of coffee, holding raffles for followers, and posting about products to keep customers informed are some of the many strategies that brands use on TikTok. In addition to the plan of partnering with universities to sell and advertise their products, doing this would help to make Café Bustelo a better known brand on and offline.

Marketing Strategy

Café Bustelo is looking to focus their marketing more towards targeting Latin American colleges and university students who are bilingual and between the ages of 18 and 25. In order to do so, the company will partner with universities and hold events in which they’d give free samples and advertise their “Ready to go Espresso Coffee,” a product that is ready to drink once bought and is sold at a very reasonable price. In addition to this, Café Bustelo will be more active on social media, especially TikTok, to reach more of the targeted audience both on and offline.

Media Planning & Testing

The new marketing strategy for Café Bustelo includes being more active on social media and partnering with universities. The first step would be to create a more active TikTok account. Café Bustelo currently has a verified account on this platform, but only has 45 followers. In contrast, their Facebook and Instagram accounts have over 200,000 and over 34,000 followers. Although this number is much higher than the amount of followers on TikTok, all three platforms could definitely become more active, which would additionally help more people get to know the brand itself. To see if people in this age group/target audience already knew about the brand, I decided to conduct a survey of people within the age group from universities across the nation. The results of this survey are posted below:

https://fsu.ca1.qualtrics.com/responses/#/surveys/SV_0ctCHJu0pBDGcp8

How old are you?	Are you Hispanic?	Where is your family from?	Have you ever heard of Café Bustelo? Do you like it?	If not, what things would make you want to try Café Bustelo?
18-20	no	Ireland	no	I want to try it because my friends say it's great!
18-20	yes	Cuba/Spain	yes	
24+	yes	Cuba	yes	
18-20	yes	Cuba	yes	
18-20	yes	Puerto Rico	yes	
18-20	no	Poland	yes	
24+	yes	Cuba/Spain	yes	
24+	yes	Cuba	yes	
24+	yes	Cuba	yes	
24+	yes	Cuba	yes	
24+	yes	Cuba	yes	It reminds me of home!
18-20	yes	Cuba	yes	

18-20	yes	Cuba	yes	
18-20	yes	Cuba/Nicaragua	yes	
18-20	yes	Peru/Argentina	yes	I don't drink coffee but would endorse it to others.
18-20	yes	Cuba	yes	
18-20	yes	Venezuela	yes	
18-20	yes	Puerto Rico/Cuba	yes	
18-20	yes	Cuba	yes	

In the table above, it's evident that almost all of the people who took the survey knew what Café Bustelo was, with the exception of one person. Although some had never tried it, those who didn't said they would because of others' positive responses to their products, or said they'd endorse it because of popular reviews from their friends. This survey only measured about a handful of college students within the target demographic that Café Bustelo is hoping to reach. If most of them already knew the brand, then becoming more active on social media and traveling to these different universities and colleges would definitely be the perfect way to increase sales in the "Ready to go Espresso Coffee" and Café Bustelo's other products.

Evaluation of Effectiveness

Evaluating the success of being more active on social media and the "Café con Chispa" campaign would be extremely simple. The success of being more active on social media would instantly reflect on an increase of followers on any social media platform. In addition to this, the "Café con Chispa" campaign would be able to measure how many students come to the tent or event, how many students liked the samples they tried, and how many students interacted with the brand's social media after participating in the campaign. Both of these strategies' success

would also be seen in an increase of sales, specifically with the product “Ready to go Espresso Coffee,” since it would be the face product of the campaign.

By partnering with universities across the country and literally bringing the product to the target audience, we are hoping that the “Café con Chispa” campaign will be extremely successful. In addition to this campaign, it will be advertised on social media, which will help the brand’s presence online as a whole become more popular, and therefore spreading the brand’s name to the target audience both on and offline.

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FROM COFFEE BEANS TO JELLY FILLING Everything we do is about you. From chefs who create exciting new flavors, COMPANY SNAPSHOT Dunkin' is the world's leading baked goods and coffee chain, & FRANCHISING Join Us Dunkin' is a market leader in sales of hot. (n.d.). *About Us: Dunkin'®.* About Us | Dunkin'®.

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