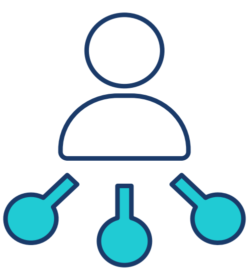
Deciding on a business model

A business model is how you intend to make money. What you choose depends on your business, the type of customers, and what you're selling. Business models change even in the same industry, depending on what suits you best. You can choose more than one model - or even use them all.

The reseller



Find products people want, add a margin to what you pay, on-sell to customers or other businesses.

- Buy beans from a wholesaler
- Open a cafe
- Re-sell to the public
- Import beans in bulk
- Re-sell to wholesalers.

The subscriber

Develop a product or service, customers pay a monthly subscription fee to access.

Sell a subscription service to receive a coffee-flavoured recipe and ingredients each month.

The license / royalty model

Allow others to make or deliver what you've designed, and take a percentage of sales.

Develop a unique coffee flavour and license other roasting companies to make and sell it.

The manufacturing model

Make products and on-sell to either wholesalers or retailers (sometimes direct to customers).

Set up a coffee bean roasting part of the business and supply other cafes.

The advertising model

Develop online traffic and sell advertising space.

Create a website with free barista video courses and sell Google Ads.

The contracting model

Seek contracts with larger businesses or organisations, sometimes with or under other contractors.

Find government contracts for coffee supplies and pitch to deliver.

The online model

Finding products and services you can sell online to a wider audience.

Set up an online store so customers can order beans direct.

The marketplace model

Identify a demand and be a hub for buyers and sellers.

Set up a website where cafes can buy coffee from suppliers, with you taking a fee on transactions.

The direct hours model

Charge customers for every hour you spend with them.

Start a barista training course.

The freemium model

Start a free barista training course, then promote a master class you charge for.

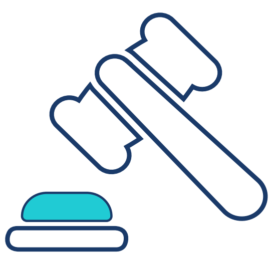
Offer something for free, then charge users once they want to upgrade.

The product and consumable model

Give away / offer subsidised coffee machines to local businesses and sign up them up to buy beans off you.

Sell a low priced (or free) product that needs consumables replaced on a regular basis.

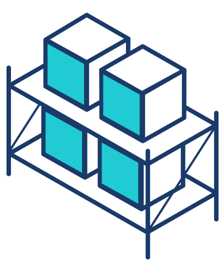
The online auction model



Sell products through existing auction sites.

Sell surplus beans on eBay.

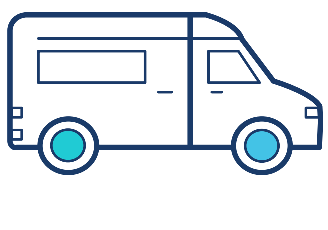
The unused capacity model



Work for other businesses, hire out equipment or facilities.

Roast the beans from other coffee companies.

The go to market model



Don't wait for customers to come to you, get out there and find them.

Set up mobile coffee carts at events.

Next steps

- Review your product range and consider if they could be sold via a new model
- Find out how your customers are buying and amend how you sell
- Check out what your competition is doing. If they've adopted a new model, it might work for you too.