

# CAFE culture.

ISSUE 29

## WHAT IS COFFEE?



COFFEE'S A SEED THAT SPROUTS INTO A SMALL PLANT

## GROWING REGIONS



IT IS THE MATURE FRUIT IS GROWN

## FARMING



COFFEES CAN COME FROM INDIVIDUAL FARMS (SINGLE SOURCE), OR A REGION (SINGLE ORIGIN), OR FROM A LARGE AREA MADE UP OF A LOT OF FARMS (CO-OP)

GREEN BEANS GO AWAY TO BE DECAFFEINATED

## DECAFFEINATION



NOW IT IS READY TO BE ROASTED INDIVIDUALLY!

## GRADING



THE BEANS ARE GRADDED BY SIZE AND WEIGHT BEFORE IT'S READY TO GO ALL OVER THE WORLD



DEPENDING ON THE COARDED AND ROAST, IT CAN BE CONSUMED IN VARIOUS WAYS!



Wet processing



SEMI-PROCESSING



DRY PROCESSING

AFTER THE COFFEE CHERRY IS PICKED IT NEEDS TO BE PROCESSED TO REMOVE THE PULP AND SKIN

COFFEE CORP

## THE GROUNDS OF ALEXANDRIA

ENDING



IT'S 15 TO 20 YEARS

THE COFFEE IS THEN STORED WITH NITROGEN TO KEEP FRESHNESS AND DEVELOP FLAVORS



PACKAGING



# the HYBRID CAFE



A SUSTAINABLE BUSINESS MODEL

**T**he hybrid café – like the hybrid car – operates on two levels to seamlessly achieve one objective.

The hybrid car uses both internal power combustion and electric to get from A to B. One source of power takes over when the other is lacking, but importantly, they back each other up.

Instead of power, the hybrid café has dual income streams which create a different form of momentum, in the form of cash flow and a tangible point of difference to draw in customers. You have the main source of income from the café business and a secondary income from the other business. The nature of the two businesses can be vastly different, but as with the hybrid car, they must support each other.

Probably the most common hybrid is the café deli. The two sides of the business go hand in hand, with the same or similar product offerings aiming to seduce the affluent foodie. The delicatessen supports the café by convincing the customer that the business owner knows a thing or two about food and that they can expect a quality offering if they stop by for a coffee or a bite to eat.

Of course, this works both ways and, after a great cup of coffee in the café, the customer might pop over to the retail shelves to buy a tin of coffee so they can try to recreate the experience at home.

Other successful hybrids include the café bookshop and the café bakery. The possibili-

ties are endless, and essentially the only limit comes when one business detracts from the other. Consider, for example, the café butcher. It's almost imaginable as some kind of vile post-modern concept, but for your average customer, the whiff of raw meat would detract from the delicate aroma of their morning coffee, creating an environment about as soothing as being seated across from Hannibal Lecter.

Without wanting to bore you with hard and fast rules, let's consider some café hybrid success stories.

Founded in 1949, Tchibo is one of Germany's biggest retail chains, with over 1,000 coffee shops and cafés selling everything from clothing and household items to electrical appliances and insurance.

The interior design of these stores isn't likely to win awards, but that's not the point. The selling point of this hybrid is convenience convenience. The diverse product offering no doubt appeals to the stereotypically practical German sensibility – have a strong cup of coffee, then get all your shopping done in one go; but that doesn't mean this hybrid model would be universally effective. In fact, the chain failed to gain traction in the British market, with one commentator disdainfully describing it as “a glorified pound shop”.

Generally speaking though, a café needs to offer more than just good coffee; it needs to provide an environment where customers

can comfortably sit back and forget the world for 20 minutes. The interior design of the café usually fulfils this function, but with certain hybrids, the secondary business helps to create a unique ambience. The Armchair Collective in the Sydney suburb of Monavale does this particularly well.

The brainchild of landscape designer/restaurateur, Andrew Goldsmith, and interior designer, Pip Robb, this multi-faceted business offers the complete Northern Beaches lifestyle if not on a plate, then alongside a plate of biodynamic eggs and sun-ripened tomatoes. It combines a café, commuter coffee window, florist, homewares store and vintage furniture upholstery business in one charmingly haphazard space. Even if customers can't afford the hefty price tags on the majority of the retail items, they can buy into the lifestyle it evokes for a moment as they eat their brunch surrounded by desirable objects and more-attractive-than-average wait staff.

On the whole, the nature of the secondary business is dictated by the owners' other interests or passions (presuming coffee is their number one passion), but the combination needs to be relevant to the consumer also.

The Deus Ex Machina bicycle shop and café, for example, is ideally positioned at the Taylor Square end of Bourke Street, halfway along Clover Moore's visionary, if somewhat controversial, Sydney bike path. Its location makes it the ideal point for cyclists to stop off for a

coffee on their way into the city, perhaps meet up with fellow enthusiasts, get their bike tuned or browse the shop for their next must-have accessory. It's a win-win situation, carefully targeting a niche group.

Design Portfolio is responsible for the interior design of the rapidly expanding Cupcake Bakery Franchise – a successful hybrid where coffee isn't the primary income.

Since the cupcake craze was ignited in New York almost a decade ago, demand for these treat-sized cakes has continued to snowball. Coffee, however, is an important secondary purchase for Cupcake Bakery customers and has contributed to the overall success of the business. To drive coffee purchasing, Design Portfolio has oriented each counter to ensure the coffee machine is highly visible alongside the cupcake display. The Alice in Wonderland-inspired design concept comprises whimsical finishes, including astro turf, cute button tiles, recycled brickwork, hanging lit signage and a custom-designed wall mural. It mirrors the pretty pastel hues of the cupcakes and provides a brief respite from everyday life, encouraging customers to sit down, tune out and enjoy their coffee and cupcakes together.

The success of the cupcake/coffee hybrid enhanced by the light, playful interiors is evidenced by the fact the franchise has experienced almost 80 per cent average annual revenue growth over three years and was ranked 31 last year in the business magazine BRW's 'Fast 100' – a list of Australia's 100 fastest growing businesses.

Interior design plays a key role in café hybrids. Often by improving the design of one side of the business, you help multiply the other and improve the business overall. A prime example of this is The Loaf Bakery in South Windsor – predominantly a bakery business, with all products manufactured on-site. A recent refurbishment by Design Portfolio has helped even the scales with the coffee side and attract Sydneysiders looking for a bit of “Surry Hills” in the mountains.

By adding a coffee window at the front of the bakery, the space has been optimised, and the two businesses can operate smoothly alongside each other without customer con-

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gestion. The interior scheme was completely updated to reflect the quality of the product, including: new signage and branding, weather board finishes along the counter fronts, a natural colour scheme with timber as the primary material and custom-designed shelving and displays to best suit the product.

The bakery side of the business has markedly improved, which in turn has attracted more customers for the coffee side, boosting coffee sales by an impressive 100 per cent.

The two sides of the business are now driving each other's success, which is the ultimate aim with any hybrid – a turbo charge for the cash register. The increased coffee trade has meant more people buying croissants with their morning flat white, and the client has had to double its staff numbers in 3 months to deal with the increased demand.

Whether it's a new café or the refurbishment of an existing café, if you choose to make it a hybrid, there are many combinations to choose from. The hybrid café might take more work, but two income engines driving your business could also help it to grow a lot faster.

#### ABOUT THE AUTHOR:

Adam Burns is a director of Design Portfolio. Design Portfolio is an award winning company with over 25 years' experience in retail and hospitality design. They are a multi-disciplinary team that integrates: retail design, interior design, industrial design and graphic design to create retail environments that improve your business.

#### CONTACTS

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