

Coffee-to-go drives sales at Caltex sites

BY ANELLE HAMILTON

Seattle Coffee Company and Caltex's joint venture that offers motorists premium coffee when they visit the c-store seems to be paying off, as they anticipate rolling out another 18 sites. "Our 'with wings' concept, which encompasses stand-alone Seattle Coffee Company kiosks in Caltex sites, has been running for the last five years. The first two sites, at the V&A Waterfront in Cape Town and on Athol Oaklands Drive in Johannesburg, acted as pilot sites. To date, we have rolled out the concept at seven sites. Six are based in Gauteng and one in Cape Town," says Donovan Coetsee, Seattle Coffee Company spokesperson.



Signage helps customers work out the language of coffee before they order!



The Seattle Coffee Company kiosk at Caltex Northstar is manned by two highly trained baristas.

Seattle Coffee Company's primary reason for partnering with Caltex and opening kiosks in their Starmarts is that the group identified this as the ideal convenience market. In South Africa, Seattle's target market consists primarily of consumers who are driving to work and who are regular visitors of forecourts. "By selling our coffee at these forecourts, we enable our customers to have access to our coffee without the hassle of having to go to a mall or finding parking to get to a store," says Coetsee, adding that Johannesburg, especially the Northern suburbs, has been targeted for further rollouts. "We want to grow from one base. It makes sense to establish a stronger brand and then grow from a central point."

Brand building

If a site is approved, it enters into a joint venture with Seattle Coffee Company and the profits are split 50:50 between the retailer and Seattle. "Our projects department builds a shell, creating a 'plug and play' environment that the retailer can set up in minutes. This also ensures that every kiosk looks the same. Ideally, these units should

be placed next to the store's fresh food offering, Planet Deli," explains Coetsee.

He says Seattle offers a menu that only sells drinks and the idea is that a customer will get a coffee from the coffee bar and then proceed to the deli to purchase a muffin or sandwich to go with it. This boosts sales by increasing the basket size.

The menu is standard throughout the network and lattes and cappuccinos are the top sellers. The prices of the various coffees range from R13 to R18.

The entry cost to obtaining a Seattle Coffee kiosk is low, while the 9m² kiosks are compact and relatively easy to run. The forecourt dealer pays a once-off joining and training fee and all the sites with a Seattle kiosk are visited by a Seattle company representative every day to ensure customer satisfaction, which minimises the dealers' duties.

Everything is sourced from a central warehouse that helps to ensure that the quality is high and Seattle trains all staff members.

These coffee bars are open 24-7 and are manned by four staff members that work shifts from 6am to 6pm and 6pm to 6am.

"We take direct control of the Seattle kiosk at each site to protect the integrity of the brand. An advertising solution is created for every site, while an advertising board on the pavement outside the forecourt and an illuminated box on the window of the c-store are used to attract the motorists' attention," says Coetsee.

Seattle Coffee Company kiosks are not exclusive to forecourt stores, but are also available at car dealerships and corporate office parks.

Coffee to go

All the Seattle Coffee kiosks at Caltex sites are profitable, selling on average around 80 cups of coffee a day. Although coffee has a seasonal drinking base, sales are still growing as customers are leaving their homes earlier in the morning to beat the traffic. Many customers come to the kiosk bringing their own stainless steel travel mugs so they can drink their coffee while driving in peak hour.

Caltex Northstar on Rivonia Road does most of its trade early in the mornings or late at night. Weekends are busy too, as Monte Casino



Donovan Coetsee, spokesperson for the Seattle Coffee Company, says they are in the process of launching a loyalty card so that regular customers can build up points when they buy coffee from Seattle.

and a number of clubs in the vicinity draw in customers looking for a late night beverage. The site's car wash also boosts business, as people have coffee while they wait for their car.



An illuminated light box advertises the Seattle kiosk in the window of the Starmart.



Muffins, pies, cakes and pastries are available at Caltex sites, complementing the Seattle coffee offer.



Seattle Coffee kiosks offer a beverage-only menu to encourage customers to buy food from Caltex's own Planet Deli counters.

Average sales at Caltex Northstar are around 120 cups a day, while Caltex Oaklands moves around 600 cups a day, contributing around 8-10% towards turnover. One of the innovative features here is soya milk, which is very popular with the customers.



Customers at Caltex Athol Oaklands have the option to ask for soya milk in their coffee.

Winning partnership

"South Africans have certainly taken to good quality coffee and the people who drink our coffee are diverse. For example, our hot chocolate is popular amongst the kids so we offer something for everyone. Every drink is made for the individual and our baristas understand the art and science that goes into coffee. You will not get this when you are buying from vending machines. Seattle uses Arabica beans that are hand roasted in London," says Coetsee. "We are also in the process of launching a loyalty card so regular customers can build up points when they buy coffee from Seattle."

South Africans have certainly taken to good quality coffee.

The group's aim is to roll out at two Caltex sites a month. "We have found our partnership with Caltex tremendously successful. It has enabled us to bring our brand to a wider market and to make it accessible to people who would not ordinarily have access to our café stores. The fact that the stores are open 24 hours a day adds to the convenience. Coffee is an early morning item as well as a late night beverage, so it caters for every need. And when people fill up with petrol they can fill up with their favourite cup of Seattle's gourmet coffee too." ■



The carwash at Caltex Athol Oaklands helps to grow coffee sales, as customers will buy a cup of coffee while waiting for their vehicle.