

A Marketing Plan for Tim Hortons to Succeed in the Netherlands



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Executive Summary

Tim Hortons is a Canadian quick service restaurant best known for its coffee and doughnuts. It opened its first coffee shop in 1964 in Hamilton, Ontario. From the start, Tim Hortons has focused on top quality products that are always fresh and delivering exceptional service. It has grown into the largest quick service restaurant chain in Canada that specializes in fresh coffee, home-style lunches and baked goods. They have been active in other countries as well and it could be interesting for them to expand even more. This leads us to the research question, "What marketing strategies should be used for Tim Hortons to succeed in the Netherlands?"

The methodology of the research was mainly conducted by desk research. Field research was also used by conducting a survey for the potential customers and an interview with an employee of one of the potential competitors.

The internal analysis of this report reflects the strengths and weaknesses of Tim Hortons as a company. Tim Hortons should use the image that they have in Canada and implement this in their marketing for the Netherlands. The most important aspects of their current strategy are their competitive pricing, wide range of products and their quick and friendly customer service. Because of the recent merger between Tim Hortons and Burger King, more opportunities have arisen for Tim Hortons to expand globally. Burger King is already established in the Netherlands and a lot of other countries in the world and their experience will help Tim Hortons to establish themselves on the Dutch market. 3G Capital Inc. will own the majority of this merger very soon and they will be able to offer a lot of their marketing expertise.

The external analysis of this report reflects the opportunities and threats that Tim Hortons is faced with in the Dutch market. Some of the biggest potential competitors that Tim Hortons would have to consider when they enter the Dutch market were identified. Albert Heijn to Go is the most surprising competitor in that they do not focus on selling coffee, tea and sandwiches but are more focused on the 'to go' culture and for people to get some quick groceries when they are off to work or school. Some of the more interesting aspects that were found in the DESTEP analysis were the use of social media on a large scale, the coffee culture of the Netherlands and the fact that the Netherlands has the most coffee drinkers in the world.

Tim Hortons needs to focus on the 'to go' culture and try to encourage this with their marketing. There is definitely a 'to go' culture in the Netherlands especially in the bigger cities. With their high population density and a lot of traffic in and out of the cities, it is a smart move for Tim Hortons to start their first coffee shop there. Setting up a coffee shop in the centre and close to a train station would most likely be the best option. To really keep the 'to go' culture on the rise, Tim Hortons should make sure to market their products accordingly and speak to the most important target group, which are the young adults and students. These people are always busy and do not always have time to sit down and enjoy their cup of coffee. Tim Hortons could set up stands at social events and by hosting these, they would have a higher possibility of reaching younger people. These events would be best marketed through social media as almost nine out of ten people in the Netherlands are active on it.

In conclusion, there are several possibilities for Tim Hortons to find success in the Netherlands, they just need to use the right tools that are at hand.

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1. Introduction

This marketing plan is written for a final dissertation to end my study at The Hague University of Applied Sciences. The purpose of this marketing plan is to find out whether it is possible for Tim Hortons, a Canadian quick service restaurant, to export to the Netherlands and what marketing strategies should be applied when doing so. Tim Hortons has been very successful in Canada as well as in the United States and the Gulf Cooperation Council which is why it is an interesting idea for them to possibly extend their market to that of Europe and more specifically the Netherlands. The central question is, "What marketing strategies should be used for Tim Hortons to succeed in the Netherlands?"

The sub questions that will be used are:

- What is Tim Hortons and what is their mission?
- What is the current situation of Tim Hortons and what are their goals?
- How can the target customers be identified?
- Who are the biggest competitors?
- What is the current situation like in the Netherlands?
- How can Tim Hortons be positioned in the Dutch market?
- What strategies would have to be implemented in the marketing?

To help answer these questions a company description is used followed by an internal analysis. This will help with insight about the current situation with the company and their strengths and weaknesses. After this the marketing plan continues with the external analysis to research the competitors, customers and environment in the Netherlands. This is followed by a SWOT analysis and confrontation matrix. After that the strategic marketing plan is discussed, followed by a conclusion and recommendations. During these chapters multiple methods of research such as a SWOT analysis and a DESTEP analysis are implemented and it will also contain a survey to find out more about the competitors and the needs of the consumers as well as an interview with an employee of one of the competitors.

Unfortunately, Tim Hortons did not agree to help with this marketing plan and all the information that is used, comes from their official websites and various news articles that are open for everyone to see. Aside from this, other material such as a survey and interview are also used.

2. Company Description

Tim Hortons is a Canadian quick service restaurant best known for its coffee and doughnuts. It opened its first coffee shop in 1964 in Hamilton, Ontario. From the start, Tim Hortons has focused on top quality products that are always fresh and delivering exceptional service. It has grown into the largest quick service restaurant chain in Canada that specializes in fresh coffee, home-style lunches and baked goods. They have a very strong status in Canada, largely because of the iconic way of positioning themselves with a strong patriotic reputation. Tim Hortons is very committed to maintaining close relationships with their franchisees. The fact that they are also very involved with the communities where they operate has helped them to generate huge guest loyalty and this has made them one of the most widely recognized consumer brands in Canada.

Tim Hortons values dedication to the satisfaction of their guests greatly and continuously tries to innovate when it comes to their products. They really listen to the consumers and their needs and change their menus accordingly. The products that are currently available for consumption according to the official Tim Hortons website (2012) are, “a broad range of categories that appeal to guests throughout the day, such as flavoured cappuccinos, specialty and steeped teas, home style soups, fresh sandwiches and freshly baked goods including donuts, muffins, bagels, cookies, croissants and pastries”. All of these products show that there is a wide range; however the biggest product they have is the legendary Tim Hortons coffee. Tim Hortons always serves its coffee within 20 minutes of being brewed to ensure that the coffee is always fresh. The coffee, flavoured cappuccinos and hot chocolate are also available in cans so that the guests can also enjoy their favourite drinks at home.

Most of the standard Tim Hortons locations are open 24 hours. These locations include dining rooms where guests can sit down and eat, take out for people that do not have time for this and even a drive-thru, which makes it even easier to get a coffee to go. Another interesting aspect of the Tim Hortons locations is that they can also be found in some less traditional places such as convenience stores, universities, hospitals, airports and even office buildings. They like to market this as the ‘we fit anywhere’ strategy which shows their versatility.

According to the official Tim Hortons website (2013), “Tim Hortons is one of the largest publicly-traded quick service restaurant chains in North America based on market capitalization, and the largest in Canada. In Canada, Tim Hortons commands an approximate 42% share of the quick service restaurant traffic. They enjoy iconic brand status in Canada and strong consumer awareness in select regional markets in the U.S. They are also beginning to seed international growth, with 38 coffee shops in the Gulf Cooperation Council as at the end of 2013”. The Gulf Cooperation Council consists of the Islamic monarchies of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (Dubai Forum, 2014). This shows that there is definitely a lot of potential for Tim Hortons to expand their market to different countries because they have done it before and it seems to work out very well for them.

Tim Hortons has put some of their highlights of 2013 on their official website as well as in their annual report. There are some of these highlights in this marketing plan to show the most recent developments. All of this information comes from the official website and the annual report (2013).

- Tim Hortons has generated positive same-store sales growth in both the Canadian and U.S. markets for the 22nd and 23rd consecutive year, respectively.
- They grew earnings per share by 8.9% to \$2.82.
- They also continued to expand their system, opening 168 coffee shops in Canada, 74 full-serve restaurants in the U.S. and 14 coffee shops in the Gulf Cooperation Council.
- Tim Hortons also focused on the ultimate guest experience by completing over 300 restaurant renovations and more than 1,400 drive-thru enhancements.
- They continued to embrace technology by enabling guests to pay with their Tim Card® through their mobile phone at select coffee shops in Canada.
- On top of that they expanded on several of their successful platforms, such as the Panini platform, with the introduction of Flatbread Breakfast Panini's and the Grilled Steak and Cheese Panini, and single-serve coffee.

An interesting aspect of these highlights is the fact that they have expanded in the Gulf Cooperation Council. It shows that they are successful and can afford the expansion, which makes it safe to say that the coffee shops outside of Canada are making enough profit. Of course this is also the case with the coffee shops in the United States, however since Canada and the United States are very similar in many ways, it is not that much of a surprise. The fact that they expanded in a part of the world where the culture is very different is a lot more important to this research.

Another interesting aspect of these highlights would be the fact that they use a Tim Hortons card and are able to get their guests to actually use them. This shows customer loyalty in a way and it shows that they can try new things which are able to succeed. Using this card could be an interesting way to achieve more customer interaction in the future, however for now it would be too soon to apply on the international market. The expansion on certain products is also very interesting, although it is not very important for this marketing plan for now because the new coffee shops in the Netherlands would most likely have a more basic assortment of products in the beginning.

3. Internal Analysis

3.1. Company Analysis

The company analysis will feature the goals and objectives, the market definition and the strengths and weaknesses of the company and will mostly focus on this. It is important to find out what the goals of Tim Hortons are to implement them in this marketing plan. The market definition will have the strengths and weaknesses will be a lead up to the SWOT analysis.

3.1.1. Goals and Objectives

Tim Hortons is a big company with very clear goals and shows a lot of their information on their corporate website. Their mission statement as mentioned on the official Tim Hortons website (2010), "Our guiding mission is to deliver superior quality products and services for our guests and communities through leadership, innovation and partnerships. Our vision is to be the quality leader in everything we do". It shows that they work hard on delivering high quality products and services and that the guests are extremely important.

Tim Hortons also lists some more values that they have on their official website. They are 'Can Do', which means that their success comes from making their coffee shop owners' businesses grow and satisfying their guests. They act as partners in the business by being hands on, responsive and paying attention to detail. They seek opportunities and this shows their entrepreneurial spirit that drives them. They have passion and determination that gives them the power to succeed and enables them to learn from the experience.

They try to achieve excellence and constantly strive to be the best, proudly facing challenges and changes without hesitation. They are also fair and ethical. They deal with their co-workers, coffee shop owners, suppliers and team members honestly and treat them with respect, compassion, loyalty and fairness. Tim Hortons also has a strong team, they rely on open communication and support from each other. They are hardworking, caring, humble, friendly and passionate about their business.

Tim Hortons has published a strategic plan for the coming years and in this they tell us what exactly they are planning to do. Not only do they show their plans for Tim Hortons in Canada, they also show the plans that they have for the United States and the rest of the world. This plan will focus more on the international aspect as it will give a good view on what could potentially happen if they decide to expand to Europe.

The main goals that Tim Hortons has for the future are to envision a bolder, more assertive and dynamic Tim Hortons. They want Tim Hortons to be an organization that sets the leadership agenda in their sector. They want it to create a compelling, highly responsive experience for their guests. A challenge for Tim Hortons would be to build new strengths and to see their business in new and different ways. Their slogan for the upcoming years is to “win in the new era”.

The vision that they have for success at the end of their strategic roadmap plan, according to their official website (2013), “A rejuvenated growth engine in Canada; A U.S. concept with demonstrated success, ready to be aggressively scaled; An established international presence and model to roll out in new markets; An enhanced set of capabilities and talent in the organization; and renewed pride, engagement and optimism”.

The international goals are a little different from the plans that they have for their company in Canada and these mostly show the intent to maintain their efficient and realistic approach to developing their international business.

As Tim Hortons mentions in their strategic plan for the future (2013), “The foundation for development in new markets is the presence of a strong partner, and fit with our core brand strengths and the filtering criteria through which new markets are evaluated. Our decisions internationally will continue to be guided by governing principles that we believe are key to our success”. They seem to rely on strong partners in the international environment and this is definitely something to take into account when they would want to export to the Netherlands.

Tim Hortons seems to be very pleased with their progress in the Gulf Cooperation Council and they keep focusing on continuing the growth of their operations. According to their official website (2013), they have established a roadmap that explains how they want 220 coffee shops in the Gulf Cooperation Council within five years based on their current agreements. They have an ongoing development in the Gulf Cooperation Council and they want to continue to validate their core concept and filtering criteria. Another important aspect they want to keep going is the foundational master license agreement business model as well as continuing to evaluate and gain experience through their Gulf Cooperation Council activities with alternate supply arrangements.

The strategic plan for the upcoming years also includes the following goals (2013);

- Continue to learn and grow in the Gulf Cooperation Council
- Validate strategy in 2014 beyond the Gulf Cooperation Council
- Redeploy human resources to international beyond the Gulf Cooperation Council

You may wonder how this is all relevant for this specific marketing plan. Well, Tim Hortons has already gained a lot of knowledge through their international market entry and development. According to the strategic plan on their official website (2013), "They will continue to do so in areas of localization of products, tailored marketing, local sourcing, construction and design, partner strengths and opportunities, and competitive trends/activities in international markets. During 2014 Tim Hortons will continue to learn and gain experience, and evaluate targeted new market(s) for potential entry in 2015". This shows that Tim Hortons already has some experience in foreign markets and it will only get better and open possibilities for a possible market entry in the Netherlands. They mention that they will potentially enter new countries in 2015 and this could mean that they are planning on entering the European market.

It has recently been announced that Tim Hortons and Burger King will be merging into one big company. According to Evans (2014), "Tim Hortons has agreed to be bought by the company that owns Burger King in a deal that could culminate in the world's third largest fast-food company". The combined entity of Burger King and Tim Hortons will be based in Canada. According to Rocha (2014), "Investors in Burger King Worldwide Inc. and Tim Hortons Inc. applauded news of a potential merger between the two fast food chains, seeing both tax savings and strategic rationale for a combination". This would mean that a lot more money could be spent on other projects.

Other reactions were also very positive with Miles Nadal (2014), one of the best-known advertising moguls in Canada, saying, "What Burger King will do is enable Tim Hortons to expand globally instantaneously. I think they can take it from being an iconic Canadian brand to an iconic global brand". The main aspect that could help Tim Hortons gain global success is the fact that Brazilian private-equity firm 3G Capital Inc., which currently owns about 70% of Burger King, will be owning the majority of the company. They have been known to be brilliant marketers and have added a lot of value to companies such as Burger King and Heinz Co. (Nadal, 2014).

3.2. Strengths and Weaknesses

There is no denying the fact that Tim Hortons has been extremely successful in Canada and, to a certain extent, in the United States. They are also growing more and more in the Gulf Cooperation Council and there might even be an opportunity for a market entry in the Netherlands. To get a better view on Tim Hortons as a company their strengths and weaknesses have been assessed that are relevant for a potential market entry in the Netherlands.

3.2.1. Strengths

- Brand loyalty - Tim Hortons has very good brand loyalty in Canada. As mentioned before in this marketing plan, they are the number one quick service restaurant in Canada at the moment and also one of the largest in North America. Especially the customers in Canada are extremely loyal to Tim Hortons and there should be a way to get the same effect in the Netherlands.
- Competitive pricing - Tim Hortons has very low pricing when compared to some of the competitors. McDonald's is considered one of their biggest competitors in Canada and also has low pricing, however in the Netherlands Starbucks would come closer to being a big competitor, although they have much higher pricing than Tim Hortons. This could work out very well in the future.
- Wide range of products - Tim Hortons has a wide range of different products. From coffee to bagels and lemonade to donuts, there is enough variety for any customer when they decide to visit. Tim Hortons has a lot of different drinks as well as different sweets and healthier products. This wide range of products helps them set themselves apart from competitors like McDonald's which has mostly unhealthy fast food and Starbucks which has a very limited amount of food products aside from their coffee.
- Roll up the rim - This is an interesting marketing strategy that Tim Hortons uses. It is a competition where you can win free coffee, free donuts, a car and other interesting Tim Hortons related prizes. The cups will have a text underneath the rim which you will have to roll up to find out if you won anything. This could be a very good marketing strategy because it will make people more excited to buy another cup of coffee. I noticed it myself when I was in Canada and it really works.

- Marketing expertise - Tim Hortons does have a lot of marketing experience and has been able to set up a lot of strategies to become successful in Canada and the United States. Especially now that the majority of the company is being owned by the company 3G Capital Inc., they will get more opportunities to go global and potentially enter a new market.
- Distribution channel through Burger King - Because of the fusion that happened between Tim Hortons and Burger King very recently, it is now a lot easier for Tim Hortons to access the Dutch market. Burger King is already active in the Dutch market and could definitely find ways to expand. The distribution channel will basically already exist because of Burger King, which makes it a lot easier for Tim Hortons to enter this market.
- Capital - Tim Hortons is a very established company that has the means to take the risk of entering a new market without putting their entire company on the line. Now that they are working together with Burger King, new doors have opened in the international markets since Burger King is a huge player in that aspect.

3.2.2. Weaknesses

- No brand awareness in the Netherlands - Tim Hortons is new to the European market which means that they really have to start from the bottom. Because of this, it will be a lot more difficult to compete with big brands such as Starbucks and Bagels & Beans who have already established themselves in the Dutch market.
- No experience in Europe - Tim Hortons has a lot of experience in Canada, the United States and the Gulf Cooperation Council. They have absolutely no experience in the Netherlands and that is definitely something that they need to work on. Of course, this is always the case when entering a new market, so a lot of research will be needed on the current market.
- Marketing is mostly focused on Canada - Tim Hortons has good marketing in Canada because it heavily focuses on patriotism. It is very "Canadian" which is not necessarily negative; however it will probably not be successful in the Netherlands. This is why they need to come up with great ideas that will apply to the Dutch market and consumers. This will definitely be discussed in the rest of this marketing plan.

3.3. Internal Analysis Conclusion

This conclusion will outline the most important aspects of the internal analysis which are relevant to the rest of the research. The main goals that Tim Hortons has for the future are to envision a bolder, more assertive and dynamic Tim Hortons. They want Tim Hortons to be an organization that sets the leadership agenda in their sector. They want it to create a compelling, highly responsive experience for their guests. A challenge for Tim Hortons would be to build new strengths and to see their business in new and different ways. Their slogan for the upcoming years is to “win in the new era”. They mention that they will potentially enter new countries in 2015 and this could mean that they are planning on entering the European market. Another big aspect of the future of Tim Hortons is the fact that they are now working together with Burger King and will have a lot more opportunities in the future in terms of global expansion.

The strengths that have been established are:

- Brand loyalty
- Competitive pricing
- Wide range of products
- Roll Up the Rim
- Marketing expertise
- Distribution channel through Burger King
- Capital

The weaknesses are:

- No brand awareness in the Netherlands
- No experience in Europe
- Marketing is mostly focused on Canada

These are the most important aspects that have come out of the internal analysis and they will be further discussed in the SWOT analysis and the marketing mix.

4. External Analysis

4.1. Customer Analysis

The target groups of Tim Hortons range from kids to seniors. All these groups are important to Tim Hortons because they appeal to a very wide range of consumers. As mentioned before, Tim Hortons does not focus on just one specific group of people and this makes them very successful in Canada and the United States. Of course, the kids and teens are not as important to them as the other groups because people usually do not start drinking coffee at a young age and coffee is the most popular product that they have. However, they should still be considered as target groups because, essentially, they are their customers as well. It is also important to note that there are not any other demographic aspects that are important to the target groups.

The target groups are very different from the ones of the competitors such as Starbucks and Bagels & Beans who often tend to go with trends and try to target young people. Of course, the analysis does not end here as it is important to find out what the potential Dutch customers actually look for in a coffee shop, which is why I have developed a survey (See Appendix A).

Very few demographic questions have been used for this survey because the customers at Tim Hortons are not part of a specific group. As mentioned before, Tim Hortons does not focus on a particular group because their customers range from kids to seniors and everything in between. What is most important to find out with this survey is whether there is a sufficient amount of people that actually drink coffee or tea or get their food on the go every once in a while.

Question three shows that 85.71% of the respondents drink coffee or tea (See Appendix C). This is a huge percentage and further strengthens another one of the sources that mentions that the Netherlands drinks the most coffee in the world (Ferdman, 2014). Question four, which had the possibility of answering multiple options shows that most people prefer to make their coffee at home (See Appendix C). However it also shows that around half of the respondents also buy their coffee on the go, which means that there definitely is a market for it. Question six is another interesting question when it comes to the customers because it shows that 80% of the respondents buy food on the go (See Appendix C).

This means that even if people do not buy their coffee or tea on the go, they do still get something to eat very often and this is obviously great for Tim Hortons.

Question eight had very even results. 55.93% of the respondents said they like to sit down every once in a while when they buy something to eat on the go (See Appendix C). Tim Hortons offers the option of sitting down and taking the time to enjoy your meal, which is a very good thing. However, this is not necessary and their business does not thrive on it, so there is no problem when our customers decide not to sit down.

A large 80% of the respondents buy something to eat or drink on the go one to three times a week as shown in question nine (See Appendix C). The other respondents do this three to six times a week and just a few said that they do it daily. This could be because people tend to prepare their lunch at home to save money as going out for lunch is often seen as something that people do not do every day. Question ten shows us that the respondents value tasty food and drinks the most, followed by healthy and cheap food and drinks which are both very close to each other (See Appendix C). Only three of the respondents value exclusive food and drinks, which is very good for Tim Hortons. An important thing to do for Tim Hortons would be to focus on how tasty their food and drinks are because they already do have a lot of healthy and cheap options.

Question eleven shows that the respondents prefer quick and friendly customer service over a great atmosphere and only a handful of the respondents chose other options such as hygiene and variety of choice (See Appendix C). Again, this is very useful information for Tim Hortons and good news because as mentioned by Casemore (2014), "Tim Hortons Inc. is nationally recognized for its brand "Welcome Home." By providing a consistent and comforting atmosphere, sustained levels of service and product quality, Tim Hortons has capitalized on a generation addicted to caffeine and convenience". It means that a lot of the respondents would fit into the target market of Tim Hortons as they prefer quick and friendly customer service.

Most of the respondents said to be satisfied with the places where they currently buy their food and drinks on the go as seen in question twelve (See Appendix C). Although this might seem to be a problem for Tim Hortons, question 13 shows us that 88.52% of the respondents are interested in trying a new place to buy their food and drinks on the go (See Appendix C). It can be concluded from this that there is definitely potential for the respondents to become Tim Hortons' new customers in the future.

77.14% of the respondents have never heard of Tim Hortons judging by question 14 (See Appendix C). This was expected to a certain extent as Tim Hortons is only active in Canada, the United States and the Gulf Cooperation Council at the moment. It is very important to take this into account in their marketing. Question 15 shows us that only a handful of the respondents have actually been to a Tim Hortons and again this was expected and should definitely be considered, however it should not become a big problem if the right strategic decisions are made (See Appendix C).

4.2. Competitor Analysis

The competitor analysis will consist of an analysis of different competitors that could become threats to the success of Tim Hortons when they decide to enter the Dutch market. After analyzing the obvious potential competitors it looked like there would still be other possible competitors that could have been forgotten, which is why some questions were included to figure out how threatening these competitors are and if there are any other competitors that might have been overlooked. Questions five and seven both asked the respondents where they usually buy their food and drinks on the go. Question five focused on coffee and tea and question seven focused on food (See Appendix C).

4.2.1. Starbucks

The most obvious competitor for Tim Hortons in the Netherlands would definitely be Starbucks. This company started in 1971 in Seattle and has managed to get over 17.000 coffee shops in more than 50 countries in the entire world. They do not only sell coffee, but also other hot drinks, coffee beans, salads, sandwiches, snacks, pastries, yoghurts and other merchandising (Starbucks in Holland, 2010). The first Starbucks opened their doors in Netherlands on the 25th of June 2007 at the Schiphol airport in Amsterdam. In 2008 it was announced that more Starbucks coffee shops would open in the Netherlands at several train stations in some of the bigger cities (Vermolen, 2008).

In the survey, 20 respondents said that they buy their coffee or tea at Starbucks, however only ten respondents seem to buy food there. This makes sense as Starbucks mostly focuses on their coffee as a brand and less on their food options. This definitely shows when visiting a Starbucks and is in line with the fact that most Starbucks coffee shops are situated in train stations which usually means that they have less space. With the results of the survey, Starbucks could definitely be seen as a threat when it comes to their coffee; however there is not much variety in their food which means that they would be a less threatening competitor because of that.

4.2.2. Bagels & Beans

Bagels & Beans is a Dutch coffee shop that first opened their doors in 1995. As their name implies they mostly focus on bagels and coffee as their main products, however they also sell other beverages and food. Their focus is on a calm hospitality experience where people can come to rest and have some good conversations without having to worry about their day to day life issues. At the moment, Bagels & Beans has 60 coffee shops in the Netherlands and two new ones on their way (Bagels & Beans, 2014).

Bagels & Beans positions itself a lot more different than its competitors. Starbucks focuses way more on the quick 'to go' culture and has most venues at train stations while Bagels & Beans has a more laidback image where they encourage people to take their time and enjoy their meal while getting away from their every day to day life. In an article (Misset Horeca, 2014), Ronald Bakker, the co-founder of Bagels & Beans said, "We are growing in a solid and controlled way. We do not want to grow too fast". This would imply that they care more about quality over quantity and do not want to make any mistakes by going too fast.

There are some very interesting results from the survey in regards to Bagels & Beans. They scored the lowest in question five when it comes to people buying coffee or tea at this place; however they scored the highest in question seven, which means that a lot of people actually come to Bagels & Beans for their food and not necessarily for their beverages (See Appendix C). This does make sense as Bagels & Beans tends to focus more on their food products and would be a definite competitor to Tim Hortons in this department and probably less when it comes to their beverages.

4.2.3. The Coffee Company

The very first Coffee Company opened their doors in 1996. In the years following, a lot more Coffee Company coffee shops came to the Netherlands and as of now there are 37 of them in cities like The Hague, Utrecht, Amsterdam, Groningen and Rotterdam. They even have a brewery in Amsterdam (The Coffee Company, 2014). The atmosphere in these cafes is very laidback and they often have bands playing as well as a lot of art on the walls. It is a place where people can express themselves and enjoy a nice cup of coffee with something to eat as well. The focus of the Coffee Company is, as expected, mostly on their coffee. The way they market their brand is to show how tasty, diverse and reliable their products are.

The results of the survey in regards to the Coffee Company were very similar to those of Starbucks in that they also scored high on question five and that a lot of the respondents buy their coffee here; however they also scored very low on question seven which shows that only very few respondents actually buy something to eat at the Coffee Company (See Appendix C). This might have something to do with the fact that the Coffee Company has their focus on coffee for the most part and does not have a wide range of options in the food department.

To get a clearer view on the competitors and how they interact with their customers, an interview was conducted with an employee of the Coffee Company in The Hague (See Appendix D). The employee has been working at the Coffee Company for almost five years and therefore has a lot of experience and would be a credible source. It was stated by the interviewee in question two that the Coffee Company has a lot of different customers, from families to students and teenagers, however it seems that their actual target group mostly consists of young adults, students and expats. Schriel (2014) does mention that it also depends on the location of the coffee shop as one location attracts more families and the other one attracts more artsy students and expats (See Appendix D).

As mentioned in question three, the Coffee Company seems to reach their target group by hosting all sorts of creative events and inviting up and coming performers, photographers and artists. The musical events are live and the artists get to perform in the coffee shops themselves. Schriel (2014) mentions that these events are mostly marketed through social media, namely Facebook and that there are not really any other tools that the Coffee Company uses to market itself. The products that are the most popular at the moment would be filter coffee, frozen cappuccinos and regular espressos, cappuccinos and lattes (See Appendix D). This shows that the Coffee Company indeed focuses more on their coffee products and that their food is more of an extra instead of a main reason that people come over.

It is mentioned in question six that the Coffee Company has a lot of regular customers that come by as well as tourists. It shows that they have a solid group of customers that is not likely to leave them. As mentioned in question seven, the Coffee Company is popular as a 'to go' place as well as a regular place to sit down and enjoy a cup of coffee. Schriel (2014) mentions that in the morning people only buy a coffee 'to go' and later on the customers take their time and stay in the coffee shop for a little longer. She also mentions that customers are encouraged to take their coffee and other products 'to go', but they can also stick around.

The reason why it is also very common for their customers to get their products 'to go' is because they are usually situated in the city centre in a small street that crosses a main shopping street. In this way people can get away from the busy streets to enjoy their cup of coffee (See Appendix D).

4.2.4. Albert Heijn to Go

Albert Heijn to Go might be one of the most obvious competitors for Tim Hortons in hindsight and if it was not for the survey, it might not have even been noticed. Albert Heijn to Go is basically a very small version of a regular Albert Heijn supermarket. It focuses mostly on the 'to go' culture and sells products that fit into this. An article from Retailnews (2014) mentions that the goal for the upcoming years is for them to grow from the current 55 stores to a 150 in total, in the Netherlands, Belgium and Germany. Another important aspect that was mentioned in this article is the fact that their biggest selling points are their coffee and croissants which definitely shows how big of a competitor they would be for Tim Hortons.

In the survey both questions five and seven had the option of selecting "other" to which a total of 23 respondents replied with Albert Heijn to Go as their answer (See Appendix C). This, again, is huge and definitely has to be taken into consideration in the marketing strategies. Other options that the respondents chose were local bakeries and small lunchrooms; however there were not enough of these to really view them as potential threats.

4.3. DESTEP Analysis

To find out more about the environment in the Netherlands, the DESTEP analysis is a very helpful tool to use. This stands for the demographical, economic, social-cultural, technological, ecological and political aspects that will be important for the research.

4.3.1. Demographical Aspects

The Netherlands is a small country with a population of 16.8 million people (Statistics Netherlands, 2014). The surface area is 41,528 km² and it has a population density of 488 people per km² (Holland.com, 2014). The official language is Dutch and the capital city is Amsterdam, however The Hague is the city where the government is seated. According to Holland.com (2014), "More than 40% of the total population lives in the Randstad, the agglomeration of the cities of Amsterdam, Rotterdam, The Hague and Utrecht". The density in these cities is definitely very important for Tim Hortons as it means that there would be enough consumers for them to benefit from. These city centres would be great places to set up some Tim Hortons coffee shops as there would be more than enough customers in these areas.

4.3.2. Economic Aspects

The Netherlands has a GDP of \$696.3 billion which makes it 24th in the country comparison to the world and it has the sixth-largest economy in the euro-zone (The World Factbook, 2013). According to the World Factbook (2013), "The Netherlands is noted for its stable industrial relations, moderate unemployment and inflation, sizable trade surplus, and important role as a European transportation hub". The Netherlands has a very open economy which means that there are a lot of activities in the international community as they actually depend a lot on foreign trade. This also shows that they are very open towards international companies which can definitely be helpful when Tim Hortons decides to enter the Dutch market. Along with 11 of its European Union partners, The Netherlands started using the euro currency on 1 January 2002 (The World Factbook, 2013).

4.3.3. Social-Cultural Aspects

There is a definite 'coffee culture' in the Netherlands as the average Dutch person drank 150 litre coffee and 90 litre tea in the year 2012. Coffee and tea, together with water, are actually in the top three of most consumed beverages in the Netherlands (KNVKT, 2013).

During this research it has also been discovered that the people in the Netherlands drink the most coffee out of all the countries in the world. They have a per-capita consumption of 2.4 cups a day which is by far the highest (Ferdman, 2014). According to research that the KNVKT (2013) has conducted, there are a few interesting trends and developments regarding our 'coffee culture'. Dutch people seem to be experimenting a lot more when it comes to drinking their coffee and tea with new flavours, resources and ways of preparing these drinks. This could become a threat to Tim Hortons because their coffee and tea are not as extensive as those of some of their potential competitors.

4.3.4. Technological Aspects

When it comes to technology, there is one aspect that seems to be extremely important in our current society. There is no getting away from social media and many companies use this to their advantage. A recent study shows that almost nine out of ten people in the Netherlands use social media, which makes it 86% of the population (Oosterveer, 2014). It would be very beneficial for Tim Hortons to make sure that they take this information into account and use it to their advantage.

Another important technological aspect is the fact that people can now make any type of coffee at home. A good example is the company Bonaverde who have developed a coffee machine that does not only make coffee, but also grinds the beans and basically makes the coffee from the start (Bouten, 2013). With a coffee machine such as this one, it is a lot easier for people to just get their own coffee and as stated in question four of the survey, a total of 49 out of 70 respondents said that they make their coffee at home (See Appendix C). This shows that the coffee machines are a threat to Tim Hortons when they decide to enter the Dutch market.

Another interesting technological aspect is the Acaia coffee scale. According to the official Acaia website (2014), "Acaia, the only scale designed for coffee enthusiasts that monitors the weight, time and flow-rates as you brew coffee. This simple, modern and minimalistic scale is designed with brilliant functionality in mind, compatible with the Acaia iPhone & Android app, offers you the endless possibility to explore the exquisite world of coffee". It basically gives the consumers everything they need from the comfort of their home, not needing to get their coffee elsewhere.

For Tim Hortons to fulfil the needs of the customers, Tim Hortons adapts to the target groups in a number of ways. As mentioned before, they value quick and friendly customer service and make sure to achieve this in all their coffee shops with their committed employees. Their wide range of products also shows that they have what the customers want and these products are always as fresh as possible. An example of this is that they never serve coffee that has been made over 20 minutes ago. Their special promotions and actions are also very important to keep the customers happy, as mentioned before, their Roll Up the Rim promo is a good example of this.

4.3.5. Ecological Aspects

Sustainability is very important for companies to succeed in the Netherlands. More and more companies have to be able to show that they are doing good things for the environment to win over more consumers. The coffee industry is very much involved in this and there is a very interesting article on this subject. One of the potential competitors, the Coffee Company, has decided to sell mushroom grow kits. These mushrooms grow from the used coffee grounds and are a sustainable way of using something like the coffee grounds that you would usually get rid of, to make something that you can eat later on (Stil, 2014).

4.3.6. Political Aspects

The Netherlands is a constitutional monarchy meaning that it is a democratic government in which the monarch is the head of state without being too involved in the politics. The monarch stays within the boundaries of the constitution. The chief of state is King Willem-Alexander and the head of government is Prime Minister Mark Rutte. The cabinet is a council of Ministers appointed by the monarch. According to The World Factbook (2013), "Following Second Chamber elections, the leader of the majority party or leader of a majority coalition usually appointed prime minister by the monarch".

4.4. External Analysis Conclusion

This conclusion will outline the most important aspects of the external analysis which are relevant to the rest of the research. Very few demographic questions have been used for the survey that is used to analyse the customers and competitors because the customers at Tim Hortons are not part of a specific group. As mentioned before, Tim Hortons does not focus on a particular group because their customers range from kids to seniors and everything in between. Some results from the survey are that there is a huge amount of people that drink coffee or tea. There is definitely a 'to go' culture, though it is not as big as it could and should be for Tim Hortons.

The competitors that have been identified are Starbucks, Bagels & Beans, The Coffee Company and Albert Heijn to Go. Albert Heijn to Go is the big surprise because it is a supermarket, however they do sell coffee, tea and sandwiches and are an important competitor because of their low pricing. The other three coffee shops are less popular amongst the respondents of the survey.

The analysis showcased a DESTEP analysis and these aspects are most important for this marketing plan:

- High density in the bigger cities
- There is a lot of openness towards international companies
- The coffee culture in the Netherlands is evolving
- Social media is a very important tool
- It is getting a lot easier to make different types of coffee at home

These are the most important aspects that have come out of the external analysis and they will be further discussed in the SWOT analysis and the marketing mix.

5. SWOT Analysis

The strengths and weaknesses of Tim Hortons have already been mentioned in the company analysis. They are combined in a graph with the opportunities and threats that Tim Hortons might face when they decide to enter the Dutch market.

<p style="text-align: center;">Strengths</p> <p>S1 Brand loyalty</p> <p>S2 Competitive pricing</p> <p>S3 Wide range of products</p> <p>S4 Roll up the rim</p> <p>S5 Marketing expertise</p> <p>S6 Distribution channel through Burger King</p> <p>S7 Capital</p>	<p style="text-align: center;">Weaknesses</p> <p>W1 No brand awareness in the Netherlands</p> <p>W2 No experience in Europe</p> <p>W3 Marketing is mostly focused on Canada</p>
<p style="text-align: center;">Opportunities</p> <p>O1 We fit anywhere strategy</p> <p>O2 Menu preferences</p> <p>O3 The Netherlands and Canada have similar cultures</p> <p>O4 The Netherlands drinks the most coffee</p> <p>O5 Social events that help reach the target groups</p>	<p style="text-align: center;">Threats</p> <p>T1 Competitors such as Starbucks, Coffee Company and Bagels & Beans</p> <p>T2 Less of a 'to go' culture in the Netherlands</p> <p>T3 'Mega Trends' are reshaping the foodservice industry</p> <p>T4 New ways of preparing coffee and tea</p> <p>T5 Coffee consumption at home</p>

5.1. Opportunities

- We fit anywhere strategy - Tim Hortons has a very interesting strategy of choosing different places to place their coffee shops. From universities to train stations and from hospitals to airports, nothing will hold them back. This is a great way to expand the market and customers without having to go to great lengths to achieve it. It would be best to start at the regular places; however there are definitely opportunities if they expand to these other places as well.

- Menu preferences - Tim Hortons has a lot of variety when it comes to their products. Especially in a time like this, people seem to find healthy food very important and this is something that Tim Hortons could use to their advantage. There are already a lot of healthy options on the menu and it would be a good idea to market these healthy options just as much as the regular coffee and donuts that Tim Hortons sells.
- The Netherlands and Canada have similar cultures - This could turn out to be very important as Tim Hortons is really popular in Canada and it could also be very popular in the Netherlands. Especially because the coffee culture in both countries is very similar and both countries have a high coffee consumption. Both countries are also very modern and westernized.
- The Netherlands drinks the most coffee - As mentioned before, the people in the Netherlands drink the most coffee out of all the countries in the world. They have a per-capita consumption of 2.4 cups a day which is by far the highest (Ferdman, 2014). This definitely shows that there is a huge demand for coffee in the Netherlands and this is something that Tim Hortons can definitely use to their advantage.
- Social events that help reach the target groups - As mentioned before in the external analysis, the Coffee Company uses a lot of social events to attract more customers. Especially the younger target group consisting of students and teenagers is very interested in these type of events. Tim Hortons could use this to reach one of their most important target groups and also use different variations of this to reach other target groups as well.

5.2. Threats

- Competitors - There are a lot of potential competitors that Tim Hortons will have to take into account. Companies such as Starbucks, Bagels & Beans and the Coffee Company are very focused on that great customer experience with tasty coffee and food. Other competitors that could be threats are the supermarkets and small coffee corners at train stations or in the city.
- Less of a 'to go' culture in the Netherlands - The Netherlands has less of a 'to go' culture than Canada has. Dutch people often tend to make their lunch at home before they go to work and they are less likely to go somewhere and get a coffee or a sandwich 'on the go'. It is also shown in question four of the survey that 34 out of 70 respondents said that they buy a coffee on the go every once in a while. This is not a whole lot and it should definitely be considered as a threat because Tim Hortons is a company that really thrives on the 'to go' culture.
- 'Mega Trends' are reshaping the foodservice industry - Consumers are demanding a lot more and their expectations seem to be rising. Trends such as the need to eat healthy and responsible and the need for more technological changes are getting more and more important, especially now. The expectations must be exceeded and this could become more difficult for Tim Hortons if they plan to enter the Dutch market.
- New ways of preparing coffee and tea - As mentioned in the social-cultural aspects, Dutch people are looking for more ways to prepare their coffee and tea and different flavours and resources also seem to be very important. This could be a threat to Tim Hortons because they will have to think outside of the box when it comes to preparing their coffee and tea and it will have to work for the customers.
- Coffee consumption at home - As mentioned in the technological aspects, there are a lot more technological advancements in the coffee market that make it more difficult for coffee shops to compete with. People like to make their coffee at home and now they can make more than just a regular cup of coffee. The Bonaverde coffee machine and Acaia coffee scale are some examples of technology being a serious threat.

5.3. Confrontation Matrix

	Strengths	Weaknesses
Opportunities	<p>SO1 People find healthy options a lot more important in this time and with the wide range of products that Tim Hortons has, this should not be a problem.</p> <p>SO2 Tim Hortons does have experience in entering new markets and the Netherlands has the most coffee drinkers in the world. This is a great combination and Tim Hortons should definitely take advantage of it.</p> <p>SO3 The marketing expertise that Tim Hortons will bring thanks to their fusion with Burger King could be a tool for when they will organize the social events to attract more customers.</p>	<p>WO1 Tim Hortons has no experience in Europe, but this does not mean that they will not be able to succeed. They already have a 'we fit anywhere' strategy and they can also use this in the context of countries. They can adapt to different markets.</p> <p>WO2 Although the marketing of Tim Hortons is very focused on Canada and their patriotism, it does not mean that they cannot succeed in the Netherlands. Canada and the Netherlands have very similar cultures and they could use this to their advantage.</p>
Threats	<p>ST1 Tim Hortons' competitive pricing is a very good tool to use against their future competitors. Most of the main competitors do not have low pricing which means that it will have to go down to which products are better.</p> <p>ST2 Roll up the rim is a successful campaign that Tim Hortons uses in Canada and it can be used to encourage people to get their coffee on the go instead of making it at home. The 'to go' culture needs to become more important in the Netherlands.</p>	<p>WT1 There is no brand awareness of Tim Hortons in the Netherlands and with a lot of potential competitors, this should be something to keep in mind. It is important to get that brand awareness going straight away.</p> <p>WT2 Tim Hortons has no experience in Europe and with there being less of a 'to go' culture in the Netherlands this could be very tricky. Tim Hortons will have to do a lot of research on the Netherlands to see what they can use to their advantage.</p>

6. Strategic Marketing Plan

6.1. Marketing Strategy

The marketing strategy consists of the objectives that should be achieved when Tim Hortons does expand and enters the Dutch market. These objectives are based on what has been researched in this marketing plan so far.

6.1.1. Objectives

First of all, Tim Hortons should be profitable. It is very important that the company makes enough money to cover all the expenses and actually make profit. It is not expected that Tim Hortons will be at the top in that specific market, however they should be able to make it to at least the top three/four competitors within the first two years. As mentioned before, companies such as Bagels & Beans, the Coffee Company and Starbucks are some of the competitors that they should watch out for, but with the help of Burger King and their leverage, it should be possible for Tim Hortons to be able to compete with their competitors.

The product and brand awareness of Tim Hortons should grow in the Netherlands so that people will know and talk about it. The merger between Burger King and Tim Hortons has attracted a lot of attention from the media worldwide and has given Tim Hortons a lot more exposure. This is a start and when Tim Hortons does decide to enter the Dutch market, it is very important for them to stay relevant in their market and remind the consumers that they are active and out there. Besides that it is also very important that Tim Hortons will meet the needs of the customers. In two years' time, they should be able to have a strong customer group that is loyal to them. This loyalty will come from them listening to their customers.

Another important objective is for Tim Hortons to have set up a strong marketing campaign that really applies to the Netherlands. The reason why Tim Hortons is successful in Canada is because they have perfected their marketing strategy and applied it to the culture of the country. Their marketing is very patriotic in a way that people in Canada view it as a company that fits in their country. It could be very smart if they try to find this patriotism in the Netherlands and make sure to use it to their advantage in their marketing strategy. This would also help to build a strong bond with the customers and find that loyalty that they need.

6.2. Marketing Mix

The export marketing mix is based on several essential components, the four P's, which are product, price, promotion and place. Together these form an essential tool in order for people to create a suitable marketing strategy and to achieve the objectives that were mentioned on the previous page.

6.2.1. Product

Tim Hortons has a wide range of products which they can use to their advantage when they enter the Dutch market. Coffee, tea, bagels and sandwiches are just some of the products that they have and they are most likely going to be the most important ones. Fresh food and beverages are highly valued by Tim Hortons and they continuously strive to achieve this. It is advisable that Tim Hortons does change some aspects of their menu for the Dutch market because even though the Dutch and Canadian cultures are similar, their choice of products is definitely a bit different. They should look at what bakeries sell here in the Netherlands and customize their products accordingly. Another important aspect that they should take into account is the fact that they should have all their products available 'to go', so that people do not have to worry about packaging and such.

6.2.2. Price

It is important for Tim Hortons to stick to the competitive pricing strategy that they have in Canada. It will help them to be able to compete with their competitors who already have brand loyalty and who are a step ahead. As mentioned before in the customer analysis, the potential customers do seem very open to trying out a new place to buy their food and drinks on the go and Tim Hortons can definitely benefit from this and would not necessarily need to lower their price. Tim Hortons should be able to compete with their regular competitive pricing in a new market because of their revenues in Canada. It is also important to note that the fusion with Burger King will greatly help them to achieve their goals. There is a lot more capital once Tim Hortons and Burger King have merged and this could be used to achieve the global expansion that they need. Burger King is already active on the Dutch market which means that costs on distribution channels and such will be very low.

6.2.3. Promotion

The promotion of Tim Hortons is very important because this will get them the brand awareness that they need. An interesting tool in promoting their company could be the Roll Up the Rim competition. As mentioned before, this is a competition that has the customers roll up the rim of their cup of coffee or tea and see if they have won a prize. The prizes range from a free cup of coffee to a bicycle and even a car. Tim Hortons always starts this competition in the winter because it is the time of the year when they are the most successful. It is recommended that the same happens in the Netherlands as everyone loves a warm cup of coffee when it is cold outside. However, this should be made more applicable to the Dutch market. A simple change of the name, such as 'Rol op, die rand!' could do the trick. It is very important to use the patriotism they have in Canada and apply it to the Dutch market and find typical Dutch things that could make it more interesting to the customers.

It is also very important for Tim Hortons to look to their different target groups. It has already been established in this marketing plan that students and young adults are the biggest target group that can be easily reached. These young people can be reached by handing out free cups of coffee at festivals, school introduction weeks and other social events where a lot of young people go. Other target groups could be reached by setting up stands at train stations in the bigger cities of the Netherlands and hand out free cups of coffee. People do not pass up on a free cup of coffee and especially when they are about to go to school or work.

Another tool that Tim Hortons should use is social media. As mentioned in the DESTEP analysis, social media is everywhere and it is used by a huge amount of people worldwide. With almost nine out of ten people using social media in the Netherlands it really is a no-brainer to use this to their advantage. Marketing campaigns through social media will travel fast and get to the potential customers. The competitors are also known to use social media as a tool to reach their target group.

The recent merger between Burger King and Tim Hortons has also attracted a lot of attention worldwide. Now that they are together, both names will be associated with one another and with Burger King being a big player on the Dutch market, it means that Tim Hortons will get a lot more exposure and they can use that to their advantage. It is even possible for Tim Hortons and Burger King to find a way to sell their products in the same venue and make it similar to what McDonald's has in a lot of countries with their McCafé.

6.2.4. Place

Every business has to start small and even though Tim Hortons is already huge in Canada and the United States, it would be best if they started out with only one coffee shop in the Netherlands. The most important aspect would be for the coffee shop to be in a big city such as Amsterdam, The Hague, Rotterdam or Utrecht where there is a high population density and a lot of traffic. Train stations usually have this, but it is very difficult to get a spot at a train station. However, seeing that Tim Hortons has now merged with Burger King, they might have a bit more leverage in finding a spot at a train station. If this does not work out it might be a smarter move to open a coffee shop close to a train station or at least at a spot where a lot of people walk by, such as a busy shopping street or a side street of those. There would be constant movement and a lot of potential customers.

Another thing that is important to discuss is the distribution channel. Because Tim Hortons and Burger King are now merged, Tim Hortons has a rather easy way of distributing their products because the channels already exist for Burger King. This will save a lot of effort and money since they do not have to set up a completely new one. This money can therefore be spent on other important things such as setting up marketing campaigns, finding a good spot for the coffee shop and putting together the right assortment of products.

7. Conclusion

This paper has answered the main research question, “What marketing strategies should be used for Tim Hortons to succeed in the Netherlands?”

Tim Hortons is a big company with very clear goals and shows a lot of their information on their corporate website. Their mission statement as mentioned on the official Tim Hortons website (2010), “Our guiding mission is to deliver superior quality products and services for our guests and communities through leadership, innovation and partnerships. Our vision is to be the quality leader in everything we do”. Tim Hortons focuses on the happiness of their customers by providing great customer service and high quality products.

The main goals that Tim Hortons has for the future are to envision a bolder, more assertive and dynamic Tim Hortons. They want Tim Hortons to be an organization that sets the leadership agenda in their sector. They want it to create a compelling, highly responsive experience for their guests. Their slogan for the upcoming years is to “win in the new era” and they are working on this in the international market as well. Because of their limited experience in foreign markets it will be a challenge for them to possibly enter the Dutch market, however with the right marketing strategies, they will have a good chance to succeed.

During this research some of the biggest potential competitors that Tim Hortons would have to keep in mind when they enter the Dutch market have been identified. Albert Heijn to Go is the most surprising competitor in that they do not focus on selling coffee, tea and sandwiches but are more focused on the ‘to go’ culture and for people to get some quick groceries when they are off to work or school. The potential customers range from kids to the elderly, but the focus will mostly be on the people that are going to work or school and have to get a quick lunch while they are on the road. Some of the more interesting aspects that were found in the DESTEP analysis were the use of social media on a large scale, the coffee culture of the Netherlands and the fact that the Netherlands has the most coffee drinkers in the world.

In conclusion, it is very much possible for Tim Hortons to enter the Dutch market if they invest enough money in entering the new market. Because of the recent merge between Tim Hortons and Burger King, a lot more opportunities have arisen for them to expand globally. The strategies that should be used will be further discussed in the recommendations.

8. Recommendations

To finish off this research report there will be some recommendations that Tim Hortons could take into account when they decide to enter the Dutch market.

First of all, Tim Hortons should use the image that they have in Canada and implement this in their marketing for the Netherlands in a way that Dutch people can relate to it. The most important aspects of their current strategy are their competitive pricing, wide range of products and their quick and friendly customer service. With their competitive pricing, Tim Hortons has a good chance to compete with the potential competitors on the current Dutch market. Their wide range of products has something for everyone whether they like coffee or not. Their quick and friendly customer service will make their customers come back for a second time and probably a third, fourth and so on. These three aspects should be the base of their marketing entry strategy to be successful in the Netherlands.

Secondly, Tim Hortons needs to focus on the 'to go' culture and try to encourage this with their marketing. There is definitely a 'to go' culture in the Netherlands especially in the bigger cities. With their high population density and a lot of traffic in and out of the cities, it is a smart move for Tim Hortons to start their first coffee shop here. Setting up a coffee shop somewhere in the centre and close to a train station would most likely be the best option because of all the people that go through there every day and it will help them get a lot of exposure. To really keep the 'to go' culture on the rise, Tim Hortons should make sure to market their products accordingly and speak to the most important target group, which are the young adults and students. These people are always busy and do not always have time to sit down and enjoy their cup of coffee. By setting up stands at social events and by hosting these themselves, there is a bigger chance that the young people are reached. This would be best marketed through social media as almost nine out of ten people in the Netherlands are active on it.

Thirdly, because of the recent merger between Tim Hortons and Burger King, a lot more doors have opened for Tim Hortons to possibly expand globally. With 3G Capital Inc. owning the majority very soon, they will be able to offer a lot of their marketing expertise. Along with the fact that Burger King is already established in the Netherlands and a lot of other countries in the world, their experience will help Tim Hortons to establish themselves on the Dutch market as well. All in all, there are a lot of possibilities for Tim Hortons to find success in the Netherlands, they just need to use the right tools that are at hand.

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Appendices

Appendix A

Tim Hortons Survey (English)

Thank you for taking the time to complete this survey by Tim Hortons. Your feedback is very important for my research needed to develop a marketing plan for my final project.

This survey should only take about 5 minutes of your time. Your answers will be completely anonymous and by filling out the survey you will really help a student out.

If you have any questions about the survey, please contact me at ridleyboot@hotmail.com.

1. What is your gender?

Male

Female

2. How old are you?

18-24

25-30

31-40

41-50

51-60

60+

3. Do you drink coffee or tea?

Yes

No (Continue on with question 6)

4. When you drink coffee or tea, do you... (Multiple answers possible)

Make it at home?

Buy it on the go?

Get it at work/school?

5. When you buy a coffee or tea on the go, where do you buy it? (Multiple answers possible)

Starbucks

Bagels & Beans

The Coffee Company

Other: ...

6. Do you ever buy something to eat (e.g. sandwich, donut, croissant, etc.) on the go?

Yes

No (Continue on with question 14)

7. When you buy something to eat on the go, where do you buy it? (Multiple answers possible)

Starbucks

Bagels & Beans

The Coffee Company

Other: ...

8. Do you usually take the time to sit down and drink or eat something when you buy it on the go?

Yes

No

9. How often do you buy something to eat or drink on the go?

1-3 times a week

4-6 times a week

Daily

10. When you buy something on the go, what do you find important? (Multiple answers possible)

Healthy food and drinks

Tasty food and drinks

Cheap food and drinks

Exclusive food and drinks

Other: ...

11. What do you find important about the place that you buy something to eat or drink on the go? (Multiple answers possible)

Quick customer service

Friendly customer service

Great atmosphere

Other: ...

12. Are you satisfied with the places you visit to buy something to eat or drink on the go?

Yes

No

13. Would you be interested in trying a different place to buy something to eat or drink on the go?

Yes

No

14. Have you ever heard of Tim Hortons?

Yes

No

15. Have you ever visited a Tim Hortons?

Yes

No

Appendix B

Tim Hortons Survey (Dutch)

Bedankt dat u de tijd neemt om deze enquête voor Tim Hortons in te vullen. Uw feedback is erg belangrijk voor mijn onderzoek en ik zal dit gebruiken voor een marketing plan dat ik schrijf voor mijn scriptie.

Deze enquête zal ongeveer vijf minuten van uw tijd in beslag nemen. Uw antwoorden zullen anoniem blijven en bij het invullen van de enquête zult u mij een groot plezier doen.

Als u vragen heeft over de enquête, wees dan niet bang om contact op te nemen via dit e-mailadres: ridleyboot@hotmail.com.

1. Wat is uw geslacht?

Man

Vrouw

2. Wat is uw leeftijd?

18-24

25-30

31-40

41-50

51-60

60+

3. Drinkt u weleens koffie of thee?

Ja

Nee (Ga verder met vraag 6)

4. Als u koffie of thee drinkt... (Meerdere antwoorden mogelijk)

Maakt u het thuis?

Koopt u het onderweg?

Haalt u het op uw werk/school?

5. Wanneer u koffie of thee onderweg koopt, waar haalt u het dan? (Meerdere antwoorden mogelijk)

Starbucks

Bagels & Beans

The Coffee Company

Anders: ...

6. Koopt u weleens iets te eten (sandwich, donut, croissant, etc.) onderweg?

Ja

Nee (Ga verder met vraag 14)

7. Als u iets onderweg koopt om te eten, waar haalt u dit dan? (Meerdere antwoorden mogelijk)

Starbucks

Bagels & Beans

The Coffee Company

Anders: ...

8. Wanneer u iets te eten of te drinken onderweg koopt, neemt u dan weleens de tijd om er rustig bij te gaan zitten?

Ja

Nee

9. Hoe vaak haalt u onderweg iets te eten of te drinken?

1-3 keer per week

4-6 keer per week

Dagelijks

10. Wanneer u iets onderweg koopt, wat vindt u dan belangrijk? (Meerdere antwoorden mogelijk)

Gezond eten en drinken

Lekker eten en drinken

Goedkoop eten en drinken

Exclusief eten en drinken

Anders: ...

11. Wat vindt u belangrijk aan de plek waar u iets te eten haalt voor onderweg? (Meerdere antwoorden mogelijk)

Snelle service

Vriendelijke service

Goede sfeer

Anders: ...

12. Bent u tevreden over de plekken waar u weleens iets te eten of te drinken haalt voor onderweg?

Ja

Nee

13. Zou u geïnteresseerd zijn in het proberen van een nieuwe plek om iets te eten of te drinken te halen voor onderweg?

Ja

Nee

14. Hebt u weleens van Tim Hortons gehoord?

Ja

Nee

15. Hebt u weleens een Tim Hortons bezocht?

Ja

Nee

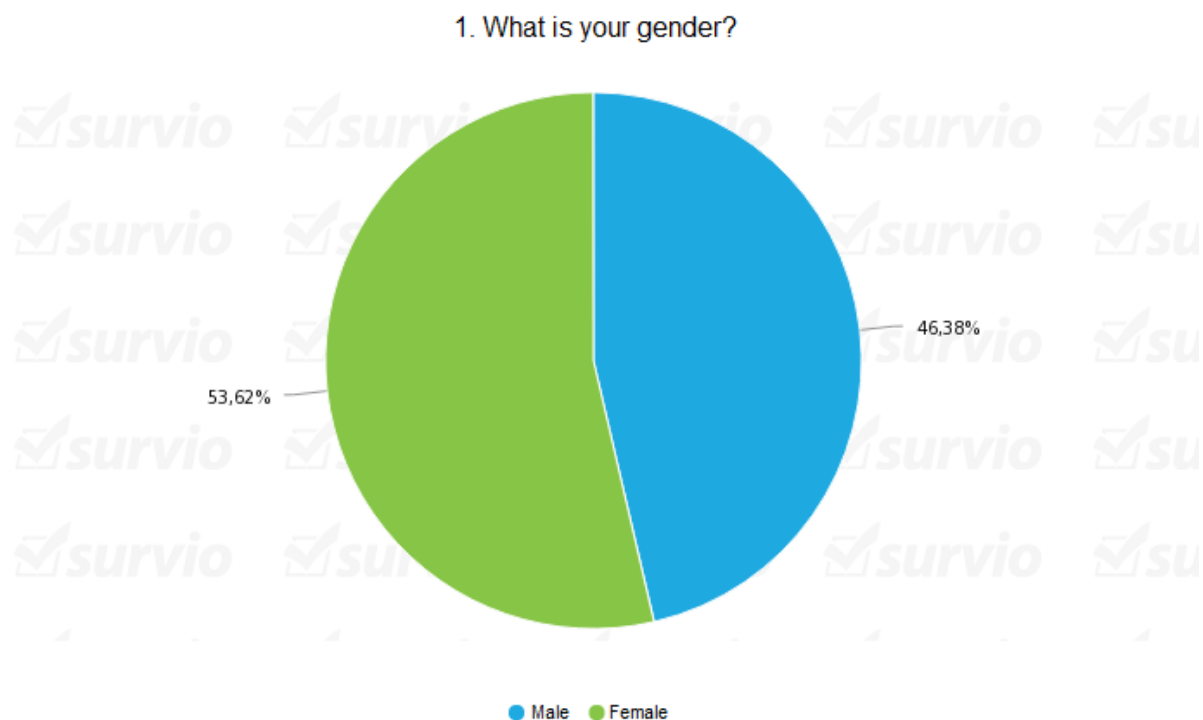
Appendix C

Survey Results

This survey includes 15 basic questions to find out whether Tim Hortons has a chance to succeed in the Netherlands. I conducted this survey by asking people to follow a link that provided them with the survey on the internet. By doing this I managed to get a total of 70 respondents.

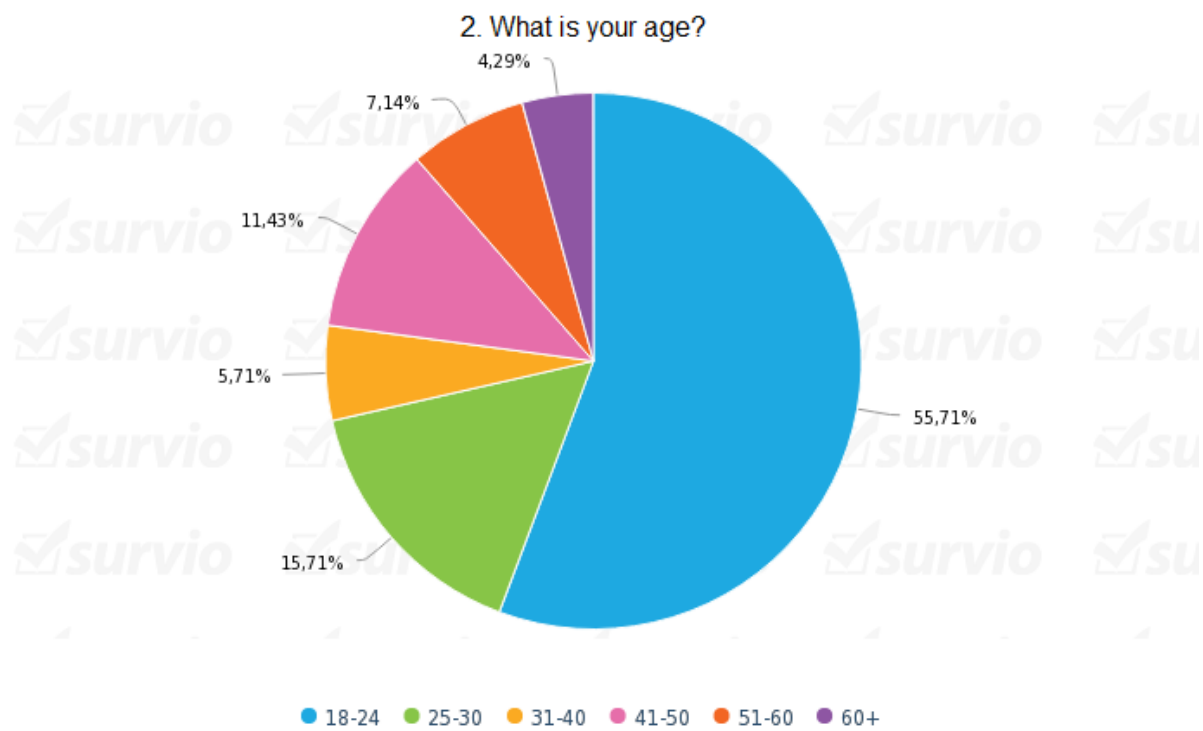
1. What is your gender?

Male	46.38 %	(32 respondents)
Female	53.62 %	(37 respondents)



2. What is your age?

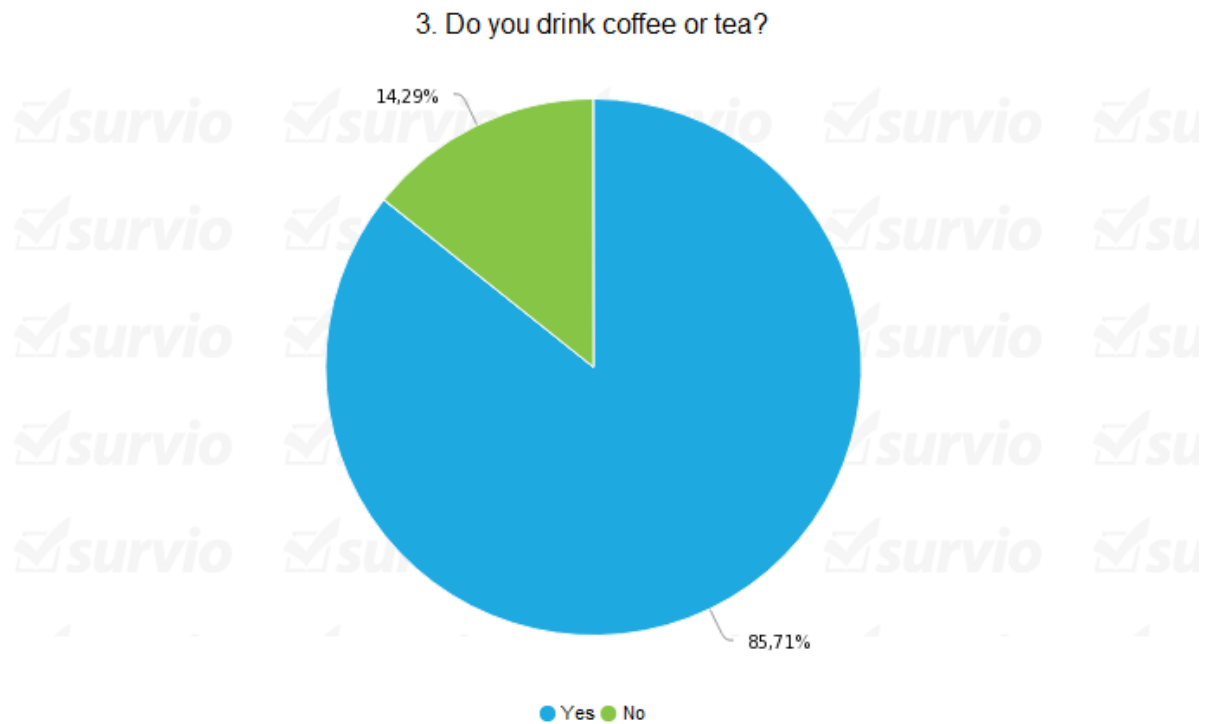
18-24	55.71 %	(39 respondents)
25-30	15.71 %	(11 respondents)
31-40	5.71 %	(4 respondents)
41-50	11.43 %	(8 respondents)
51-60	7.14 %	(5 respondents)
60+	4.29 %	(3 respondents)



3. Do you drink coffee or tea?

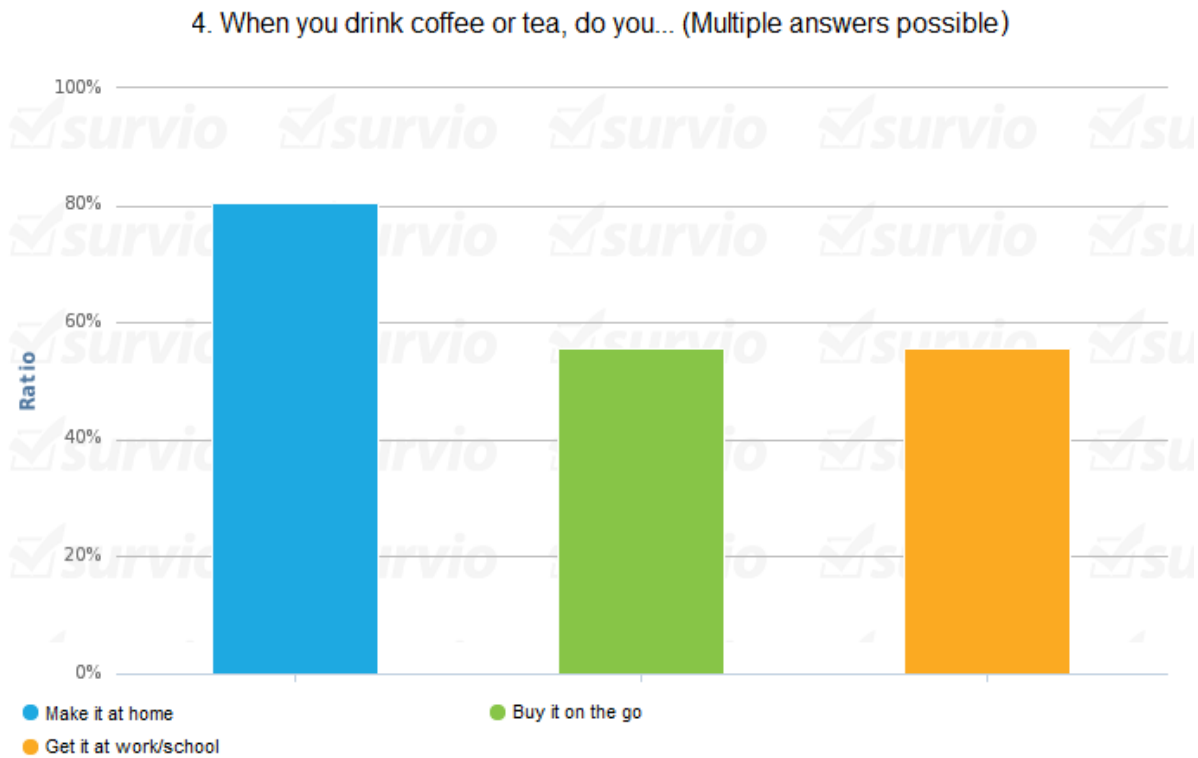
Yes 85.71 % (60 respondents)

No 14.29 % (10 respondents)



4. When you drink coffee or tea, do you... (Multiple answers possible)

Make it at home	80.33%	(49 respondents)
Buy it on the go	55.74%	(34 respondents)
Get it at work/school	55.74%	(34 respondents)



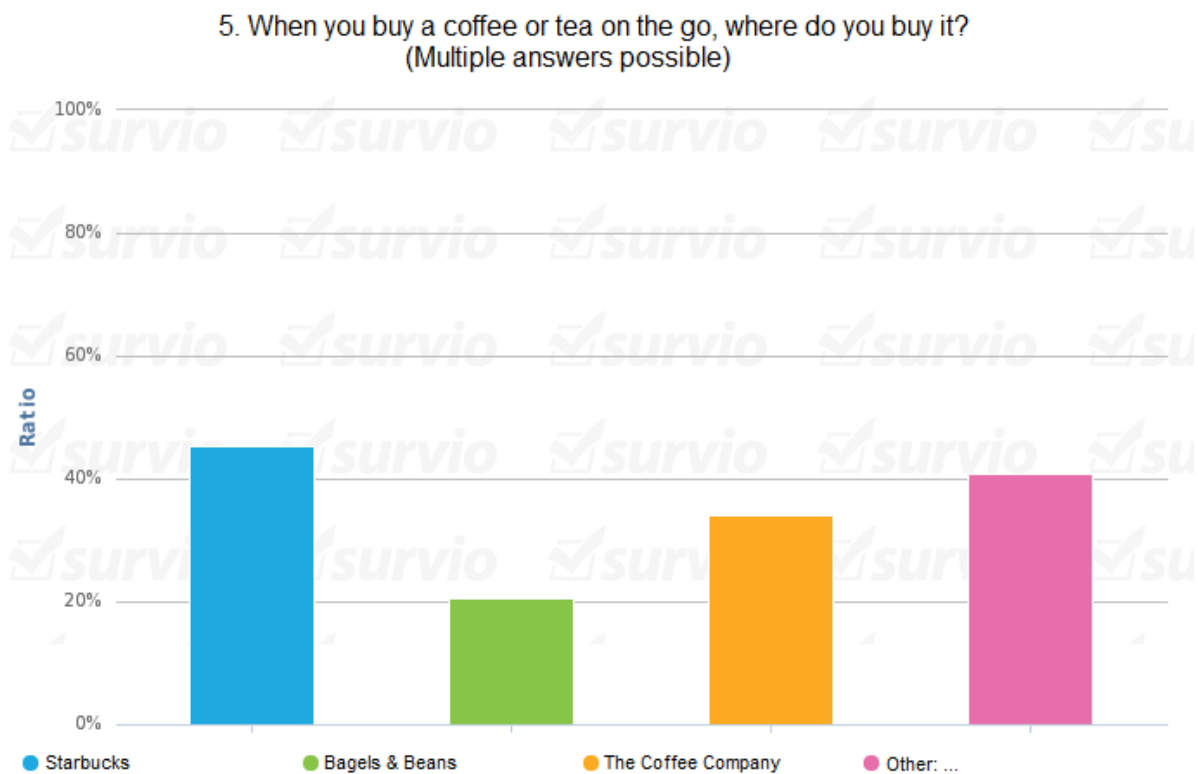
5. When you buy a coffee or tea on the go, where do you buy it? (Multiple answers possible)

Starbucks	45.45%	(20 respondents)
Bagels & Beans	20.45%	(9 respondents)
The Coffee Company	34.09%	(15 respondents)
Other: ...	40.91%	(18 respondents)*

*Answers include:

- Albert Heijn to Go (4 respondents)
- Kiosk (5 respondents)

Other answers are not relevant for this research.

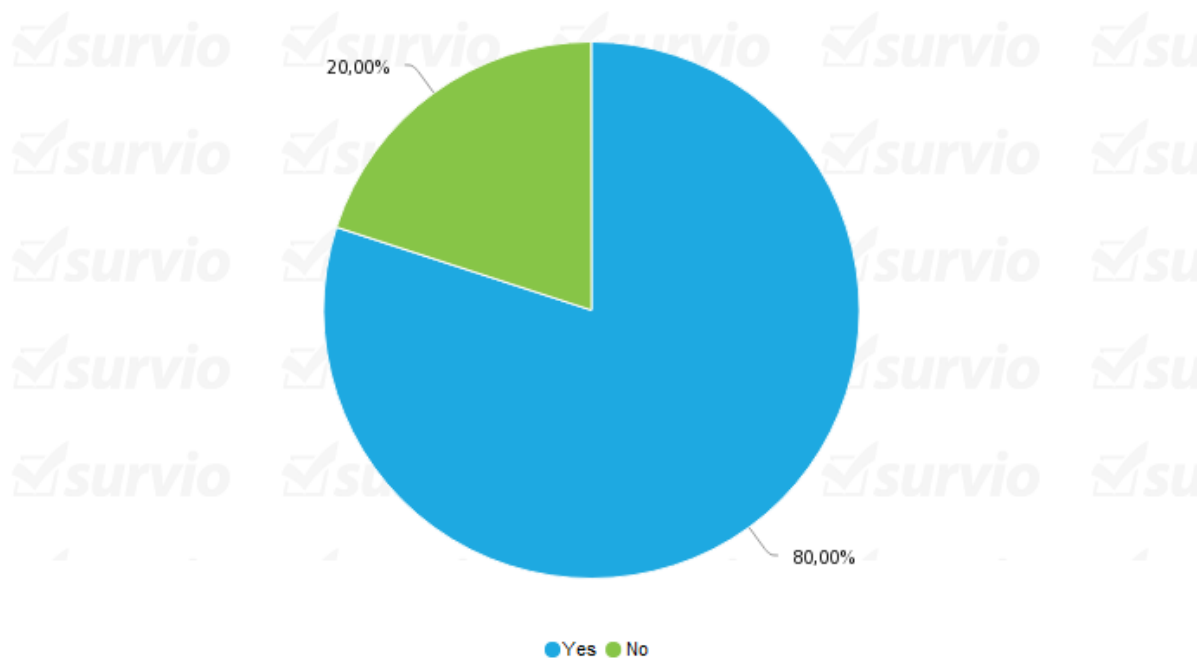


6. Do you ever buy something to eat (e.g. sandwich, donut, croissant, etc.) on the go?

Yes 80% (56 respondents)

No 20% (14 respondents)

6. Do you ever buy something to eat (e.g. sandwich, donut, croissant, etc.) on the go?



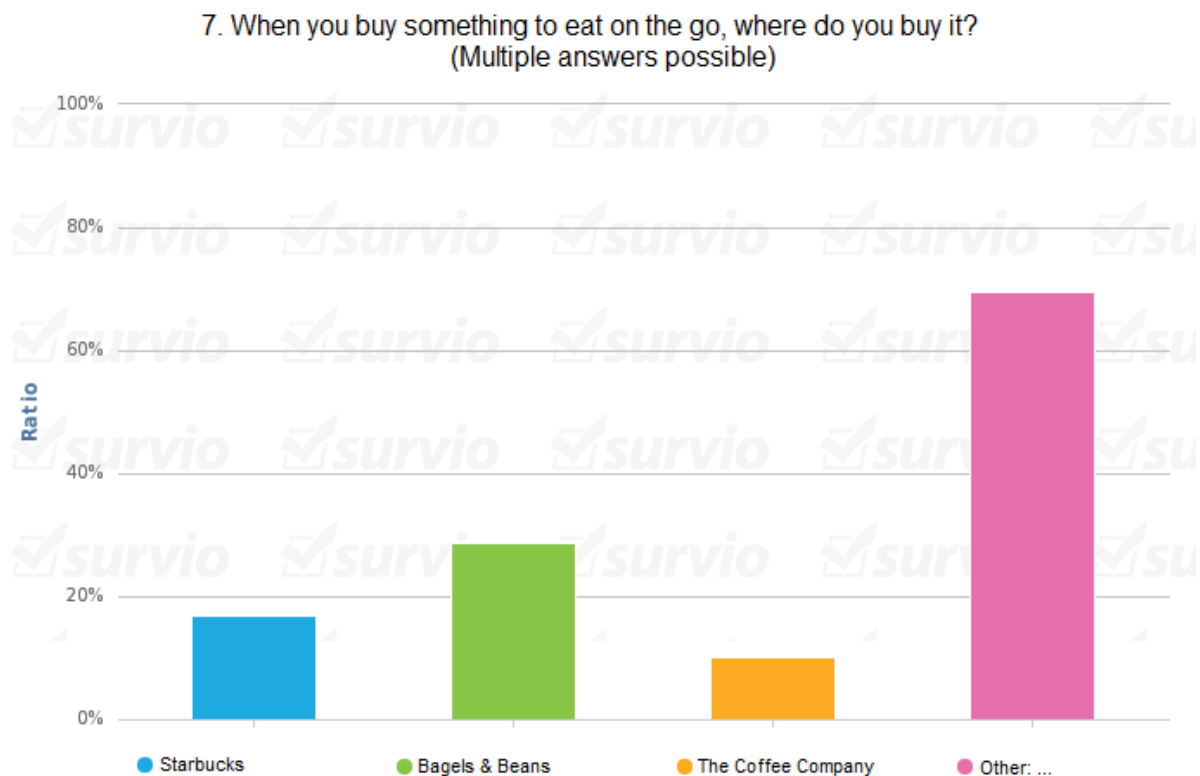
7. When you buy something to eat on the go, where do you buy it? (Multiple answers possible)

Starbucks	16.95%	(10 respondents)
Bagels & Beans	28.81%	(17 respondents)
The Coffee Company	10.17%	(6 respondents)
Other: ...	69.49%	(41 respondents)*

*Answers include:

- Albert Heijn to Go (19 respondents)
- Bakery (12 respondents)
- Kiosk (6 respondents)

Other answers are not relevant for this research.

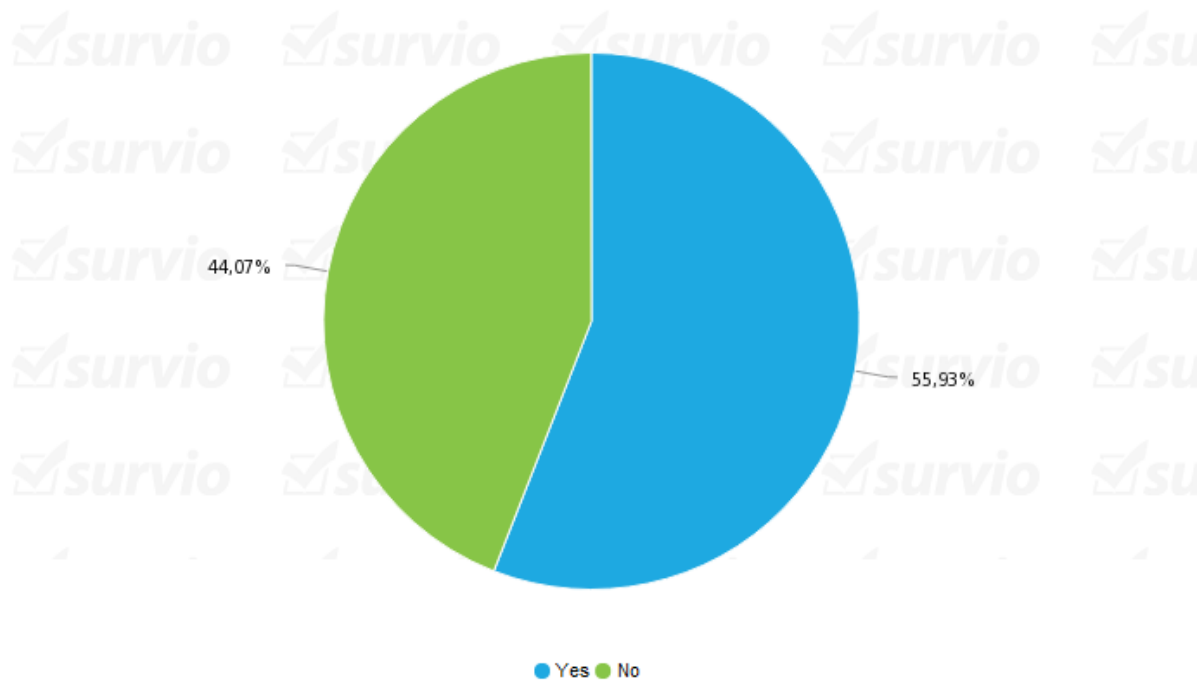


8. Do you usually take the time to sit down and drink or eat something when you buy it on the go?

Yes 55.93% (33 respondents)

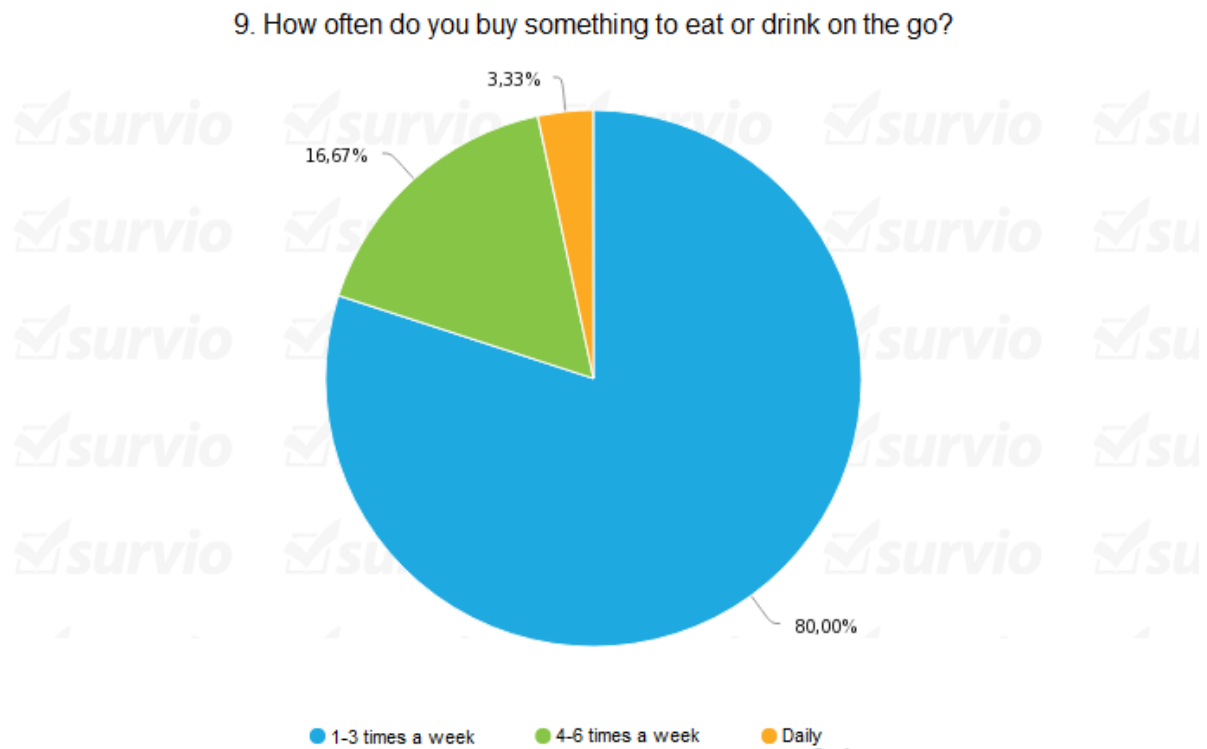
No 44.07% (26 respondents)

8. Do you usually take the time to sit down and drink or eat something when you buy it on the go?



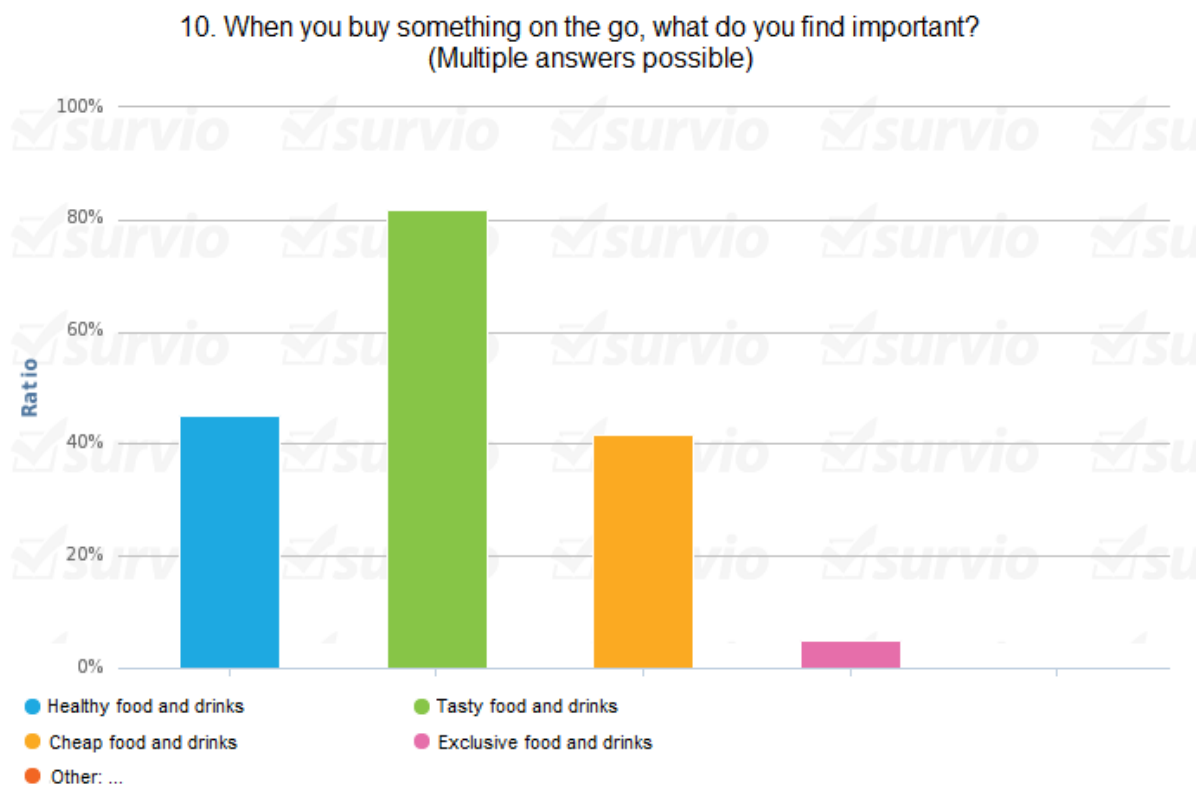
9. How often do you buy something to eat or drink on the go?

1-3 times a week	80%	(48 respondents)
4-6 times a week	16.67%	(10 respondents)
Daily	3.33%	(2 respondents)



10. When you buy something on the go, what do you find important? (Multiple answers possible)

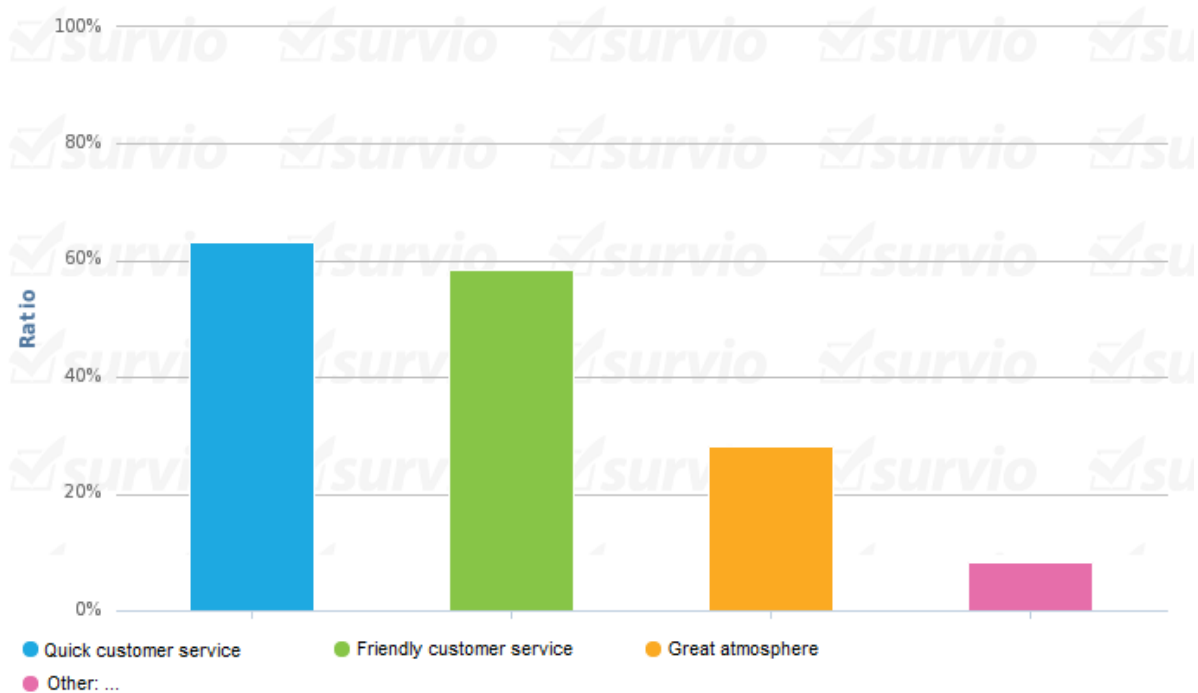
Healthy food and drinks	45%	(27 respondents)
Tasty food and drinks	81.67%	(49 respondents)
Cheap food and drinks	41.67%	(25 respondents)
Exclusive food and drinks	5%	(3 respondents)
Other: ...	0%	(0 respondents)



11. What do you find important about the place that you buy something to eat or drink on the go? (Multiple answers possible)

Quick customer service	63.33%	(38 respondents)
Friendly customer service	58.33%	(35 respondents)
Great atmosphere	28.33%	(17 respondents)
Other: ...	8.33%	(5 respondents)

11. What do you find important about the place that you buy something to eat or drink on the go?
(Multiple answers possible)

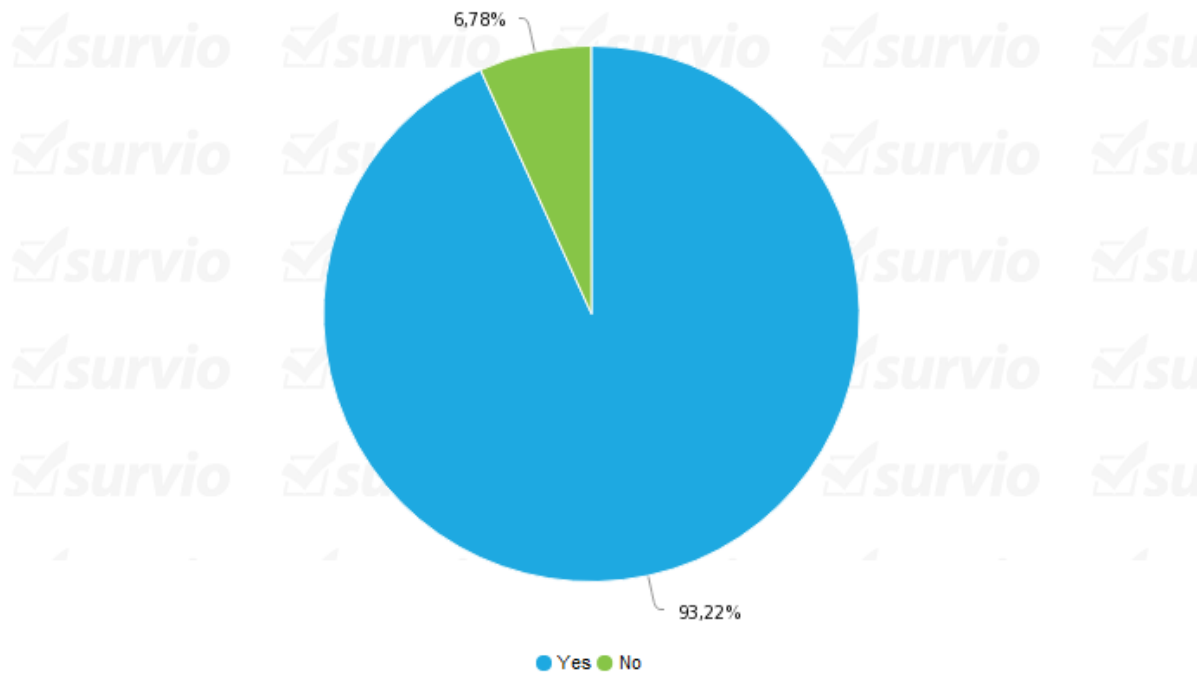


12. Are you satisfied with the places you visit to buy something to eat or drink on the go?

Yes 93.22% (55 respondents)

No 6.78% (4 respondents)

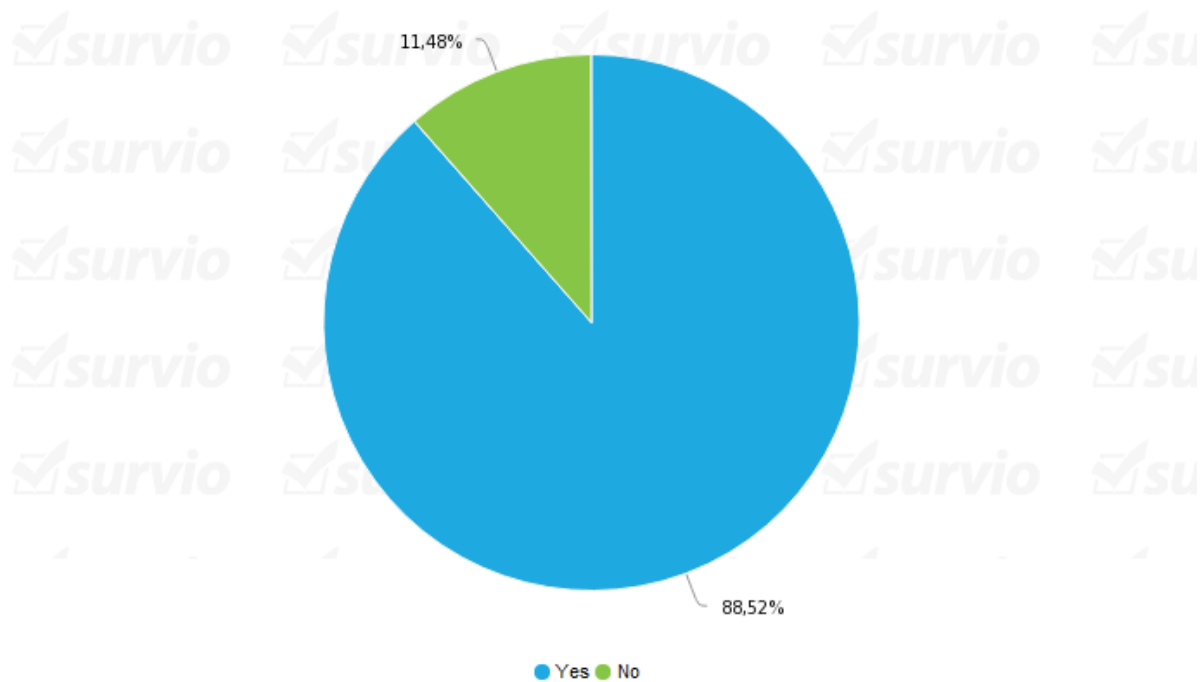
12. Are you satisfied with the places you visit to buy something to eat or drink on the go?



13. Would you be interested in trying a different place to buy something to eat or drink on the go?

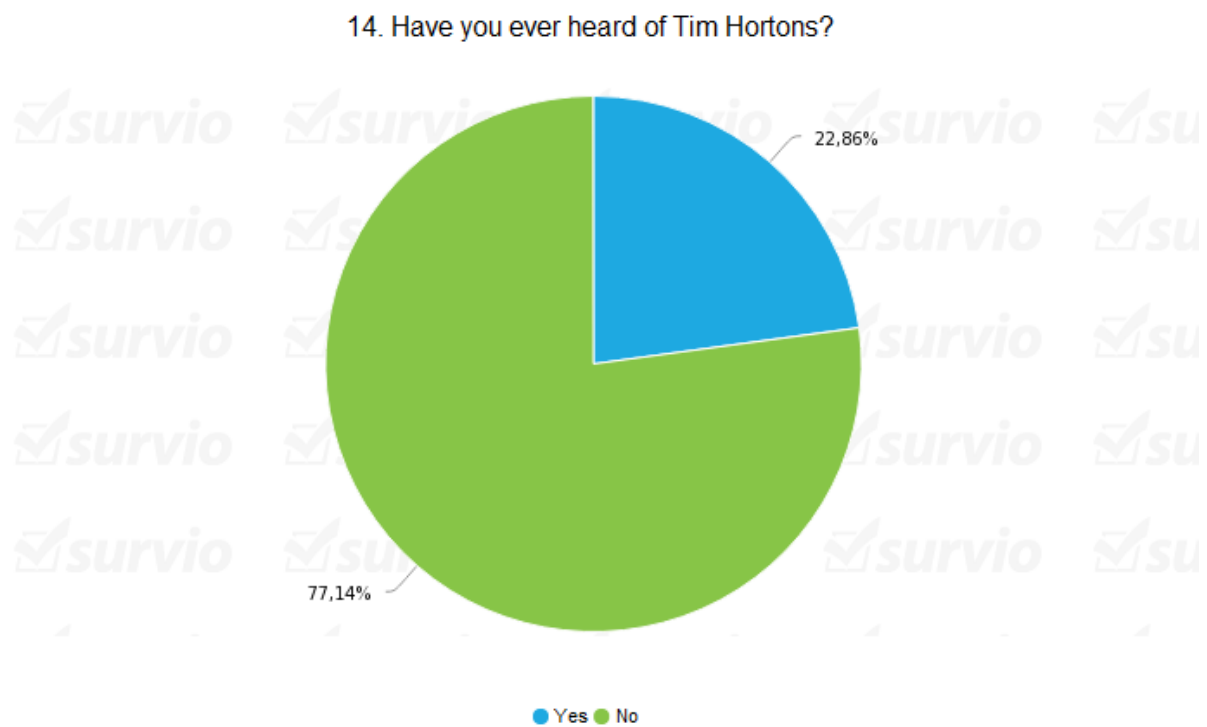
Yes	88.52%	(54 respondents)
No	11.48%	(7 respondents)

13. Would you be interested in trying a different place to buy something to eat or drink on the go?



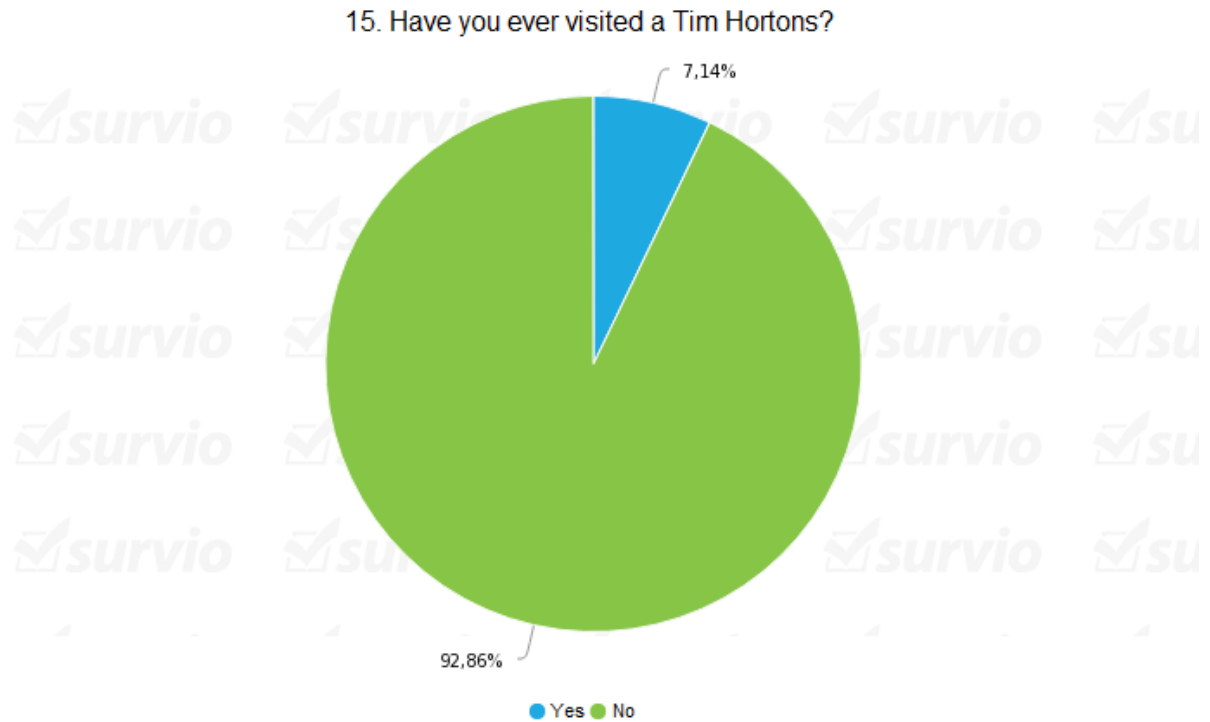
14. Have you ever heard of Tim Hortons?

Yes	22.86%	(16 respondents)
No	77.14%	(54 respondents)



15. Have you ever visited a Tim Hortons?

Yes	7.14%	(5 respondents)
No	92.86%	(65 respondents)



Appendix D

Interview with an employee of the Coffee Company (English)

1. What is your name and occupation within the company and how long have you been working there?

My name is Nathalie Schriel and I am a barista at the Coffee Company at Noordeinde in The Hague. I have been working here for almost five years now.

2. What is the target group of the Coffee Company?

The customers we receive at the Coffee Company are very diverse. They range from families to students to teenagers. That is why I find it so interesting to work here, every day I have a new fun conversation. I believe that the target group consists mostly of young people that are ambitious and active, such as students and expats. Though it does vary depending on the place of the coffee shop. At Noordeinde there are a lot of families who visit us and at the Korte Poten mostly young artsy students and expats come by.

3. How does the Coffee Company reach their target group?

The Coffee Company tries to reach their target group by creating space for them to work on different projects such as working on a laptop. A lot of our coffee shops host events that give young and upcoming talented people to show off their skills, such as artists, photographers and performers. They always make sure that the musical artists get to perform live at their coffee shops.

4. Does the Coffee Company advertise? What are the tools that they use?

The Coffee Company does not really do a lot of advertising. They mostly use social media and Facebook is their main tool.

5. What products are the most popular?

Filter coffee is definitely the trendiest product we have right now and is consumed the most. In the summer frozen cappuccinos are very popular and besides that, espressos, cappuccinos and lattes are extremely popular as well.

6. Does the Coffee Company have a lot of customers that visit regularly?

Yes, the Coffee Company does have a lot of regular customers. Tourists also come by a lot, but the regular customers are definitely in the majority. When people think it is an interesting place to visit, they drink some coffee with their friends, do their homework, or have meetings while enjoying a nice cup of coffee with a cheesecake from the ABC Company.

7. Do customers usually take their time sitting down and consuming your products or do people mostly take your products to go??

In the morning our customers usually only come by to get a cup of coffee to go. When it is around 11 am, more customers come in and stay to study or chat with their co-workers or friends.

8. Do you encourage your customers to take your products to go??

Yes, we also sell coffee in take away cups. Also having a grilled cheese sandwich, pastry or anything else to go is not a problem.

9. At what places is the Coffee Company usually located?

Our coffee shops are usually located in a small street across from a main shopping street.

10. Does this influence how much the products are being sold?

No, I actually think it is pleasant for the customers that we are not located in a busy shopping street. It must be nice for the customers to be able to get away from the busy streets to enjoy a cup of coffee. It should be stimulating because our coffee shops are usually located in a way that people definitely walk past it.

Appendix E

Interview with an employee of the Coffee Company (Dutch)

1. Wat is uw naam en functie binnen het bedrijf en hoe lang werkt u hier al?

Mijn naam is Nathalie Schriel en ik ben bij de Coffee Company op het Noordeinde in Den Haag een zogenoemde barista. Ik werk hier nu bijna vijf jaar.

2. Wat is de doelgroep van de Coffee Company?

De gasten die bij de Coffee Company komen verschillen heel erg. Van families tot studenten tot pubers. Daarom vind ik het zo interessant om er te werken, je hebt elke dag weer een ander leuk gesprek. Ik denk dat de doelgroep van de Coffee Company voornamelijk is gericht op jonge ondernemende mensen van studenten tot expats. Ook verschilt het per filiaal. Op het Noordeinde komen merendeel families en bij de Korte Poten komen vaak kunstzinnige studenten en veel expats.

3. Hoe bereikt de Coffee Company deze doelgroep?

De Coffee Company probeert deze doelgroep te bereiken door ruimte te creëren voor het kunnen werken aan projecten in de Coffee Company (zoals bijv. achter je laptop werken). Ook vragen verschillende Coffee Company in Nederland aan jonge opkomende bandjes, fotografen of kunstenaars om hun werk in de Coffee Company tentoon te stellen. Op het gebied van muziek worden er dagen georganiseerd dat er live muziek wordt gespeeld in de Coffee Company.

4. Doet de Coffee Company aan reclame? Zo ja, op welke manier?

De Coffee Company doet niet echt aan reclame maken. Er wordt vooral gebruik gemaakt van social media en dan vooral van Facebook.

5. Welke producten zijn het meest populair?

Wat er nu heel hip is, is de filterkoffie. Deze wordt op dit moment het meest gedronken. In de zomer zijn de frozen cappuccino heel erg in trek en uiteraard wordt er naast de filterkoffies ook veel espresso, cappuccino en latte besteld.

6. Heeft de Coffee Company veel vaste klanten of zijn er ook genoeg klanten die niet vaak langskomen?

Ja, de Coffee Company heeft veel vaste klanten. Ook komen er vaak toeristen, maar het meeste toch vaste klanten. Als ze het een gezellig koffietentje vinden, komen mensen vaker koffie drinken met vrienden, huiswerk maken of vergaderen onder het genot van een lekker bakje koffie en een stukje cheesecake van de ABC Company.

7. Nemen de klanten de tijd om rustig te gaan zitten of halen zij vooral iets om mee te nemen?

In de ochtend komen de klanten alleen om een koffie te halen. Zodra het 11 uur is geweest blijven klanten vaak zitten om te studeren of bij te kletsen met een kennis of zakenpartner.

8. Wordt het meenemen van de producten aangemoedigd?

Ja, wij verkopen ook koffies in take-away cups. Ook het meenemen van gebak, tosti's en dergelijke kan allemaal.

9. Op welke plekken zit de Coffee Company vooral?

De Coffee Company zit meestal op een zijstraat van een drukke winkelstraat.

10. Heeft dit invloed op de verkoop van de producten van de Coffee Company?

Nee, ik denk dat het juist wel fijn is voor de klanten dat het niet in een drukke winkelstraat is. Het feit dat je even een zijstraat in moet gaan tijdens het winkelen om een koffie te drinken stimuleert wel. Het ligt namelijk wel in de looproute.

Appendix F

Proof of the interview by e-mail

