UBC Food Services
A New Recipe

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Issues surrounding UBC Food Services' operations have been identified, including a lack of strategy for decision making, gaps in food offerings, un-realized potential for data collection/analysis, as well as an underwhelming overarching branding and image initiative. It is recommended that UBC Food Services implement mapping (including intelligent mapping), a loyalty program to collect data and a re-branding and marketing strategy to realize its potential to offer value and experience-enhancing qualities to its customers.

Issues & Analysis:
As per the Issues Urgency/Importance Matrix (Appendix A), the following key issues were identified:
1. Gaps in Food Offerings
2. Fragmented Customer Data and POS Performance
3. Lack of Brand Recognition and Value Communication

Gaps in Food Offerings: Appendix H identifies a lack of variety in international cuisine offerings as well as issues of proximity; some areas of campus with high capacities are lacking in nearby food options. With over 34 locations, UBC Food Services has an opportunity to offer more than its current 5 varieties of cuisine, which would serve as advantageous, considering poor customer reviews (UBC Sustainability Report 2016, and Customer Reviews (2013)) and the growing international student population (Appendix E).

Fragmented Data About Customers & POS Performance: Recognizing gaps in the current landscape allows for opportunity to improve (Appendix B). However, without relevant customer data to back up strategic decisions, UBC Food Services has been unable to make informed decisions when building new restaurants and cafés. These gaps in data collection and subsequent interpretation can be traced to the following issues: data fragmentation, disintegration of SSC and UBC Food Services databases, weak channels for customer feedback, and a lack of tools for trend monitoring and report generation. Although Student Housing and Hospitality Services (SHHS) has access to significant data, this opportunity is not fully recognized by UBC Food Services.

Lack of Brand Recognition & Value Communication: UBC Food Services has value for its customers and is uniquely situated to provide a complete and holistic experience for students, faculty, and visitors alike. In terms of value proposition and popularity, analysis shows (Appendix C) that only one location under UBC Food Services has made the top ten list for food on campus of the top three review sites online. Upon referencing reviews on those sites, as well as customer data provided by UBC Food Services (Survey Data 2016, UBC Feasibility Report 2013), many locations are lacking in valued characteristics, such as authenticity, rustic atmospheres, and comfortable places to study and/or socialize (Appendix C). Furthermore, UBC Food Services has much to offer in terms of its social initiatives, including go-green/waste reduction, sustainability, locally sourced ingredients, and help fund UBC. The issue is a lack of branding uniting all locations under the UBC Food Services brand. Many students may know of the multiple locations, but are unaware that they are all owned and operated by UBC Food Services and, therefore, unaware of its many unique initiatives.

Alternatives and Assessment:
Mapping: This alternative suggests mapping out all food locations on campus to help UBC Food Services identify the current competitive landscape and consolidate data on building capacity and current food offerings. This alternative will assist strategic decision making to better satisfy customer needs.
Pre-Ordering App: Create a new mobile app for on-the-go pre-ordering, allowing students and faculty to order from anywhere on campus and pick up their order at their requested location. This would help resolve consumer complaints and lower wait times.
New Food Trends: This alternative suggests tracking and identifying the latest food trends on campuses across Canada and in Vancouver. UBC Food Services could then base decisions for future developments on these trends.
Internal Financial and Operational Analysis: UBC Food Services should analyze past financial and operational issues to make better strategic decisions moving forward. This would focus on removing or changing negative income-operating businesses and fixing operational issues, such as customer service, long wait times and food offerings at specific locations.
Loyalty Program: Implement a loyalty program linked to UBCCards to gather real-time customer data. The gathering of such information will allow UBC Food Services to analyze the eating preferences, habits and trends of many different demographics. This will allow UBC Food Services to make informed decisions with sound long-term strategic planning in mind.
Intelligent Mapping: In addition to the mapping alternative listed above, this alternative suggests working with a third-party company to create intelligent maps capable of integrating the real-time customer data. The map would provide suggestions on current gaps in the market for changing or providing new food offerings on campus.
Marketing Campaign: UBC Food Service should adjust its value proposition message to highlight its enthusiasm for sustainability, health and giving back to UBC. Furthermore, it should renovate current locations to better suit customer preferences. This alternative suggests a corporate branding strategy to create awareness of corporate values shared by many locations.

Decision Criteria:
The following criteria were used in evaluating the alternatives (Appendix G). 1 is negative and 5 is beneficial, 3 is considered neutral. Each criterion was weighted per priority and importance. Alternatives 1, 5, 6, and 7 were chosen as they scored highest overall and would work well together in the implementation strategy.
- **Strategic Planning:** Considers value for long-term business development
- **Customer Experience:** Measures potential to fulfill customer values
- **Feasibility:** Assesses difficulty and complexity of carrying out the plan (includes budgeting, technical support etc.)
- **UBC Food Service Branding:** Considers ability to build company-level branding, and enhance customer loyalty

Recommendations:

Mapping: It is recommended that UBC Food Services make use of the maps provided for current and long-term decision making (Appendix H). These maps include information that was not available before in a more user-friendly way, while using current and future data. This tool not only promotes better decision making, it also helps identify potential gaps in terms of food offerings, food placements and niche markets when used with demographics statistics. Ideally placing food and beverage business within a 3-5-minute walk of every academic building in core academic areas will be advantageous for the business.

Loyalty Program: To collect more data on its consumers and provide them with a higher incentive to dine with UBC Food Services, it is recommended that UBC Food Services create a loyalty program. The program would be used in conjunction with the UBCCard, as the students and staff currently all have one and carry it on their person. These consumers may sign up for the loyalty program online and provide their name, faculty, program, status (domestic vs. international), and they may also choose to provide their gender and where they live on campus (if applicable). Afterwards, they would swipe or tap their card when making a purchase at a UBC Food Services location, which would then provide them with 1 point per dollar spent. These points would accumulate and allow customers to redeem points for savings at any UBC Food Services location.

On the back end of this program, data will be collected each time a consumer uses his or her UBCCard to collect points. The system would use and compare consumer data to their eating habits at UBC Food Services locations to analyze: how far they go, where they like to eat, their food preferences, their spending and visitation patterns and their price sensitivity. This information could also be compared to UBC admissions and demographics from PAIRS to locate gaps and which parts of the market are being captured.

Intelligent Mapping: To assist UBC Food Services in making decisions in the medium and long term, it is suggested to use intelligent mapping software to build an analytical map to bring together the food landscape, offerings and the data collected from the loyalty program. The software would analyze this data, along with sales, to provide optimal solutions for future UBC Food Service outlets, as well as potential changes to current locations, including the location, type (restaurant, quickstop, etc.), cuisine, offering and price range. Two potential mapping software solutions include: CMaps Analytics and Mapping Analytics. Details of both software with a comparison are included in Appendix K.

Marketing: To provide the most value and garner customer loyalty, UBC Food Services should implement a re-branding, image, and communication strategy. To re-brand their locations, cafés and restaurants with a cafeteria look (such as Sauder Café and the Law Café) should be renovated to give them all unique esthetics. Examples of locations popular for décor and atmosphere can be found in Appendix D. Furthermore, a new unique logo should be created to include on all signage for every UBC Food Services location to inform customers that these are "by UBC Food Services". It is suggested that this branding be introduced over time, as each location is updated. UBC Food Services is already taking part in social initiatives that provide customers with unique value propositions. However, these are not being effectively communicated. Current platforms, such as social media and the website, should be re-branded and utilized to spread the messages of these values. Furthermore, it is recommended that UBC Food Services employ a student representative group to be the face of UBC Food Services, run social media, communicate value propositions and gather real-time customer feedback throughout the semester.

Financial Implications:

The initial and ongoing costs, and a sensitivity analysis of the net present value calculation are included in Appendices M and N. The Base Case NPV for the next 5 years is $158,391, showing the positive impact of the implementation, without taking into consideration the strategic implications of the intelligent map utilization.

Furthermore, there are various positive financial implications resulting from the implementation of this strategy. First, the strategy will provide for savings in decision making, as the data collected and provided by the loyalty program and intelligent mapping will assist in making future decisions. It will provide suggestions for changes to existing locations and opportunities for new locations, based on current gaps. This will be more cost efficient than having to perform research every time a decision needs to be made. Second, another large implication of the implementation is providing suggestions on current locations and gaps, which would help make decisions to convert negative profit-earning businesses into positive (assumptions for growth of these businesses made in the NPV calculation in Appendix N). Lastly, 90% of Canadians own a loyalty card, with more than half of them using them frequently. The latter is more influenced by loyalty programs not charging annual fees and being easily accessible, two statistics that would work in favor of the loyalty program for UBC Food Services.

Risks & Contingencies:

An important risk stemming from the implementation of this strategy is that UBC currently has many policies and guidelines in place that may lead to delays and hurdles to the timeline proposed. Contingencies in the plan to this risk include: the hiring of a new Marketing & Data Analytics Manager to help implement the new strategy and perform the ongoing work, the timeline included in Appendix L has used conservative estimates to account for potential delays and UBC Food Services can have the CMaps Analytics consultants work closely with UBC IT to implement the intelligent mapping software and dashboard.

Furthermore, another risk may include privacy concerns surrounding the usage of consumer information to make business decisions. Contingencies to this include: strict Non-Disclosure Agreements with the mapping analytics company, having the loyalty program be optional and being transparent with consumers with regards to the usage of the information provided during the loyalty program signup.

UBC Food Services
A New Recipe

An Introduction…

Introduction
- In 1916, the first seeds of the UBC Botanical Garden were planted at the Point Grey Campus.
- UBC has become a landmark of Vancouver and the Garden has become a gem within the campus.
- Just like the garden started with singular seeds, UBC Food Services started with an idea.
- UBC Food Services was established uniquely as one of the only university-owned and operated food service business.
- This way, they are able to innovate and implement new ideas that can grow and flourish more freely.
- The issues they are facing include not being able to collect and interpret data sufficiently to make these decisions and they are lacking in a branding and communications strategy to communicate their value proposition and create customer loyalty.
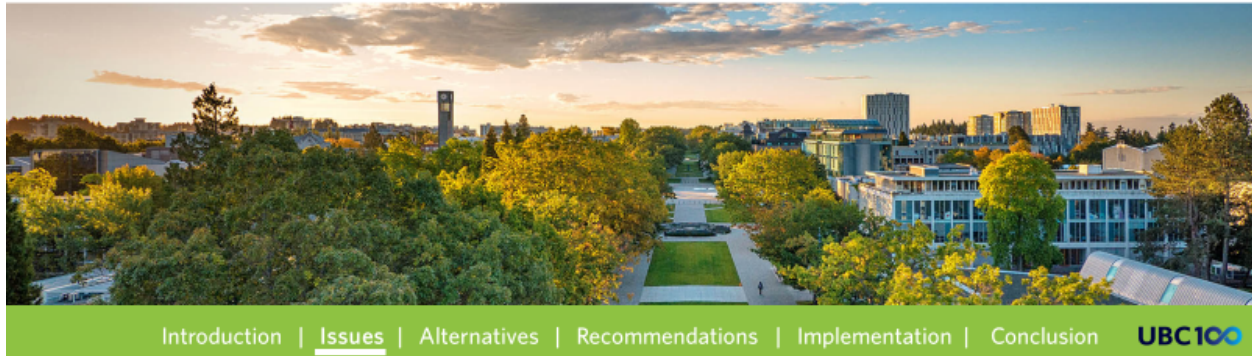
An Aerial View...

34 Locations

5 Food Categories

79% Fast Food

12K International

UBC 100

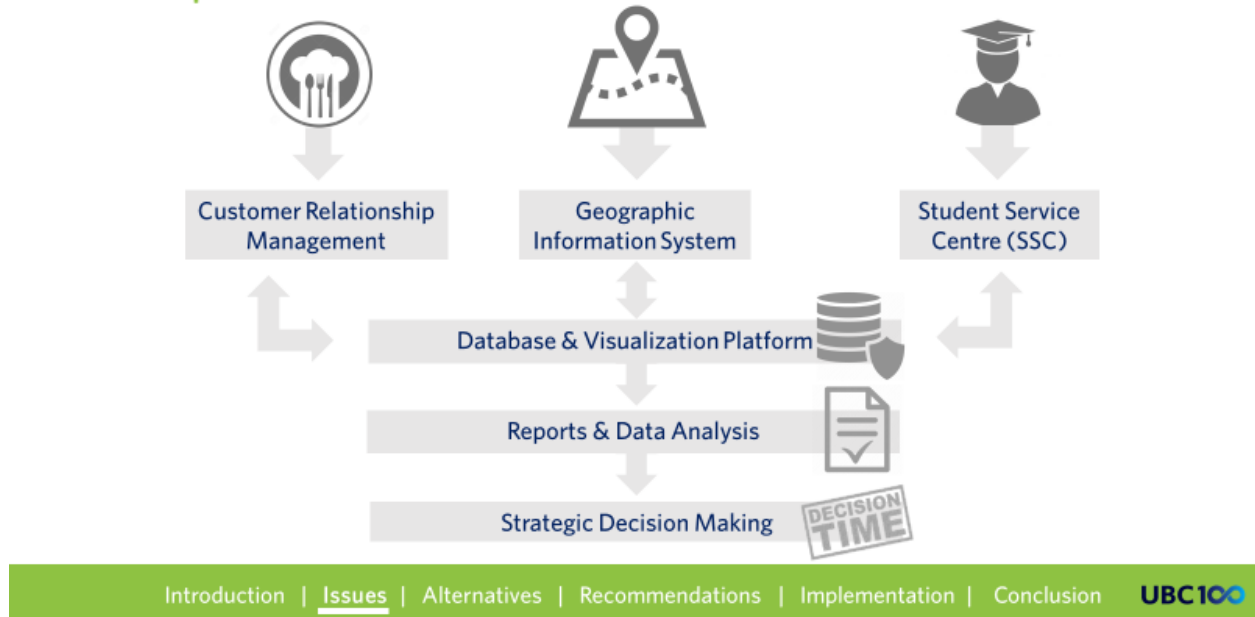**Currently UBC Food Services has a map of their 34 food locations.**

These include:
- UBC Café & Specialty: 13
- Franchise Chains: 7
- Food Trucks: 5
- Residence Dining: 3
- Mini-Marts: 3
- Full Restaurants: 3

Current Landscape and Statistics
- 5 Food Categories in these 34 food locations: (Asian, Western, Italian, International and Fusion)
- 12,117 International Students in 2015
  - 44% coming from Asia and only 1 Asian food location
- Full-Restaurants vs Cafes disparity
  - 13 Cafes vs 3 Full Restaurants
- 52,721 Students: 42,986 Undergraduate, 9, 735 Graduate
- 14,114 Total faculty & staff members
  - 4,864 Faculty & 9,250 Staff
- 66,835 Mouths to feed in 2015
- 2.56% Average growth of undergraduate students
- 2.08% Average growth of overall students
- 100 acres to study and play

The Importance of Data...

Customer Relationship Management

Geographic Information System

Student Service Centre (SSC)

Database & Visualization Platform

Reports & Data Analysis

Strategic Decision Making

Issues with Data Collection:
The importance of data in strategic decision making is vital. Incorrect data or data, which is misleading or hard to interpret, can be harmful for strategic plans and consequently can have negative effects on sales and customers satisfaction.

UBC Food Services' Information sources with regards to market data can be roughly split into three categories: Point of Sale (restaurants, cafes, dining-rooms, etc.), External (data about competitors, customer traffic, locations, development, etc.) and Student (data received from students during the admissions).

Business Software Systems that can be used and data that can be collected:
- UBC SSC for Age, Sex, Program, Tuition, Residence, Country, Overall time in UBC, Totals, Contacts, Family members, etc.;
- Geographic Information System (GIS) for Map, Competitors, Traffic, Residences, Infrastructure, Development areas, Substitutes, etc.;
- Customer Relationship Management system (CRM) for Spending, UBC ID, Time of purchase, Type of Food, Frequency, Purchase Location Age, Sex, Country, Program, Tuition, Residence, Overall time in UBC, Feedback;

The above mentioned data can be consolidated either in one database or used for integrated platform for further aggregation, analysis and management report generation.
According to research, UBC Food Services have several gaps in data consolidation, aggregation, and utilization in decision making processes. Thus, decision-making process is struggling to get enough of support from market and customer data analysis. Those gaps are based on the following issues:
- Data fragmentation
- Disintegration of UBC and UBC Food Service databases
- Weak channel for customer's feedback
- Lack of tools for trends monitoring and reports generation

Issues with Marketing:

- Minimal Central Branding Initiative
  - o Customers do not know which locations are UBC Food Services.
  - o Currently, some signs have a very small logo on them stating that the location is by UBC Food Services.
  - o Signage is not prominent enough to promote the brand effectively.
- No Value Communication
  - o Customers are unaware of initiatives (waste reduction, local sustainable food, go-green, community partnerships, and Help Fund UBC).
  - o Without central branding and lack of value communication, UBC Food Services locations have no value proposition for customers other than food quality and service (which is not scoring highest on campus). Source: UBC Feasibility Study (2013), yelp.ca, tripadvisor.ca, and zomato.ca).
- Weak Value Proposition
  - o Mercante is the only location on the top ten list for top three review websites (source: yelp.ca, tripadvisor.ca, zomato.ca).
  - o Customers value focus on 'authentic', 'rustic/good atmosphere', 'somewhere to socialize/study' (source: UBC Feasibility Study (2013), Customer Survey Data (2016), yelp.ca, tripadvisor.ca, zomato.ca).
  - o Some locations have these unique qualities (Mercante), but most do not (Sauder Café).

Decision Criteria:
- Strategic Planning (weighed at 40%)
  - Whether the alternative would be valuable for UBC Food Service to develop long-term strategic plan
- Customers' food experience (weighted at 30%)
  - Fulfill varying needs of demographic and psychographic groups
  - Provide comfortable eating atmosphere
- Feasibility (weighted at 10%)
  - Difficulty and complexity of the implication of alternatives (includes total budgeting, technical support, human capital required etc.)
- UBC Food Service Branding (weighted at 20%)
  - Establishment of aggregated company-level brand for UBC Food Service
  - Improving customers' loyalty toward UBC Food Service

Let's Talk Alternatives...

Alternatives:
- **Mapping:** This alternative suggests mapping out all locations on campus to help UBC Food Services identify the current competitive landscape as well as consolidate data on capacity of buildings and current food types. This alternative will assist strategic decision making to better satisfy customer needs.
- **Pre-Ordering App:** Create a new mobile app for on-the-go pre-ordering allowing students and faculty to order from anywhere on campus and pick up their order at their requested location.
- **New Food Trends:** This alternative suggests tracking and identifying the latest food trends on campuses across Canada and in Vancouver. UBC Food Services could then base decisions for future developments on these trends.
- **Internal Financial and Operational Analysis:** UBC Food Services should analyze past financial and operational issues to make better strategic decisions moving forward.
- **Loyalty Program:** A loyalty program linked to UBC identity cards should be implemented to gather real-time customer data. The gathering of such information will allow UBC Food Services to analyze the eating preferences, habits and trends of many different demographics. This will allow UBC Food Services to make informed decisions with sound long-term strategic planning in mind.
- **Intelligent Mapping:** In addition to the mapping alternative listed above, this alternative suggests working with a third-party company to create intelligent maps capable of integrating the real-time customer data from a loyalty program. Comparisons of data collected from this program along with the intelligent map will allow for strategic planning moving forward.
- **Marketing Campaign:** UBC Food Service should adjust its value proposition message to highlight its enthusiasm for sustainability, health, and giving back to UBC. Furthermore, they should renovate current locations to better suit customer preferences. This alternative suggests a corporate branding strategy to create awareness of corporate values shared by many locations.
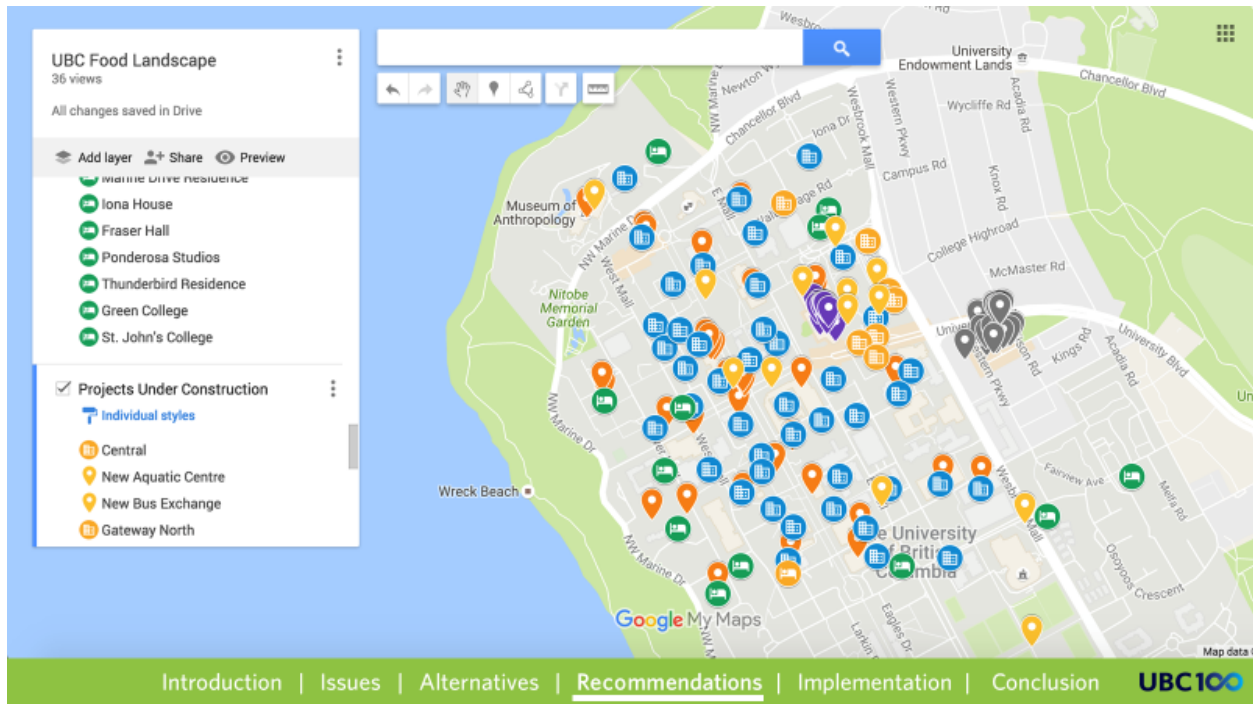
Currently UBC Food Services has a map of their 34 food locations. These include:
UBC Café & Specialty: 13 | Franchise Chains: 7 | Food Trucks: 5 | Residence Dining: 3 | Mini-Marts: 3
Full Restaurants: 3.

On the main UBC Webpage, under Student Services » Know my campus » Discover spaces and places » Buildings and Classrooms http://students.ubc.ca/campus/discover/buildings-and-classrooms is a list of the 74 Academic buildings, with their capacity, number of rooms, furniture type and where are they located. But you have to click one by one, making it inefficient when looking at multiple locations.

On the main UBC Webpage, under Campus + Community Planning » Vancouver » Projects + Consultations » Projects Under Construction http://planning.ubc.ca/vancouver/projects-consultations/projects-under-construction is a list of the new projects that are under development, mentioning the location, timeframe, description, components. A map consolidating all of these locations in one place is still missing. Additionally, it is not update to date; some of these projects are already concluded. There is another option to see a map with 15 new construction projects, http://www.infrastructuredevelopment.ubc.ca/infrastructure/projects/projectmap.htm but they do not include the same amount of projects and the name of the streets in between the new buildings are missing making it difficult for people to identify their locations.

For residencies, there is a different map http://vancouver.housing.ubc.ca/getting-started/residence-map/ where information like, number of beds and services provided can be found. There are 10,216 beds in 13 residences buildings. Looking at the new buildings under development it can be concluded that there are going to be close to 1,600 beds in the new residence buildings.

There are no maps that show all UBC buildings together. An interactive map has now been built online, where one can search by specific location and further information on capacity of academic and residences buildings is visible. Multiple layers have been created to separate different characteristics making this system informative yet easy to use and clean to look at.

Strategic Decision Making...
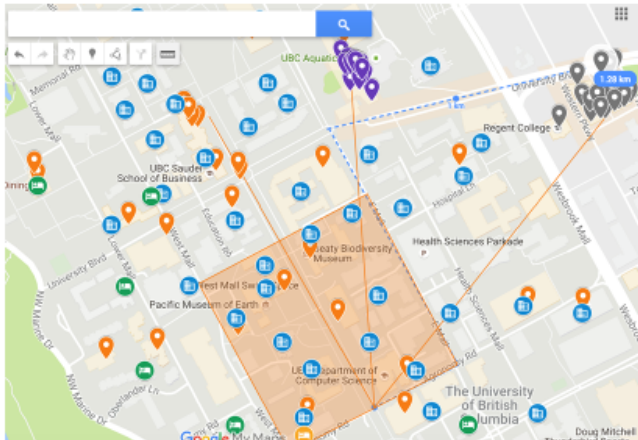
Opportunity
- There is a capacity of over 66,835 at UBC. There are a lot of mouths to feed.

Gaps in offerings
- Using the interactive map, it is possible to identify gaps in food options, offerings, and locations.
- Distances from high-capacity buildings and food offerings offer

Utilization of such a map allows the user to see where the food options are, what types of foods are available, where the competitors are located as well as proximity to academic buildings. The map also shows what types of buildings are near different locations such as undergraduate, graduate etc. This allows one to search for the biggest capacity buildings, look for the highest population density, take in consideration the main roads, popular walking/biking routes and ensure that a plethora of offerings are located in these main areas.

If used with certain PAIR statistics, the potential benefits of the maps increases exponentially. E.g. Arts and Sciences together form almost 50% of the student enrollment. With this in mind, one can now locate the Arts and Sciences buildings and capitalize on this market when considering new developments.

Loyalty Program...

Use the UBCCard to build a loyalty program for students, faculty and staff:
- Use the stripe or tap feature on the card to identify consumer loyalty accounts
  - Tap feature to be a backup if the stripe cannot be used
    - With the tap, the UBC Food Services locations would have to install machines to accept the tap identification
- Points-based system to provide incentives for consumers to attend UBC Food Services locations
  - 1 point for each dollar spent at a UBC Food Services location
  - Redeem points for savings on beverages and meals (e.g. 100 points for $1, 450 points for $5, 800 points for $10)

Data collection:
- UBCCard holders can sign up online with their card and provide:
  - Name, faculty, program, domestic vs. international student
  - Optional: gender, where they reside on campus (if applicable)
- System to collect and analyze: how far they go, where they like to eat, food preferences, spending and visitation patterns, price sensitivity
  - Compare UBC admissions & demographics to loyalty program data to locate gaps
  - E.g. Compare international student data to note where those of different citizenships choose to eat, preference for food of their originating country, which students are attracted to UBC Food Services locations and what types
- This will help identify the new market joining the UBC food landscape and their dining preferences

Partner with intelligent mapping software company:
- CMaps Analytics: build a landscape dashboard with their partner, Antivia DecisionPoint
  - CMaps software to analyze dashboard data to provide suggestions on locations and types
  - Subscription-based service for CMaps Analytics and Antivia DecisionPoint for continued access and use of dashboard and intelligent mapping
  - Access to self-service tutorials and consulting partners to help build and provide data for the dashboard and map
- Mapping Analytics
  - Can build dashboard and map through the one organization
  - Define what type of answers you are looking for (e.g. want to be far from competitors, want to maximize foot traffic, want to provide certain types of cuisines, etc.) and it will provide the optimal solutions

Mapping software to bring information together to provide optimal solutions:
- Use of the UBC Food Landscape, data provided by UBC (demographics, enrolment), and UBCCard loyalty program to optimize future solutions
  - UBCCard loyalty program to provide insights into consumer trends, locations and preferences to provide the map with consumer data
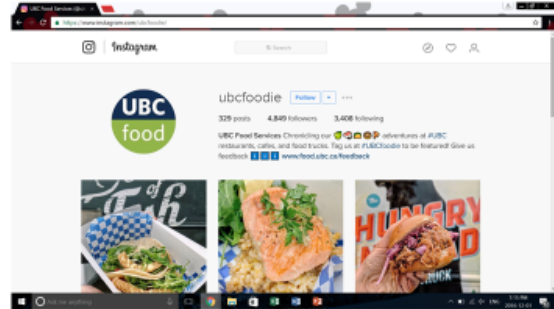
Brought to you by UBC Food Services...

Introduction | Issues | Alternatives | **Recommendations** | Implementation | Conclusion   **UBC1∞**

A New Branding Initiative and Image
- Re-Designing some of the locations to capture the 'authentic' atmosphere that students and faculty are looking for would be of benefit to some of the UBC Food Services locations.
    - Design a recognizable and modern logo and include 'by UBC Food Services' on all big signage are marquis for locations
    - Re-design inside of locations that feel like 'cafeterias'
    - See above for feel and look for inspiration

Communication is Key...

Communication Plan:

- Create communication plan to spread word on values of UBC Food Services
    - Focus on messages of green initiatives, local/sustainability, giving back to UBC through purchases
    - UBC Foodies – create a student rep group to communicate values and gather feedback from customers in real time. They can be present at all events and throughout semesters to garner more interest in UBC Food Services and their initiatives
    - UBC Foodies should also run the social media (Twitter, Instagram, and Facebook) to give a students' view of food on campus
    - Additional signage at locations should be put up to also communicate these values
- Leverage digital platforms
    - Clean up website and dedicate someone (such as UBC Foodies) to constant updates and maintenance
        - Focus on locations and opening hours and, if possible, include more specific nutritional information for customers
    - Continue garnering followers on social media and update regularly
- Promotional Events
    - Create events (especially during opening week), to drive interest in UBC Food Services
    - UBC Foodies should be present at all events and become the face of UBC Food services and initiatives

Monthly Timeline...
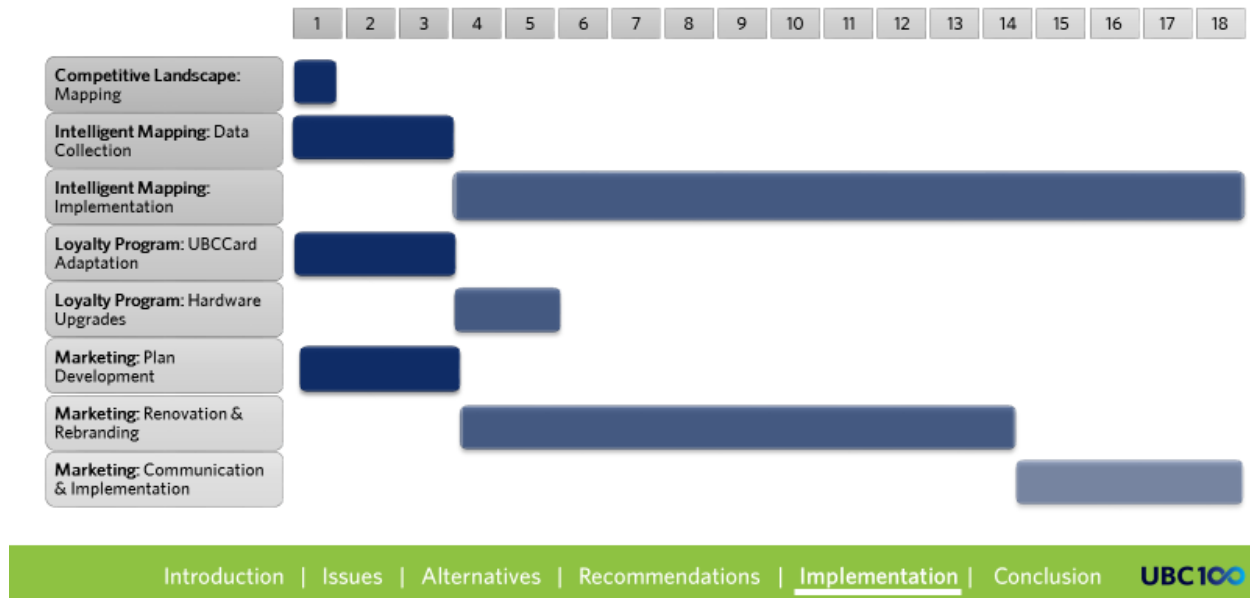
Based on information from vendors and on assumptions from experience it is projected that, in total, the marketing and software initiative implementation will take less than 2 years. The most time-consuming parts of the implementation plan are software updates and improvements/renovation/rebranding activities

Timeline (monthly for 18 months):

- **Competitive Landscape Mapping (month 1)**: basic mapping of the current competitive landscape is mostly complete. A new hire should take place during this time to onboard someone to look after this project and the other initiatives involved.
- **Intelligent Mapping (months 1 – 3):** UBC Food Services should choose a mapping company to pair with and being all necessary data collection over months 1 – 3. Set up and launch of the map can be completed in one months' time from the completion of data collection.
- **Intelligent Mapping Implementation (month 4 onwards):** Launch and troubleshooting of the new intelligent mapping system will begin in month 4 and continue indefinitely.
- **Loyalty Program UBCCard Adaptation & Hardware Upgrades (months 1 – 5):** It is estimated to take two months for all necessary software and potential hardware changes within all 34 UBC Food Service locations. After which, one month will be dedicated to training staff on new procedures.
- **Marketing Plan Development (months 1-3):** The marketing plan has been allocated three months for all planning and preparations. This should include, marketing, rebranding, communication/awareness plan as well as decisions for renovations. Decision criteria for renovations should be based on underperformance, customer feedback and feasibility.
- **Renovations and Rebranding (months 4-14):** It is expected to take 11 months for all renovations and esthetic upgrades to be completed.
- **Marketing Communication & Implementation: (months 15 onwards):** The full marketing and communication plan to bring all initiatives together and communicate to the public should be in full effect by month 15. Utilization of all current platforms such as the website and social media should be utilized for maximization of reach.

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Implementation Costs (Appendix M):
- **Startup:** Location signage, website upgrades, data analytics setup, loyalty program setup: (Total: $44,000)
- **Ongoing:** UBC Foodies marketing program, location renovations, promotional displays, Marketing & Data Analytics Manager, mapping software: (Total: $173,256/year)

NPV Calculation (Appendix N):
- For the net present value calculation, a weighted average cost of capital (WACC) of 7.28% was used, which includes the risk-free rate and the S&P TSX market risk premium.
- The focus of the NPV calculation is to consider the positive impact of the implementation on the UBC Food Services locations currently outputting negative net incomes. In the past year, these locations had an aggregate loss of -$1,522,110. The implementation has the goal of creating a marketable UBC Food Services brand, communicating the value proposition and tracking consumer data to identify potential gaps. As such, a sensitivity analysis of the NPV calculation uses varying percentages of growth (e.g. 10% increase in negative net income earners – -$1,522,110 → -$1,369,899) and measures the positive impact made by the implementation (-1,369,899 – (-1,522,100) = 152,211), assuming all other factors remain equal. These positive net income impacts are taken over the course of five years to calculate the NPV.

Implications:
- Savings in decision making → the data collected and provided by the loyalty program and intelligent mapping will assist in making future decisions

Intelligent map to provide suggestions for changes to existing locations and opportunities for new locations, based on current gaps

More cost efficient than having to perform research every time a decision needs to be made
- Helping to make decisions to convert negative profit-earning businesses into positive (assumptions for growth of these businesses made in the NPV calculation in Appendix __).
- 90% of Canadians own a loyalty card and more than half of them using them frequently
  - Influenced by loyalty programs not charging annual fees and being easily accessible
    - Work in favor of the loyalty program for UBC Food Services, as the program would be free and easily accessible as UBC students and staff currently possess and regularly carry their UBCCard

Risks...

**Risks:**

- Bureaucratic Processes
  - Being a very large organization with multiple stakeholders and government funding, being able to abide by UBC's rules and regulations will be a key driver in the success of this plan.
  - Costs, timeline, initiatives, and implementation will all have to be approved at the highest levels and will need to follow any and all restrictions.
  - Contingency: hire a new staff member to look after all new initiatives who will be responsible for knowing and abiding by all UBC stipulations.
- Privacy Concerns
  - UBC Food Services will be using personal data to make business and strategy decisions. With growing concerns surrounding privacy, it is important that UBC Food Services mitigate this.
  - Contingency: sign-up for the loyalty program should be optional and all individuals taking part need to be privy to transparency when it comes to the policies around usage of their data. Furthermore, strict NDAs need to be signed off with all parties involved with these new initiatives to ensure that all data is secure.
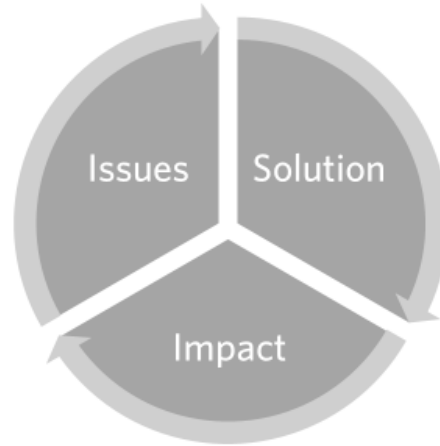
In Summary:
- UBC Food Services has so much to offer and, they have so may opportunities to grab.
- A simple map has been created to begin the journey to better decision making.
- Establishing the loyalty system and linking this with a smart-map system will only work to further benefit the strategic planning of UBC Food Services.
- Mixed with a communications and re-branding strategy, UBC Food Service should aim to be the number one place to eat and drink at UBC.
- Community is important to our president, it is important to UBC Food Services and it is especially important to the overall student experience on campus.

Appendix Slide 1

Costs...

Implementation Costs	Initial	Ongoing
Location Signage	$ 34,000	
Website Upgrades	$ 2,500	
UBC Foodies		$ 5,000
Renovations		$ 80,000
Promotional Displays		$ 3,000
Marketing & Data Analytics Manager		$ 83,000
Data Analytics Set-up	$ 2,500	
Loyalty Program Set-up	$ 5,000	
Mapping Software		$ 2,256
Total	$ 44,000	$ 173,256

Alternative Assessment | Financial Implications | Costs

UBC

Appendix Slide 2

Financial Impact...

Year	0	1	2	3	4	5
Best Case	($44,000)	$17,008	$93,113	$169,219	$245,324	$321,430
Base Case	($44,000)	($21,045)	$17,008	$55,061	$93,113	$131,166
Weak Case	($44,000)	($66,708)	($36,266)	($5,824)	$24,618	$55,061
PV Best Case	($44,000)	$15,854	$80,911	$137,070	$185,238	$226,242
PV Base Case	($44,000)	($19,618)	$14,779	$44,600	$70,307	$92,323
PV Weak Case	($44,000)	($62,184)	($31,513)	($4,717)	$18,589	$38,755
NPV Best Case	$601,315					
NPV Base Case	$158,391					
NPV Weak Case	($85,071)					

Alternative Assessment | Financial Implications | Costs

UBC

Appendix Slide 3

Alternatives...

Alternative Assessment Matrix	Strategic Planning	Customers' Food Experience	Feasibility	UBC Branding	Total Score
Precentage	40%	30%	10%	20%	100%
Mapping	4	3	5	4	3.8
Pre-ordering App	1	3	2	1	1.7
New Food Trends	1	2	2	1	1.4
Marketing Campaign	4	4	3	5	4.1
Internal Analysis	2	2	3	1	1.9
Loyalty Program	5	4	4	3	4.2
Intelligent Mapping	5	4	3	4	4.3

Alternative Assessment | Financial Implications | Costs

Appendices

Appendix A – Urgency/Importance Matrix

	Low Importance	High Importance
Low Urgency	- Price sensitive customers - Lack of food options and variety	- Poor reviews surrounding customer service - Food options don't meet the international student community needs - Food locations are too far away from some high density academic buildings
High Urgency	- Missing formal internal communications strategy.	- Lack of a tool/map that can provide different sources of information in one for decision making - Lack of awareness among students, faculty and staff, of which businesses are owned by UBC food services - Image and aesthetics of certain locations not in align with consumer preferences - Lack of clear expansion plan - Fragmented data about customers

Appendix B – Current Data Collection Process:

Data from "point of sale"
Spending, UBC ID, Time of purchase, Type of Food, Frequency, Purchase Location

Missed data:
Age, Sex, Country, Program, Tuition, Residence, Overall time in UBC, Feedback

External data
Map, Competitors, Traffic, Residences, Infrastructure Development areas, Substitutes

Data received during admission
Age, Sex, Program, Tuition, Residence, Country, Overall time in UBC, Totals, Contacts, Family members

Customer Relationship Management

Geographic Information System

Student Service Center (CWL)

Mobile Application

Data from users
Experience, Feedback, Orders, Preferences

DATABASE AND VISUALISATION PLATFORM

REPORTS AND DATA ANALYSIS

STRATEGIC DECISION MAKING

Types of Data, Data Sources
Useful data is available for collection and for use in decision making-processes. However, due to the absence of appropriate software and processes aimed on data collection, the potential of this opportunity is not fully benefited.

Business Software Platforms
Customer Relationship Management (CRM): Currently, UBC IT works on the implementation and development of a CRM system on campus; however, the level of applicability in UBC Food Services operations is to be studied further. Alternative CRM software can also be outsourced as a cloud-based solution from such vendors as Microsoft and SalesForce.
Geographic Information System (GIS): Not available with UBC IT infrastructure. There are several vendors that can install and setup a system within 1 month at a cost varied from $2,500-$5,000.
SSC: Already available and running, but UBC IT is to be involved for studies in data integration or data export possibilities.

Data consolidation, aggregation and analysis
Having in place data management processes, such as data collection, aggregation and analysis, by means of integrated data platform and data mining solutions, UBC Food Services will have better insights about the market, the competitive environment and market trends.

Appendix C – UBC Restaurant Ratings Comparison:

The following three websites were analyzed to find the top ten restaurants 'near UBC Campus'. The following chart depicts the top ten list in descending order from each site as of November, 20th 2016. The highlighted cells contain the names of restaurants found on more than one of the top ten lists.

Yelp	Zomato	tripadvisor
Doughgirls	Only U Café	Tim Hortons
Pizza Garden	Boulevard Roasting House	Totem Dining Hall
Sprouts	Sage Bistro	Bean Around the World
Loafe Café	Freshslice	The Point Grill
Mercante	Westward Ho!	Mahony & Sons
Petra Café	Booster Juice	Loafe
Great Dane Coffee	Donair Town	**Mercante**
Chef Huang Taiwanese	Blenz Coffee	UBC Corner Cafe
My Home Cuisine	Bean Around the World	Perch
Good Earth Coffee House	The Original Beanery	Boulevard Roasting House

Each restaurant found more than once on a top ten list was analyzed further to gather information from dozens of reviews to find patterns or trends in the comments section. The following is a list of the main points of interest for customers:

Location	Comments
Loafe Café	• Bright, Clean, Sleek, Fancy • Scenic • Place to do homework • Substantial food/good food/best baked goods/**CARTEMS** • Superb Coffee • TOO GOOD to be campus food
Mercante	• Mixed reviews on pizza • Food good, service not great • Quick • Fresh/made in front of you • Modern and rustic/communal tables are good • Great place to talk and eat/excellent environment
Boulevard	• Coffee not consistent • Good atmosphere • Good location/clean and fresh /spacious
Bean Around the World	• Good food • Relaxing/good vibe/lots of people studying • Less lines • Better coffee

Summary of Commonalities Between Locations:
- It's SURPRISING to find a good place for coffee and food at UBC
- Good atmosphere/authentic/clean
- Place to relax/socialize/study are important
- Good food/fresh is preferred

Appendix D – Image Comparison Between Popular and Unpopular Locations:

The following images depict the type/style/atmosphere of location most popular amongst the public, students, and faculty. Information was gathered from the 2013 Feasibility Study, Yelp.ca, Tripadvisor.ca, Zomato.ca, and Customer Surveys (supplied by UBC Food Services).

Most Popular Location Attributes:
• Clean
• Welcoming
• Authentic / unique atmosphere
• Places to study/socialize
• Offers simple menu with popular and quality items
• Food prepared in sight

From top to bottom:
Mercante
Loafe
Bean Around the World
Boulevard

The following images were taken of the Sauder Café and Ike's café to show the contrast in esthetics and style from the more popular locations. Note how they are more cafeteria in style and are lacking in the authentic, rustic, and clean atmospheres vocalized as more desirable by consumers.

Appendix E – Domestic vs International Student Growth:

Citizenship Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Average	Total Growth
Domestic	34,203	34,217	34,616	35,360	35,478	35,490	35,715	35,467	35,401	35,734		
International	9,829	10,123	10,499	11,484	11,890	12,698	13,413	14,314	15,757	16,634		
Domestic Growth		0.04%	1.17%	2.15%	0.33%	0.03%	0.63%	-0.69%	-0.19%	0.94%	**0.49%**	**4.48%**
International Growth		2.99%	3.71%	9.38%	3.54%	6.80%	5.63%	6.72%	10.08%	5.57%	**6.05%**	**69.23%**

Domestic vs International Student Growth
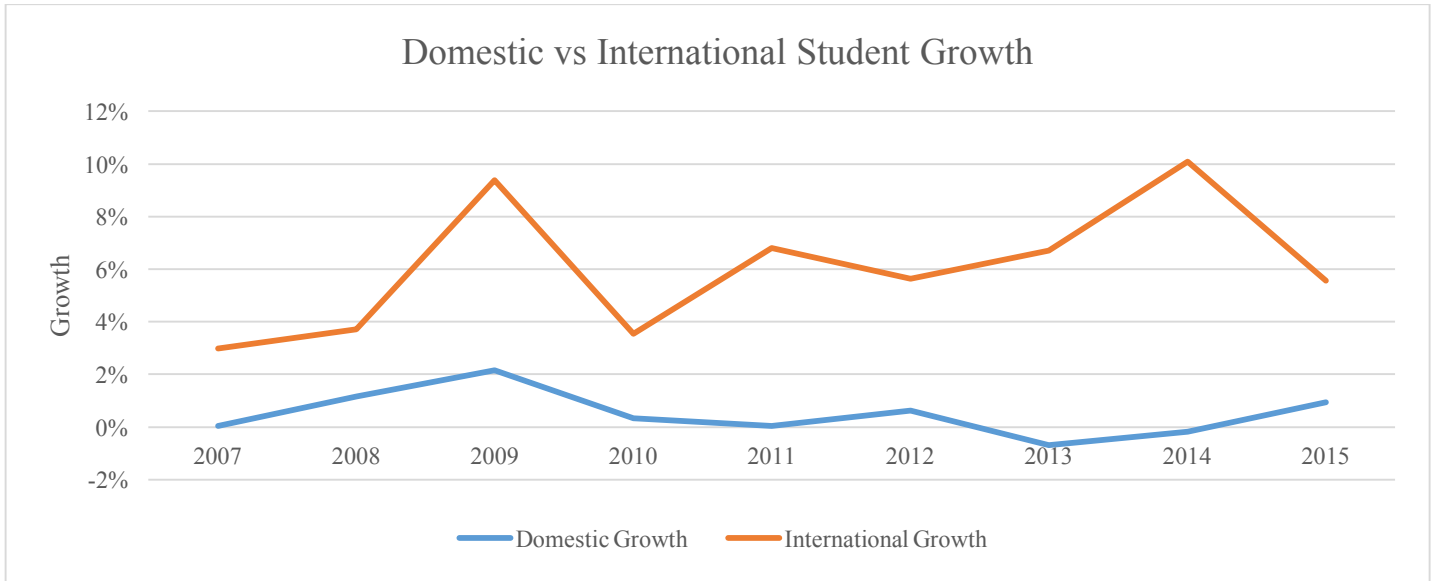
Appendix F – Top 5 International Student Citizenships Growth:

Citizenship Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
China	1,942	2,066	2,182	2,497	2,630	2,936	3,446	3,994	4,804	5,418
United States of America	1,334	1,421	1,436	1,547	1,570	1,619	1,581	1,577	1,640	1,646
Republic of Korea	911	944	1,054	1,158	1,196	1,271	1,251	1,149	1,095	1,020
India	380	393	395	460	510	492	552	607	691	838
Iran	602	660	692	764	802	832	865	831	813	755
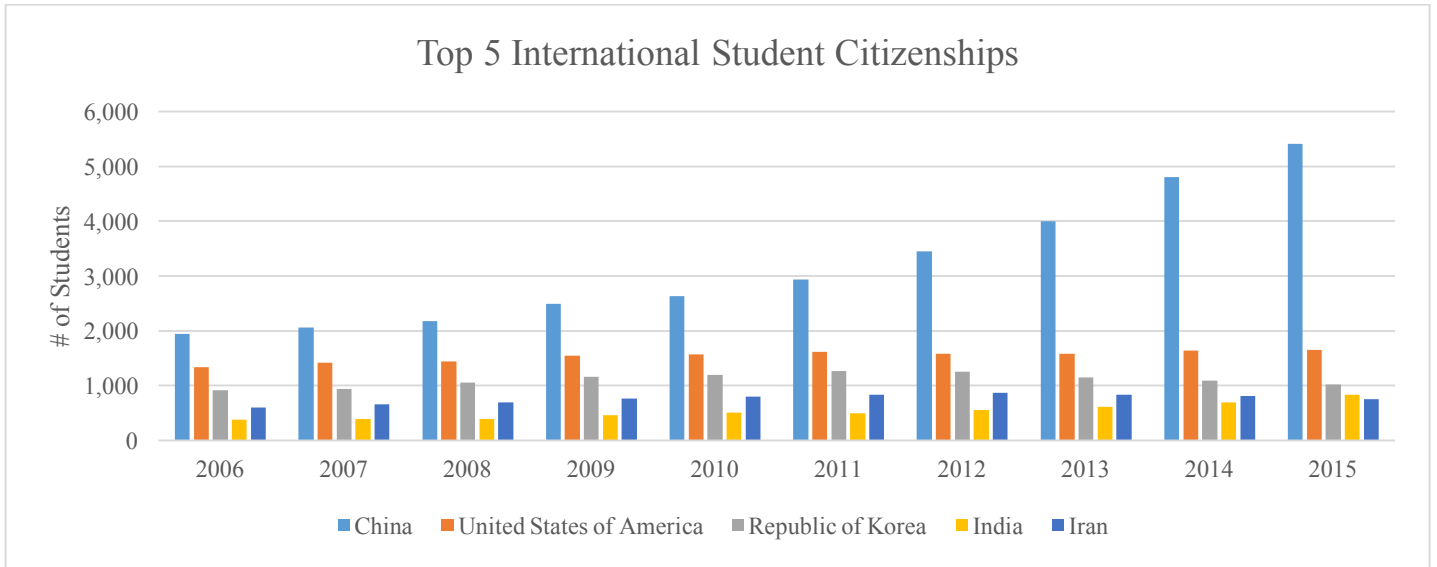
Appendix G – Alternative Assessment Matrix:

	Strategic Planning	Customers Experience	Feasibility	UBC Branding	Total Score
Precentage	40%	30%	10%	20%	100%
Mapping	4	3	5	4	**3.8**
Pre-ordering App	1	3	2	1	1.7
New Food Trends	1	2	2	1	1.4
Marketing Campaign	4	4	3	5	**4.1**
Internal Analysis	2	2	3	1	1.9
Loyalty Program	5	4	4	3	**4.2**
Intelligent Mapping	5	4	3	4	**4.3**

	Strategic Planning	Customers Experience	Feasibility	UBC Branding	Total Score

Appendix H – Competitive Food Landscape and Food Categories:

UBC Food Landscape: https://drive.google.com/open?id=1BxA77bJ2ZvoqNVPNM_vJD7EipBQ&usp=sharing
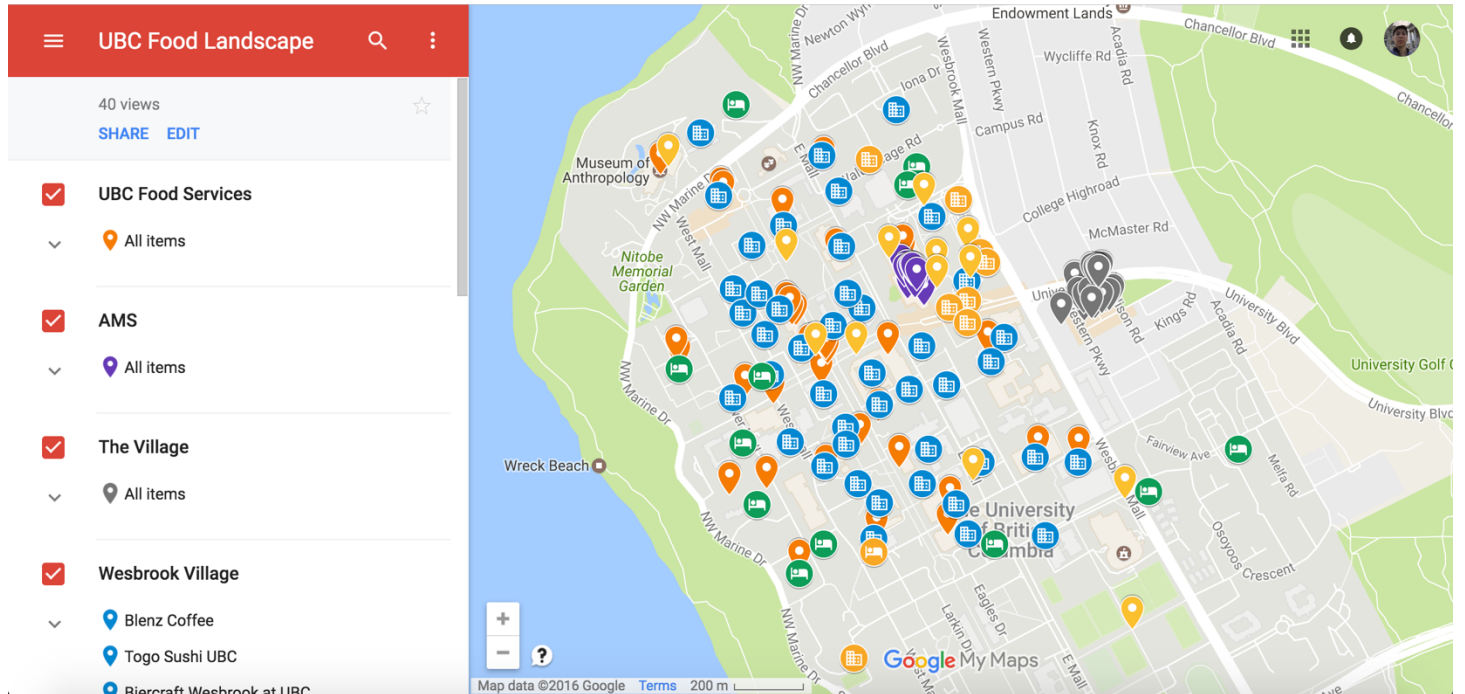
- Current capacity on Academic Buildings: 74 buildings and growing with a capacity of 23,325
- Current capacity on Residence Buildings: 10,228 and growing
- UBC Food Services Locations: 34
- AMS Food Options: 15
- Wesbrook Village Food Options: 11
- University Village Food Options: 29
- Third Party Food Options: 5
- Food locations under constructions: 9 for 2017
- Projects under constructions: 15 for 2016-2019, most of them located on the north-east part

Food Landscape Gap Identification:
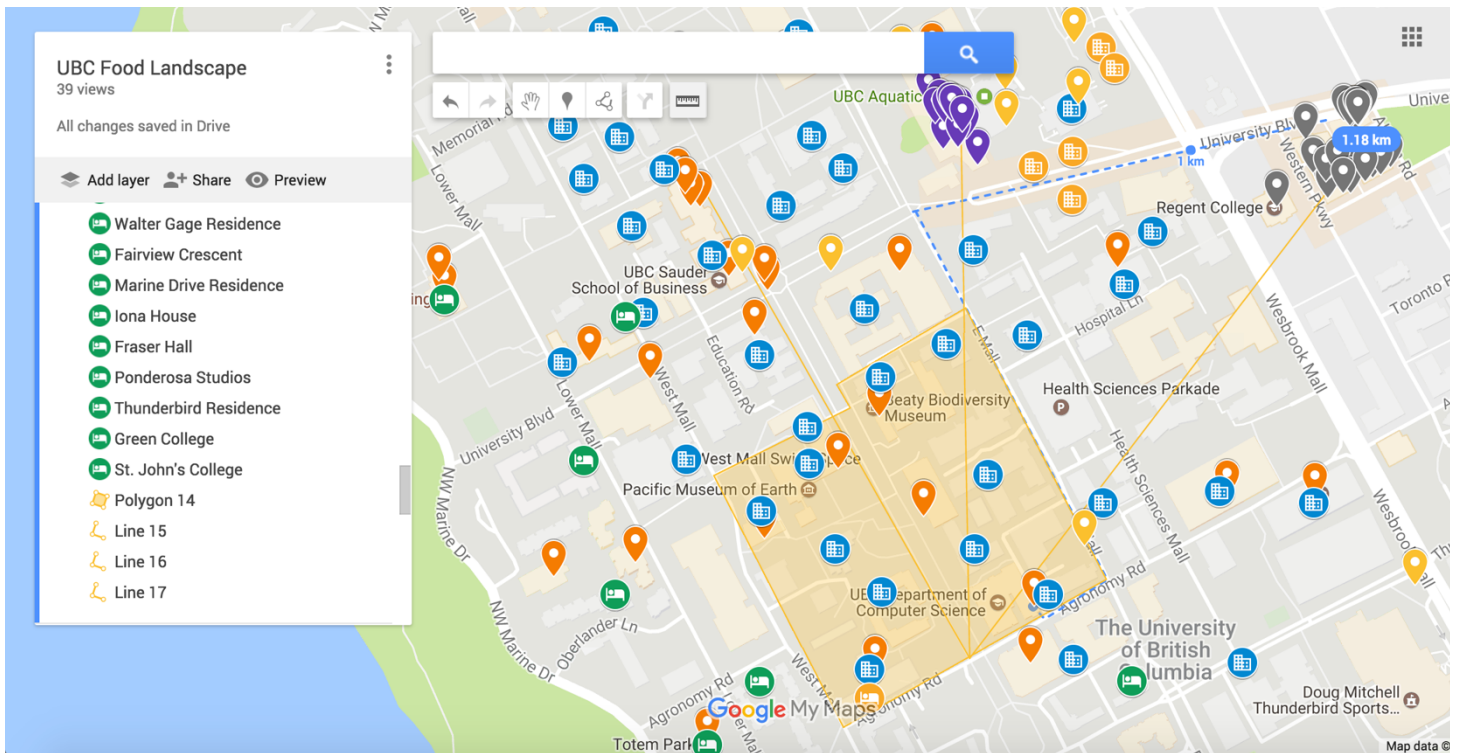
- Identify food area gaps
- Distance from gaps to different food options is more than 1km away
- Strategic placement for new locations based on building density
- Strategic food location placement based on food options available
- Use demographic data to match food options with students
- Use current and future building developments for long-term decision making
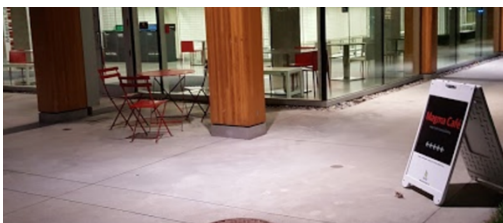
Food Categories:
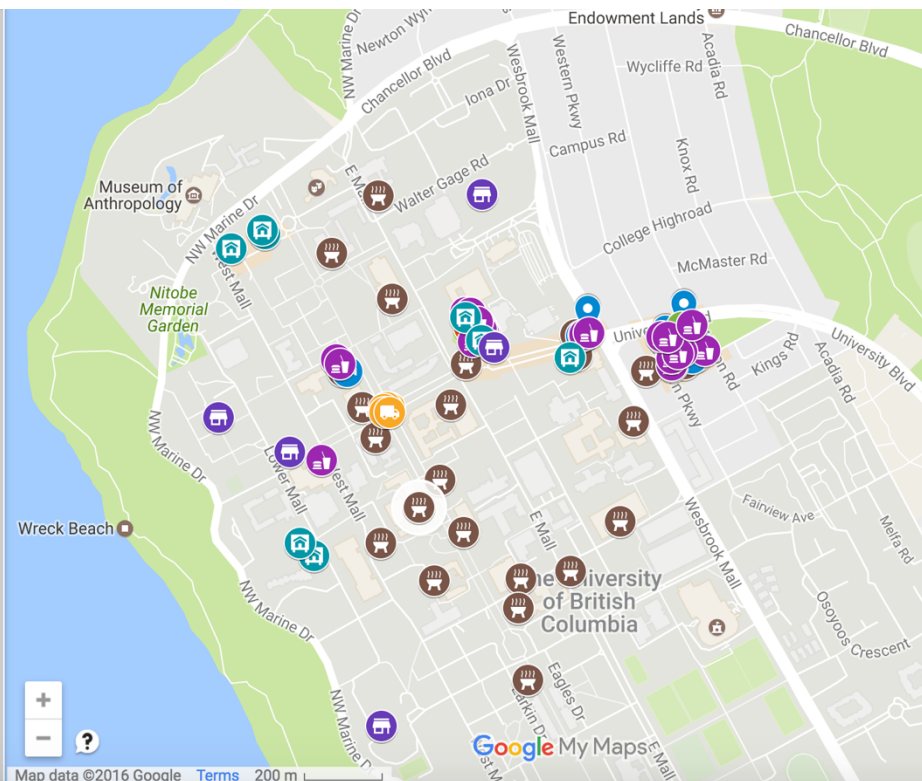
- Cafes and Eateries (29)
- Franchises
- Full-Restaurants (9)
- Specialties (Italian, Japanese, Chinese (6), Indian & Lebanese (2), Korean (1), Mexican (3)
- Food Trucks (5)
- Groceries and Mini Marts (6)
- Access to Reviews

Appendix I – Loyalty Program Outputs & Extrapolations:

Consumer	Status	Domestic or International	Citizenship (if international)	Faculty	Program	Residence on Campus (if applicable)	Gender	Age
██	Student	Domestic		Law	Juris Doctor	Green College	██	
██	Student	International	Korea	Economics	Bachelor of Arts	Totem		██
██	Student	International	Japanese	Physics	Bachelor of Sciences		██	
██	Faculty	Domestic		Chemistry	Graduate Studies			
██	Student	Domestic		Arts	Masters of Arts in History	Walter Gage Residence	██	██

Consumer	Locations Visited	Food Purchases	Number of Visits per Month	Average Meal Price	Average Time	Average Day
██	Mercante, Ike's	Pizza, coffee, salads	6	$8	7:00 PM	Tuesday, Wednesday
██	Subway	Sub	1	$10	1:00 PM	Wednesday
██	Bento	Udon, ramen, sushi	20	$10	12:00 PM	Monday-Thursday
██	Triple O's, Bean Around the World	Burger, sandwiches, soup	10	$12	11:00 AM	Wednesday, Friday
██	It's About Thai, The Point Grill	Pad Thai, Noodle Bowls	15	$9	2:00 PM	Monday, Thursday

Consumer	Potential Extrapolations
██	Does not go very far, dines with UBC FS infrequently, dines late
██	Not many options for ethnic foods, only dined with UBC FS once
██	Japanese student, dines at the only UBC FS Japanese restaurant frequently
██	Spends more than students, lunches earlier to avoid rushes
██	Lunches later, willing to travel further for meals

Further Extrapolations:

The system would use and compare the consumer's data to their eating habits at UBC Food Services locations to analyze: how far they go, where they like to eat, their food preferences, their spending and visitation patterns and their price sensitivity.
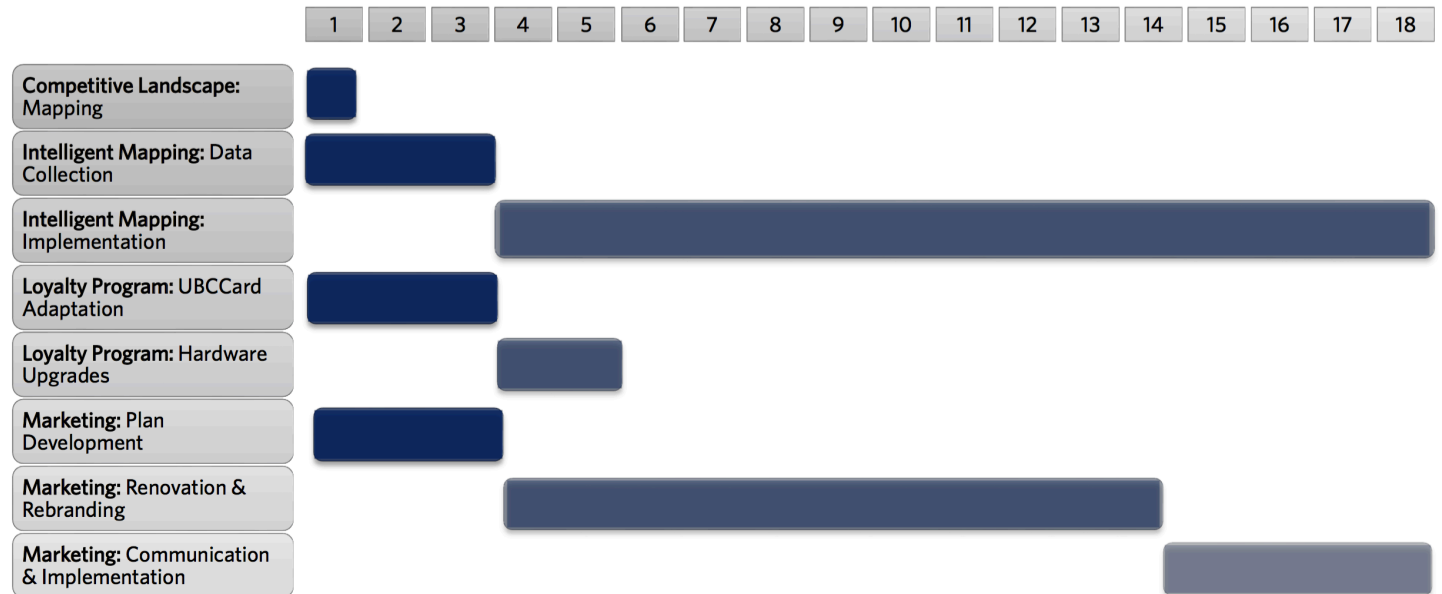
Appendix J – Loyalty Program Map Outputs:
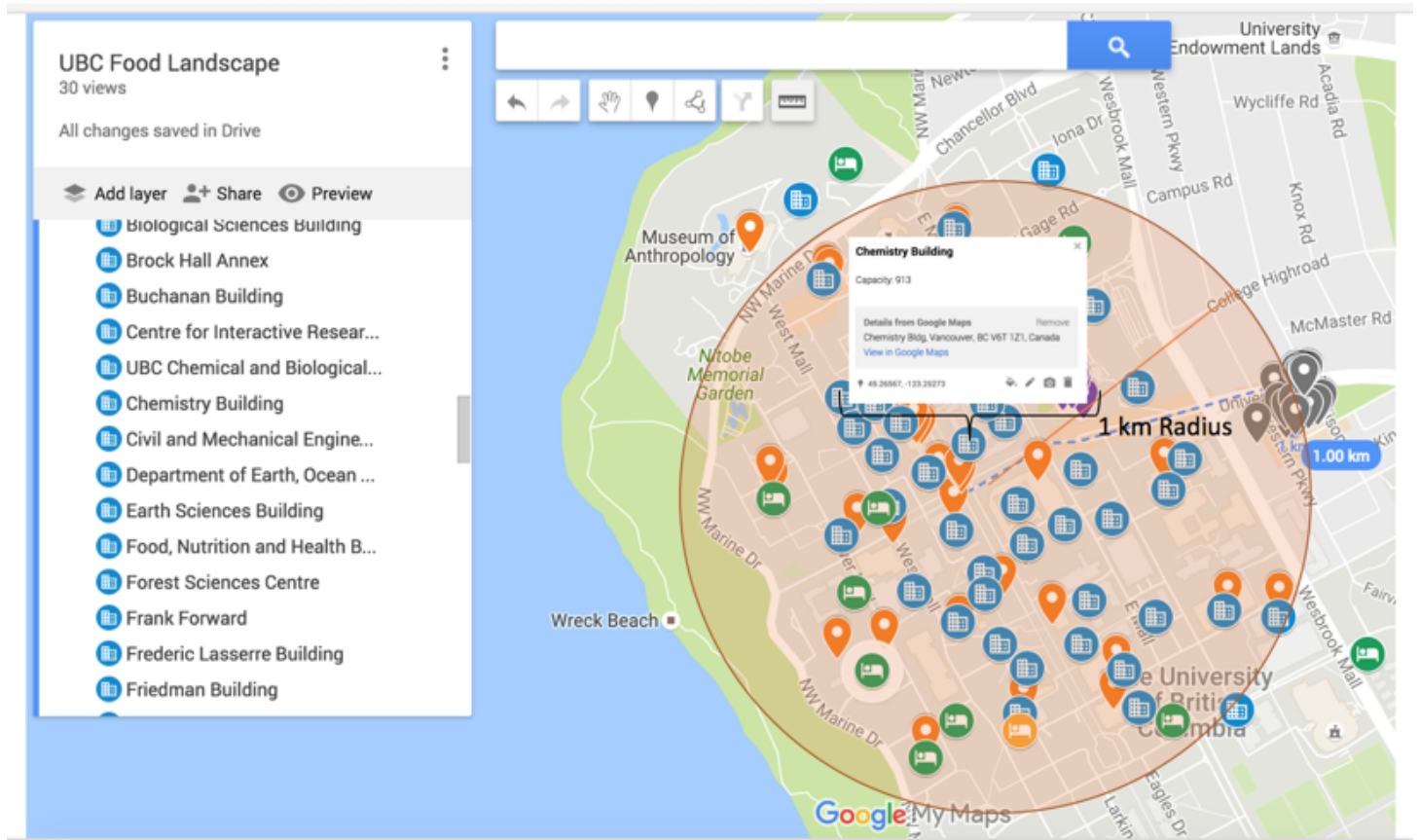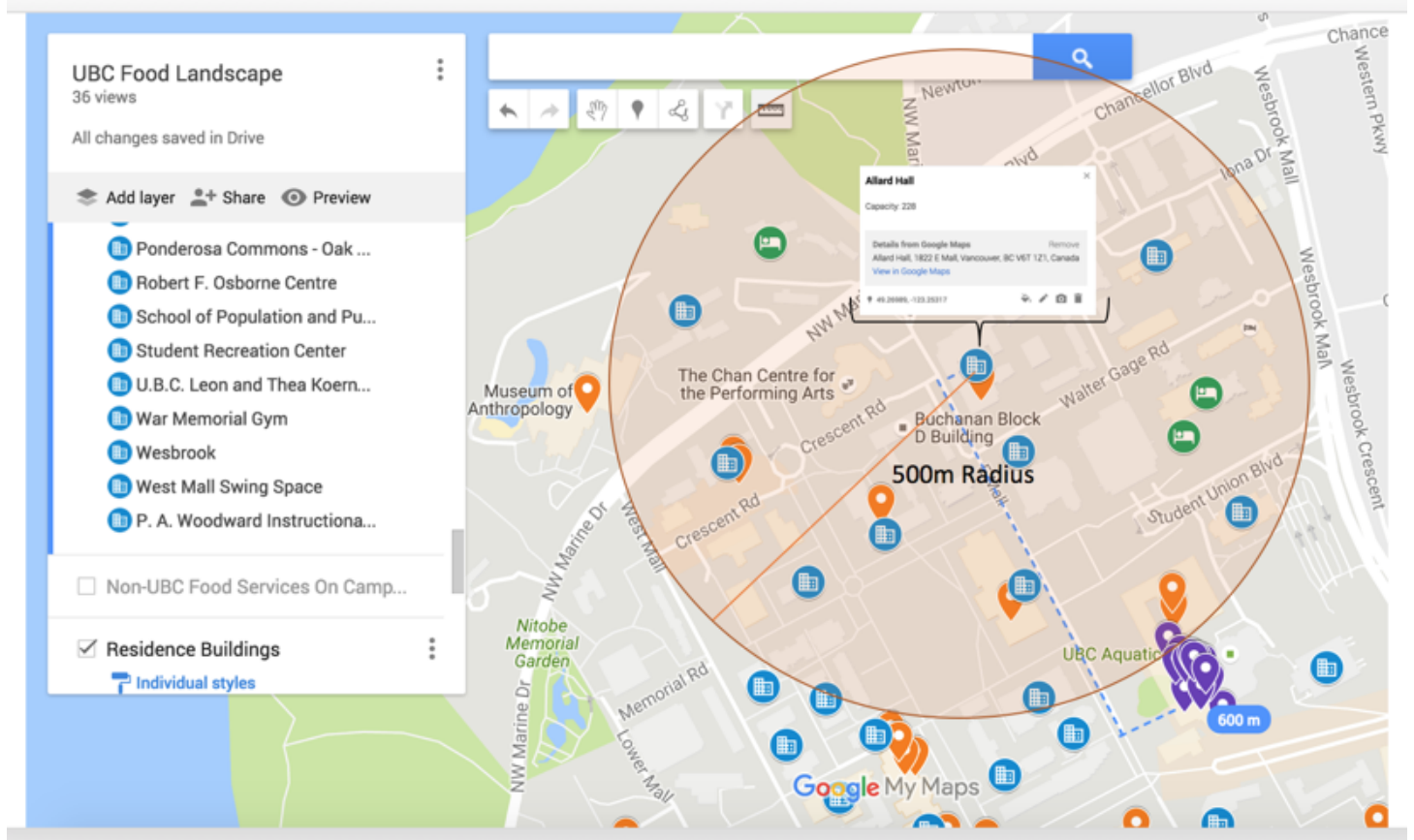
Appendix K – Intelligent Mapping Software Comparison:

	CMaps Analytics	Mapping Analytics
Setup Fees	Consulting → $2,000	$2,500-$5,000
Ongoing Fees	$188/month → $2,256/year	~$500-$1,000/year
Process	- Consulting company to collect all data currently available and gather information from map layers, competitors, UBC buildings & residence - Data and layers inputted into dashboard built by Antivia DecisionPoint - Dashboard inputted into CMaps intelligent map	- Consult with Mapping Analytics to custom build program and mapping software to bring all data and inputs together
Setup Time	2 week – 1 month	2 weeks – 2 months
Input	Sales data, market data, demographics, UBC Food Services & competitor locations, offerings & prices, consumer faculties & programs, consumer data from the loyalty program, can work with Excel workbooks to be inputted into dashboard	Sales data, market data, demographics, UBC Food Services & competitor locations, offerings & prices, consumer faculties & programs, consumer data from the loyalty program, define what you are trying to optimize (e.g. being far from competitors, maximize foot traffic, etc.)
Output	Optimal location, offering, target consumer, type (e.g. quickstop, restaurant, etc.)	Optimal location, offering, target consumer, type (e.g. quickstop, restaurant, etc.)
Ongoing Implementation	Dashboard and intelligent map easily accessible, and available to update through simple software	Intelligent map software easily accessible and available to update
Support	Self-service tutorials, consulting services	Phone and web support
Contact	███████████████████	███████████████████

Appendix L – Timeline:

Appendix M – Costs:

Implementation Components	Initial	Ongoing
Location Signage	$34,000	
Website Upgrades	$2,500	
UBC Foodies		$5,000
Renovations		$80,000
Promotional Displays		$3,000
Marketing & Data Analytics Manager		$83,000
Data Analytics Set-up	$2,500	
Loyalty Program Set-up	$5,000	
Mapping Software		$2,256
Total	$44,000	$173,256

Sources:
- Location Signage
  - 34*$1000=$34,000
  - http://www.sandboxsigns.com/
  - http://www.eecind.com/
- Mobile Application
  - $500,000 to $1,000,000 with Big developers.
  - $150,000 to $450,000 with Intermediate developers.
  - $50,000 to $100,000 with Freelance developers.
  - http://savvyapps.com/blog/how-much-does-app-cost-massive-review-pricing-budget-considerations
  - http://www.forbes.com/sites/groupthink/2014/11/11/the-true-cost-of-building-a-mobile-app/#3f0270787676
- Website Upgrades
  - $2,000 to $5,000 Basic design website.
  - $7,500 to $30,000 Advance Website.
  - $15,000 to $100,000 Custom Website.
  - https://www.atilus.com/what-does-a-website-cost-web-site-development-costs/
- UBC Foodies
  - $5,000 (budget) (volunteer team)
- Renovations:
  - $5,000-$10,000 per location
  - http://www.projectservices.ubc.ca/portfolio/renovation/international-house.htm
  - http://www.ubcproperties.com/portfolio_list.php?category=Alphabetical&list=(A-G)
- Promotional Displays:
  - $3,000
  - http://www.adxperts.com/display-products/
- Marketing & Data Analytics Manager:
  - $83,000/year
  - https://www.glassdoor.ca/Salaries/vancouver-marketing-manager-salary-SRCH_IL.0,9_IM972_KO10,27.htm
- Loyalty Program Set-Up:
  - $5,000
- Mapping Software:
  - CMaps Analytics: $88/month (CMaps) + $100/month (Antivia) + $2,000 setup
    - Source: Spoke to Ryan in sales over the phone
  - Mapping Analytics: $2,500 - $10,000 + $500/year ongoing
    - Source: Spoke to the President, Mark Robinson, over the phone

Appendix N – NPV Calculation:

WACC Calculation	Rate
Risk Free*	1.676%
Market Risk Premium**	5.60%
WACC	7.28%
*Government of Canada 10-Year Bond Yield (Retrieved Dec 1, 2016)	
**S&P TSX Market Risk Premium (Retrieved Dec 1, 2016)	

For the net present value calculation, a weighted average cost of capital (WACC) of 7.28% was used, which includes the risk-free rate and the S&P TSX market risk premium.

Year	0	1	2	3	4	5
Best Case Growth		12.5%	17.5%	22.5%	27.5%	32.5%
Base Case Growth		10%	12.5%	15.0%	17.5%	20.0%
Weak Case Growth		7%	9.0%	11.0%	13.0%	15.0%

Year	0	1	2	3	4	5
Best Case	($44,000)	$17,008	$93,113	$169,219	$245,324	$321,430
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PV Weak Case	($44,000)	($62,184)	($31,513)	($4,717)	$18,589	$38,755
NPV Best Case	$601,315					
NPV Base Case	**$158,391**					
NPV Weak Case	($85,071)					

Assumptions and Basis for NPV Calculation:
The focus of the NPV calculation is to consider the positive impact of the implementation on the UBC Food Services locations currently outputting negative net incomes. In the past year, these locations had an aggregate loss of -$1,522,110. The implementation has the goal of creating a marketable UBC Food Services brand, communicating the value proposition and tracking consumer data to identify potential gaps. As such, a sensitivity analysis of the NPV calculation uses varying percentages of growth (e.g. 10% increase in negative net income earners – -$1,522,110 → -$1,369,899) and measures the positive impact made by the implementation (-1,369,899 – (-1,522,100) = 152,211), assuming all other factors remain equal. These positive net income impacts are taken over the course of five years to calculate the NPV.

Appendix O – Business Model CANVAS (Before):

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customer Segments
UBC Farm Local food suppliers Franchisees Employee union UBC administration SEEDS	Meal plans Food supply - quickstops, cafetarias, restaurants Catering	Providing students access to food everywhere on campus in a sustainable way and a focus on helping the environment	Varying opinions to different UBC food service locations Low brand loyalty	Largest consumer segment: - Undergraduate students Other segments: - Graduate students - Staff - Faculty - Tourists & Visitors
	Key Resources Vision of UBC university UBC SEEDS Sustainability Program		**Channels** 34 UBC Food Services owned franchises and own brands	

Cost Structure	Revenue Streams
Labour (union employees) Percentage of food sustainably & ethically sourced (e.g. 5% from UBC Farms) No rent (land owned or long term leased by UBC)	Selling food & beverages at: restaurants, fast food locations, cafés Catering services

Appendix P – Business Model CANVAS (After):

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customer Segments
UBC Farm Local food suppliers Franchisees Employee union UBC administration SEEDS	Meal plans Food supply - quickstops, cafetarias, restaurants Catering Intelligent mapping of the UBC food landscape Loyalty program for the consumers	Providing students access to food everywhere on campus in a sustainable way and a focus on helping the environment Developing on the Value Proposition noted above further by communicating it to the consumer base and interacting with them for future growth	Varying opinions to different UBC food service locations Low brand loyalty Building a marketing campaign to communicate UBC Food Services values and building comforting and welcoming environments	Largest consumer segment: - Undergraduate students Other segments: - Graduate students - Staff - Faculty - Tourists & Visitors Locate consumer gaps in the market to target existing and new offerings (e.g. growing international student population)
	Key Resources Vision of UBC university UBC SEEDS Sustainability Program		**Channels** 34 UBC Food Services owned franchises and own brands Changing and adding new offerings according to market gaps	

Cost Structure	Revenue Streams
Labour (union employees) Percentage of food sustainably & ethically sourced (e.g. 5% from UBC Farms) No rent (land owned or long term leased by UBC) Intelligent Mapping Ongoing marketing campaign Renovations & upgrades	Selling food & beverages at: restaurants, fast food locations, cafés Catering services