



HOW TO OPEN A BUBBLE TEA SHOP

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INTRODUCTION

First, a little bit about us:



My name's Mike and I'm the founder of **BubbleTeaology**. I'm originally from Illinois but I spent 5 years living in Taiwan and two of those years working for one of the biggest bubble tea shops in Taiwan.

Now we supply the best ingredients and equipment from Taiwan (birthplace of bubble tea) to bubble tea shops in the US and around the world.

I believe in forming long lasting business relationships and I'm personally involved with all of BubbleTeaology's customers.

I'd love to hear your story!

Please tell me a little bit about yourself, your background and why you want to open a bubble tea shop.

Email: service@bubbleteaology.com

WHY OPEN A BUBBLE TEA SHOP?

If you're reading this, then you must already be interested in opening a bubble tea shop. Maybe you had some while you were visiting your friends or family and thought it would be great back in your hometown. Or maybe you just love bubble tea and will bring your passion to your business.

Either way, there has never been a better time to open up a bubble tea shop. This "fad" isn't fading away and bubble tea continues to increase in popularity throughout the world.

Not only is selling and making bubble tea fun but bubble tea is a relatively cheap drink to make. With high quality ingredients you can make a 700ml (24oz) bubble tea for as little as \$0.70 USD and sell it for \$4-6.00 depending on your location. That's a lot of left over room for profit!



Here's a famous Taiwanese franchise with a line out the door!

MAKING BUBBLE TEA

To make really great bubble tea, you just need a few things:

- A High Quality Bubble Tea Powder or Syrup (this is a powder recipe)
- Tea (or Hot water)
- A Shaker Cup
- A Stirrer
- Ice
- Tapioca Pearls (boba)

Bases: Bubble Tea can be made with many different “bases”, Green Tea, Black Tea, Earl Grey or even water. The base will change the taste of the drink and some flavored powders are better with certain bases than others. One of my favorites is Jasmine Green Tea with Taro Tea powder!

Once your tapioca is cooked (www.bubbleteaology.com/cook-tapioca-pearls/) now you need to brew your tea. (If you're using water as the base, then just replace the tea with water). However, it is absolutely imperative that you use HOT tea (or water) when mixing your Bubble Tea Powder. Otherwise it won't dissolve completely and will end up lumpy!

Bubble Milk Tea with Powder



500ml (16oz) – 2.5 scoops of bubble tea powder (50 grams)

**Optional, 20 grams of non-dairy creamer, 20 grams of liquid fructose.

1. Add powder to a shaker cup.
2. Add 100ml of your base (hot green tea, black tea or water).
3. Stir until the powder is dissolved.
4. Add ice to just above the line, e.g. 500ml
5. Fill to the line with your base (hot green tea, black tea or water)
6. Shake for 8 seconds
7. Serve and Enjoy

START UP COSTS

Opening a Franchise Bubble Tea Shop can cost well over \$100,000 but opening up your own bubble tea shop can be much cheaper. Today we'll talk about the startup costs, the operating costs and then the profits.

The startup costs can vary depending on the size of your store but will generally be \$15-30,000.

Here's a basic example of what a basic store's startup cost will look like:

\$5,000 Initial Inventory

\$1,000 Bubble Tea Cup Sealer

\$1,000 Bubble Tea Shaker

\$1,000 Fructose Dispenser

\$1,000 Cups/Straws/etc

\$2,500 Stainless Steel Counter

\$1,000 Ice Machine

\$1,000 Refrigerator

\$1,000 P.O.S.

\$ 5,500 Misc.

\$20,000 Total

***This is just an example and doesn't include things like construction or remodeling which will depend on your lease location.**

Budget Store:

If you're on a budget, there are many things you can do to lower your startup costs. For example, you can rent an ice machine and refrigerator until your business is established.

Whatever your budget is, we can help you open up the right store for you!

OPERATING COSTS

Your Operating Costs are basically your fixed costs plus your variable costs.

Fixed costs are things like your rent and bills while variable costs could be your inventory and how many employees you schedule at one time.

Here's an example of what it might look like:

Fixed Costs

\$2,000-Rent

\$1,000-Bills

\$1,000-Insurance

\$1,500-Other

\$5,500-Total

Variable Costs

\$2,363 -105 Cups Sold/Day x (.75) x 30

\$ 750 - Employee Opening/Closing Time

\$3,750 - Employee 1

\$6,968 Total

Fixed Costs \$5,500 + Variable Costs \$6,968 = \$12,467.50 Monthly Costs

PROFITS

The main reason to open any business is to make a profit. Obviously delivering a great tasting beverage to happy customers is a main point as well, but without profit, there isn't a business.

A good metric to measure profits in the beverage industry is to find out your average price for a cup sold and multiply that by the number of cups sold per day.

So, for this example, we'll say that the average price of a cup sold is \$5.00. We also calculated the operating costs for this example as \$12,600/month. So this means that we need to sell \$12,600 month/\$5.00 cup which equals 2,520 cups/month. Now divide this by 30 days (1 month) and we have our daily rate of 84 cups. This is the breakeven point.

In this example, anything over 84 cups sold per day will be profit.

84 Cups – Breakeven Point with 1 employee

100 Cups – \$2,400 Monthly Profit

150 Cups – \$9,900 Monthly Profit

Remember that selling more cups may require additional employees. For example, if you sell 300 cups/day you may need to add another employee which will raise your operating costs.

*I also have a "Break Even Analysis" in an excel document that you can use to perform your own breakeven analysis and projected sales analysis.

PRODUCT AND EQUIPMENT SOURCING

We only carry Premium Bubble Tea Machines and Ingredients. Bubble tea was invented in Taiwan and all genuine Bubble Tea comes from Taiwan. All the big brands like Chatime, Lollicup, Gongcha, etc. are all Taiwanese Tea Shops that get their products from Taiwan.

We have a warehouse located in Northern California where we supply Bubble Tea Shops all over the US.



International Customers:

We also ship products directly from Taiwan to our international customers.



-Email us today to receive our [wholesale product catalog](#)-
service@bubbleteaology.com

BUBBLE TEA MACHINES



Bubble Tea Sealer Machine

Our Sealer Machine can seal PP, PET and Paper cups. This sealer is known for its reliability so you don't need to worry about it constantly breaking down during shifts. Our sealers are trusted around the world for their quality and reliability.



Bubble Tea Shaker Machine

The Dasin SK300 is our most popular bubble tea shaker. It features a sleek and modern design to accentuate your Bubble Tea Shop. Using a shaking machine will reduce employee costs and the new compact design also saves valuable counter space.



Bubble Tea Fructose Dispenser

Automatic Fructose Dispensers will dispense a consistent amount of sugar every time. You can easily program the buttons to dispense the exact amount of sugar that your customer wants. This ensures that your drinks are consistent and takes the guess work out of your employees jobs.

YOUR BRAND AND LOGO

Your brand and logo will help you stand out from the competition. When someone decides to open up a bubble tea shop they basically have two options. You can start your own, or you can be part of a franchise.

The advantage of being a part of a franchise is that they have already taken care of your brand and logo for you. All you are doing is selling THEIR products. Other customers also may have heard of the brand so it carries brand recognition or loyalty.

One of the main disadvantages is the startup fee. I have heard the fee ranging anywhere from \$25,000-75,000 just to be able to use a franchise brand name! This is quite a lot of money for the privilege of selling someone else's products. Another disadvantage is that there will be the rules of the franchise that you have to follow. You will have some freedom of being the "owner" but you will not ever truly own the franchise, in the end it is still owned by the franchising company.

We can print your logo on your cups and sealer film to help establish your brand.



PUTTING IT ALL TOGETHER

I hope that you found this information helpful.

Starting your own bubble tea shop can be one of the most exciting experiences of your life. However, like starting any business, it can also be extremely scary!

We can provide Premium Bubble Tea Machines and Ingredients to make sure that your bubble tea shop is a success!

Sincerely,

Mike

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