



Cause Driven Cafes: Defining, Modeling, and Mapping Spaces in Delhi

Rachel Ganson

Researching Reality Summer Internship 2015

Working Paper: 338



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Abstract

The purpose of this study is to investigate the phenomena of cause driven cafes Delhi, and to assign a working definition of cause drive both for this study and future studies. As cafes with a mission began rising up in and around Delhi, it is beneficial to map their business practices, supply chains, and consumer demographics. Doing so will help all stakeholders better understand these new businesses, and can aid evaluations of local entrepreneurship. This study will cover three case studies of cause driven cafes, analyze the potential for street vendors to enter the supply chain, and explore the definition of cause driven. It concludes with recommendations for further research.

Acknowledgements

There are countless people who have made the past six weeks at the Centre for Civil Society possible, the least of these being Mr. Parth J Shah, whose tireless dedication to his vision has established one of the most notable think tanks in the world. Thanks to Mr. Rohan Joshi in his capacity as Research Director of the Researching Reality Internship for inviting me to join this year's impressive group of interns and for welcoming me to the program. Special kudos to Sadaf Hussain and Meril Antony for being there for advice and guidance, from the application process to the final draft submission, and also for brightening each day at the office. Thanks and "Cheers!" also to my fellow interns—it has been a pleasure working with you, and I will not soon forget our time together. When I think of CCS in the future, it is each of you who will come to mind.

Finally, thank you to everyone at home for your part in this endeavor. To the University of Notre Dame, especially the Hesburgh-Yusko Scholars Program, thank you for seeing promise in my dreams and funding them. And of course, infinite thanks go to my family—Dad, Mom, Aaron, Ryan, Matthew, and my grandparents—for making me the person I am today. It is only with your unconditional love, encouragement, and support that I am able to pursue my goals. I owe you so much more than these sentences can convey, and have a stockpile of hugs waiting for you all when I return home.

1. Introduction

Cafes across the world have long been a unique locale for consumers. Unlike traditional restaurants, cafes offer informal settings to eat, drink, and converse. Recently a phenomenon has been occurring, and it has reached Delhi. Cause driven cafes have been appearing, and with them come a number of questions. The least of these is, "How exactly should 'cause driven' be



defined?" Indeed, "cause driven" is a rather abstract concept currently, and there are no working definitions for this type of business approach specifically. Without a specific answer to this question, there is no system for distinguishing cause driven cafes from traditional cafes. In order to address the needs of consumers, this is an important distinction to make. Additionally, cause driven spaces are still a novelty, especially among cafes. It is therefore imperative to determine the problems within the current business model, or even point out aspects of the system that could be improved upon to induce greater overall benefit. Working through these problems could introduce new stakeholders into the business cycle, thus promoting local entrepreneurship and investing in the surrounding community and in Delhi. As a rapidly growing, metropolitan city, Delhi is encountering a rush of new ideas. Cause driven cafes are just one example, and they promise to give a great deal back to local citizens. It is an opportunity that cannot afford to be squandered.

Before delving further into the findings and analysis of this project, it is necessary to first contextualize "cause driven". For the purposes of this study, "cause driven" is attributed to a business whose goal is intentionally twofold: to support or advocate for a specific mission or objective while also succeeding as an economically profitable enterprise. Such a definition contains nuanced points that are important to comprehend in order to fully grasp the concept of cause driven explored in this paper.

First, a cause driven organization must be a for-profit endeavor. Non-profit organizations (NPOs) are therefore excluded from this definition of cause driven. This is because, while non-profits by and large are advocates of particular social issues, they do not aim to be economically profitable in their industry. Next, an organization that is philanthropic as a secondary objective is not cause driven. The definition applies only to those businesses in which advocacy, social inclusion, or charity is foundational to the business model. The two aims of a cause driven organization must receive equal attention, and neither holds priority. That is, if the business is unprofitable, then the social advocacy fails; likewise, if the mission is not upheld, then the intended business model has also failed.

Moreover, within this paper "cause" is not limited to missions to improve social wellbeing or advocate for the underprivileged, though these certainly fall within the boundaries of "cause." Finally, it is important to note that this definition was derived retroactively. There was no working definition of "cause driven" applicable to this study, so pre-screening the cafes was not possible. The interviews of all available cafes were conducted first, and only after the findings were analyzed was the definition above reached.



2. Background

2.1 Objectives, Research Question, and Hypothesis

Objectives

- Define “cause driven”
 - Establish a working definition for this research context
 - Ensure the definition is transferrable to non-café organizations/businesses
- Summarize the basic business model for cafes fitting the aforementioned definition
 - Map business practices and objectives
 - Evaluate sustainability of model
 - Compare and contrast the models and find similarities and differences
- Analyze supply chain of cause driven cafes
 - Pinpoint entrance points for street vendors
 - Identify why or why not local foods are being sourced
- Make recommendations for existing businesses to promote local entrepreneurship and engage in CSR

Research Question: What are the different components of cause-driven cafes, and how is local entrepreneurship promoted through them?

Hypothesis: If cause driven cafes optimize their capacity as social entrepreneurs, then they will be able to promote local entrepreneurship and engage social action in ways that traditional cafes, restaurants, and other businesses cannot.

2.2 Literature Review

In order to develop an initial conceptual understanding of “cause driven,” background research primarily consisted of online articles regarding various cause driven structures in other Indian cities .All the cafes surveyed in these articles had adopted the Pay What You Want (PWYW) price model, where the café menu does not come with fixed prices. Smita Pranav Kothari calls this a generosity enterprise,¹ though it is also called gift culture in other sources.² Initial background research also led to May Day Bookstore and Café and Kunzum Café, both of which have also assumed a PWYW structure. Both these cafes are examined as case studies in this study. Kunzum was founded first, notable because the founder quit his job in order to start

¹ Kothari, Smita Pranav, “Seva cafe serves generosity on a platter,” *Forbes India*, April 11, 2013.

² Jain, Manish and Shilpa Jain (eds), “Reclaiming the gift culture,” *Shikshantar: The Peoples’ Institute for Rethinking Education and Development*, December 2008.



travelling professionally and later started Kunzum Café as a traveller's café.³ May Day café received a great deal of attention because of its left-wing political philosophies⁴ in addition to the uncommon pricing for café products.⁵

The common theme among these cafes—the PWYW pricing—was familiar, as a well-established organization in the United States has been attempting to succeed using this payment method. Panera Cares is a chain of restaurants under the Panera brand that offer all meals as PWYW. The intention behind this endeavor is to provide nutritious meals for those who may not be able to otherwise afford one.⁶ The café hopes to be sustainable, running on the generosity of those who have in order to benefit those who have not. Unfortunately, the success of such an admirable endeavor could not be determined at this time.

Such aspirations speak to the Panera Foundation's dedication to Corporate Social Responsibility (CSR), another concept that was studied in preparation for this project. There are various arguments regarding the value of CSR. Some organizations support it fully, claiming an obligation to do good when economically profitable. In a book designed to assist corporations in their CSR engagements, the first chapter, "The Case for Doing at Least Some Good," offers a variety of reasons to participate in social action. They include both the benefits to the company as well as the cause.⁷ Though Kotler and Lee do acknowledge some of the obstacles faced in CSR, they are on the whole optimistic about the benefits of such participation. On the other hand, David Henderson is less enthused, claiming that CSR undermines capitalistic values and poses more problems to society than it fixes.⁸

My secondary research involved learning how business models and supply chains are formed. First, I studied the process of developing a business model. Henry Chesbrough examined the development of business plans in the technology sector, identifying the main benefit of creating a business plan is to define the goals of the business and identify areas open to innovation.⁹ Next, Jack G.A.J. van der Vorst's detailed work outlining the complex process of

³ Kumar, Ajay, "Money-making venture: How Ajay Jain's Kunzum Café in Hauz Khas has generated corporate interest," *The Economic Times*, October 31, 2011.

⁴ Arora, Kim, "Not to be left behind," *The Times of India*, June 14, 2012.

⁵ Verma, Rahul, "A café for dialectic and reading," *The Hindu*, March 24, 2013.

⁶ Horovitz, Bruce, "Non-profit Panera café: Take what you need, pay what you can," *USA Today*, May 17, 2010.

⁷ Kotler, Philip, and Nancy Lee. "The Case for Doing at Least Some Good." In *Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause*, 1-19. Hoboken, NJ: Wiley, 2005.

⁸ Henderson, David, "Misguided virtue: False notions of corporate social responsibility," Institute of Economic Affairs, 2001.

⁹ Henderson, David, "Misguided virtue: False notions of corporate social responsibility," Institute of Economic Affairs, 2001.



fully creating and analyzing a supply chain. Though large portions of the text were not applicable to this study, because of differences in topic and time frame, I grasped a basic understanding of the essential components of a supply chain.¹⁰

Lastly, a brief survey of how causes and values impact customer behavior was undertaken. Stuart Elliott of *The New York Times* outlines the potential pitfalls of corporations marketing socially conscious products and therefore appealing to the consumer's pathos.¹¹ Though this marketing strategy could prove extremely fruitful, as James Alan Reed found, there must be a significant level of sincerity involved in the process, or consumers will be put off by the product or company.¹² This information regarding sincerity proved extremely insightful when developing a definition of cause driven.

2.3 Methodology

Because the status "cause driven" is not attributed to any cafes in Delhi, locating cafes that would fit this study proved complicated. In total, fourteen cafes were identified as potentially cause driven. Of these, six agreed to participate in the study; three met the conditions of cause driven for this study. All fourteen of the cafes were either recommended to me via word of mouth or on Zomato.com, an online restaurant database.

The six cafes that responded favorably were asked for interviews, four of which actually occurred. Interviews were designed to facilitate free-flowing conversation while answering queries regarding business goals, supplier sources, consumer demographic, and future aspirations for the café. Due to the small number of interviews conducted, the three cause driven cafes—Chill & Chai, May Day Bookstore and Café, and Kunzum Café—will be presented as case studies. Analysis of the case studies led to a retroactive definition of cause driven—the main contribution of this research. Finally, recommendations for further research are given in the conclusion.

2.4 Limitations

The primary limitation of this study was time. Six weeks is just enough to dip one's toes in the water when it comes to research, especially for a topic as broad and uncharted as this. The

¹⁰ van der Vorst, J.G.A.J., "Effective food supply chains: Generating, modelling, and evaluating supply chain scenarios," Wageningen University, September 22, 2000.

¹¹ Elliott, Stuart, "Selling products by selling shared values," *The New York Times*, February 13, 2013.

¹² Reed, James Alan, "Customer selective pricing and cause related marketing: Does it affect consumers' incentive to give?" Texas Christian University, May 2, 2014.



findings of this study reflect the inadequacy of this time frame to fully address this issue. Along these lines, the time frame did not allow for a representative number of cafes to be interviewed. With only three cafes, this study only makes broad generalizations regarding cause driven cafes. Even the definition of cause driven may not prove accurate upon further analysis of Delhi cafes.

So far as the methodology is concerned, I was restricted to only conducting one in-person interview for each café. While this certainly was the most available and accurate means of gathering data, it did not offer a holistic view of all the café's functions. It would be valuable to conduct lengthy participant observations, both of managerial effectiveness and consumer demographic. Furthermore, investigating further the suppliers of the cafes would prove immeasurably valuable to the mapping of supply chains and therefore to identifying entrance points for local vendors.

Another limitation was the cafés' ability to meet with me. Because in-person interviews were so important, I attempted to set one up with each café. The majority never responded to my multiple emails or telephone calls. Even if I reached the cafes, some interviews could not be arranged. Observations and analysis of Kunzum Café, offered as a case study, came from personal visits to Kunzum Café and from online sources. An interview of owner Ajay Jain was not possible due to his travel schedule during this period of time. One café, Café Wanderlust, simply failed to show for the date of the interview, and attempts at correspondence were not reciprocated after that date.

3. Findings & Case Studies

3.1 Introduction to Case Studies

As for the case studies, please note that there is not a representative sample to draw any concrete conclusions. Contrarily, all the data presented is extremely malleable and should be examined as such. These case studies offer a surface-level glimpse into the diversity in mission, approach, and execution among cause driven cafes in Delhi. Each case study will offer basic information and personal commentary particular to the café in discussion. Important in these case studies are the commonalities, rather than differences, as it is from these the definition of cause driven is derived. Each case study will include a brief introduction to its cause, a basic business model, and a simple supply chain (SC).

According to Chesbrough (2009), the purpose of a business model is the following:¹³

¹³ Henry Chesbrough, "Business Model Innovation," 355.



- Detail the value to consumers
- Indicate the target consumer demographic
- Describe the business's value chain
- Identify revenue inputs
- Predict costs and estimate profits
- Develop an actionable plan for facing competition in the market

Though the limitations of this study do not permit for an in-depth analysis of any of these points, this report will attempt to briefly identify the first three and offer a personal commentary on the last. This study makes no claims to understanding the cafes well enough to predict the profits of these cafes, or adequately pinpoint the revenue inputs other than the general customer. Such a simple business model is therefore obviously incomplete, but nonetheless a valuable introduction into the workings of cause driven cafes. Moreover, these models will be compared to those of traditional cafes, and in doing so will help to further distinguish cause driven apart from non-cause driven entities.

Next, the work of Jack G.A.J. van der Vorst guides the formation of the supply chain models.¹⁴ The article in its entirety is not applicable to this simple study, but supplied a holistic understanding of supply chains and what critical elements must be included in them. Therefore, the following measures were taken to develop the supply chain models in each case study:

- Define objectives of the SC
- Identify the SC network
- Determine customer demands
- Pinpoint sources of uncertainty

The ultimate goal in mapping a supply chain is to improve supply chain management (SMC). This is done in the hopes of satisfying all supplier participants involved while optimizing value for the end consumer.¹⁵ It is important to not that in the case of identifying the SC network, van der Vorst emphasizes that a supply chain is one entity which includes the SC network, but also the SC business processes and SC management components.¹⁶ Together, these make up the SC model. However, this study is restricted in its capacity to fully analyze even one component, let alone all three, and therefore only identifying a section of the SC network was viable.

¹⁴ Jack G.A.J. van der Vorst, "Effective food supply chains: Generating, modelling, and evaluating supply chain scenarios," Wageningen University (2000).

¹⁵ Ibid, 26.

¹⁶ Ibid, 20.



With these processes in mind, the business model and supply chain provided in the case studies below should be taken with a grain of salt. Because each café is being presented as a case study, there is no qualitative data to present as a single business model for cause driven cafes. Similarly, each supply chain is unique to the café and the particular cause it serves. Understanding this we can now move forward to the case studies.

3.2 Case Study One: Chill & Chai Café

Located on Khirki Extension Road, Chill & Chai is housed by Khoj International Arts Studio. Open daily except Sundays from 9:00AM to 6:30PM, Chill & Chai offers a full array of café products for both breakfast and lunch. Borne out of the creativity of co-owners Michael and Coraline and opened in January 2015, Chill & Chai was conceived to offer a relaxing, welcoming environment to engage customers in meaningful social action. According to Michael, the initial idea was to offer meals at a “buy one, give one” price. For each meal ordered, the cooks would just make double; the second meal would be given to a charity or non-profit that served the meals to the underprivileged and food insecure. The concept is a beautiful one, and while Chill & Chai still hopes to one day achieve such a goal, Michael and Coraline realize the importance of first becoming an established and profitable business. It could take a few years before Chill & Chai is able to make that move, but it is a dream that seems unlikely to be forgotten.

Meanwhile, Chill & Chai has found a plethora of other social causes to support. Considering it is housed in an art studio, it is unsurprising to find paintings hanging on the walls and artistic cups and mugs standing on shelves. Both types of products are available for sale, but even more enticing is the opportunity to support local non-government organizations (NGOs) and NPOs with each purchase. For example, one set of colorful paintings were created by a local artist who approached Chill & Chai about selling her work there. When Michael and Coraline explained that typically products sold at Chill & Chai assist a charity or NGO, the artist was eager to donate 30 percent of her profits to the Udaya Trust in Varanasi, which helps train and employ female burn victims.

Yet another example is one of the cooks, Moses, who makes his own spices. He both uses and sells the spices at the café. One quarter of the profits are given to a local school fund for children living in slums. This kind of generosity is found in nearly every nook and cranny of Chill & Chai, and many of the products are even created by the NGO’s themselves. Various organizations also leave brochures at the check out counter, so each customer has the opportunity to learn about local endeavors and potentially contribute to them.

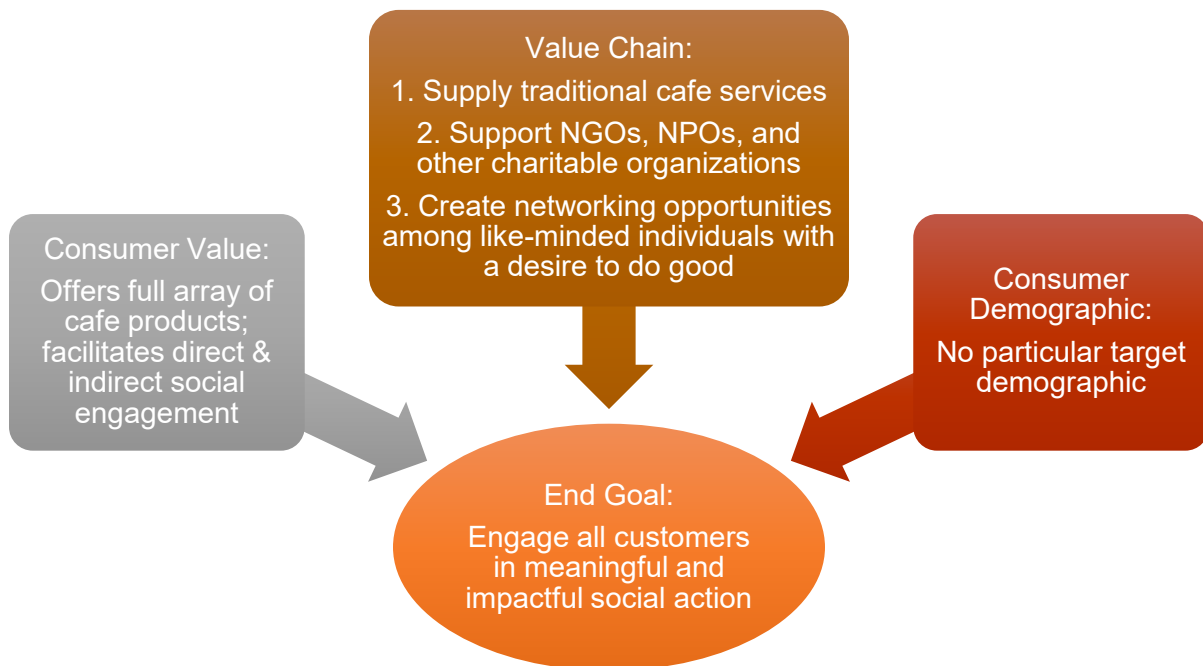
But Chill & Chai does more than just provide the chance to engage in social action. In each transaction the customer is participating in philanthropic work. As previously stated, even the



spices used for the meals support slum children. Likewise, Chill & Chai purchases all their pasta from DP Pasta Services, a company which donates an astounding 90 percent of its profits to different education and job training projects in slums. Furthermore, DP Pasta trains and employs individuals with little or no education. Through their employment the workers also learn English, which advances their job prospects for the future as well. So whether customers order biryani or spaghetti, their meal purchase is supporting valuable causes within Delhi. Whether customers enter with philanthropic intentions or mere curiosity to try a new café, Chill & Chai has set itself up so every person is positively impacting the lives of underprivileged, uneducated, and all too often forgotten peoples of both Delhi and India.

In order to fully understand how Chill & Chai seeks to succeed in its mission, a simplistic business model has been provided in the chart below.

Chart 3.2.1: Chill & Chai Business Model



First, Chill & Chai's value to consumers is twofold; it supplies a demanded service as a café as well as facilitates both direct and indirect social engagement. On the first count, cafes have proven to be successful in Delhi, as evidenced by the sheer number of them around the city. Chill & Chai is not unlike other cafes in that it recognizes the demand for a low-key



environment to grab a coffee or tea, perhaps some food, but mostly to sit and relax in a pleasant atmosphere. These kinds of places are gaining popularity, so Chill & Chai's endeavor seems likely to be economically profitable (other factors aside). On the second count, Chill & Chai seeks to fill—or perhaps even create and fill—a niche in the community. Though purely speculation on part of this study, social action is becoming fashionable, in a sense, especially among the youth population. Participating in at least some kind of social justice is viewed very favorably, whether the intentions of the individual are altruistic or not. This is not a commentary by any means on the type of work Chill & Chai engages in. In fact, it is likely that such an endeavor would be unsuccessful if Michael and Coraline were anything but honest and dedicated in their purpose. Rather, there seems to be a very real demand for opportunities to partake in philanthropic work, and Chill & Chai happens to intersect that demand.

The value chain for Chill & Chai can be simplified into three main parts: 1) Traditional café services, 2) Support of NGOs, NPOs, and other charitable organizations, and 3) Networking opportunities among individuals hoping to engage in similar cause driven missions. The first is merely the café itself—a space serving coffee, tea, snacks, meals, and the like. The second has previously been described in greater detail. Chill & Chai has ensured that each customer is offered a plethora of choices when it comes to social engagement. The third part is easily enough understood. As Michael and Coraline noted, as Chill & Chai gains repute among café-goers and the philanthropic-minded, it becomes a common space for these individuals. Thus, there will be a convergence of like-minded people. Chill & Chai shows promise as a location where positive, meaningful relationships are formed, connections that could lead to creative and innovative solutions to pertinent social issues.

So far as a target demographic goes, Chill & Chai has expressed openness when it comes to the type of customers who walk through its doors. Because the business only opened in January 2015 the café has yet to turn a profit. In their current situation, the café cannot afford to be picky when it chooses who they draw to the space. Even after they become financially stable, though, Michael and Coraline do not indicate they will specifically target any particular group. They believe that the types of people who will come to Chill & Chai are likely going to be those who desire to engage in social justice work, and who are intrigued by the uniqueness of Chill & Chai and want to meet like-minded individuals.

Currently, the most significant hindrance is the location. Not twenty meters from Khoj Studios is Press Enclave Marg, a major road. Right across the road is the large Select Citywalk Mall. This should bring incidental footfall to Chill & Chai, but it won't. There is a barrier between Chill & Chai and Press Enclave Marg, so what could otherwise be nearly direct access to a bustling area is nothing more than noise over a wall. There are a number of signs pointing the way to Khoj Studio once on Khirki Extension, making it easy enough to find only if you are trying to find it.



Otherwise, there is no sign for Chill & Chai café until one actually reaches Khoj Studio. Chill & Chai is therefore limited to customers who have already heard of it, or who visit Khoj Studios. Unfortunately, the location leaves little room for intriguing potential customers from afar. Exactly how Chill & Chai plans to deal with this issue is uncertain, though they are very aware of the issue it poses. As a young café, the focus is still on ironing out the other details, trusting word-of-mouth of satisfied customers for the time being.

The issue of location aside, it is the unique business model that will make Chill & Chai competitive in the market of cafes, cause driven and otherwise. It is both creating and filling a niche, one that café-goers may not have even realized they desired until Chill & Chai emerged on the café scene. When discussing cause driven cafes, this is a very clear-cut example of the type of creativity in the business model this study is concerned with. Though it is still early to tell, Chill & Chai shows promise in the competitive market for cafes.

Chill & Chai's supply chain is equally interesting. Some of the suppliers have already been mentioned, such as Moses's spices and DP Pasta Services. The main priority for Chill & Chai is obtaining high-quality goods and obtaining them as close to the original source as possible. Among all the suppliers for Chill & Chai, street vendors are in the top five, mainly for vegetables, fruits, and spices. Additionally, the greatest source of demand uncertainty comes from the newness of the café and a location that is not immediately accessible. The table below further describes the supply chain.

Table 3.2.1: Chill & Chai Supply Chain

Supplier	Product
DP Pasta Services	All pasta products
Blue Tokai Coffee Roasters	Attikan coffee beans
Cost-Club (online)	Milk, butter, other daily products
Street Vendors	Vegetables, fruits, spices
Tharakanand Company	Cocoa powder
Mittalteas (online)	All green teas

It is evident in the business model and supply chain that Chill & Chai has made great efforts to engage impactful programs, in turn becoming one itself. Even its desire to source foods locally, Chill & Chai is promoting local entrepreneurship and support local vendors. Despite the obstacles it faces, Michael and Coraline seem determined to hurdle each one as it come. Chill & Chai's drive to help those most in need has both opened their doors and narrowed their mission. They have welcomed a wide variety of organizations into the fold, and prove their sincerity as a cause driven organization their non-discriminatory approach to charitable



support. Michael notes, “When people are underprivileged there’s no discrimination,” a statement that underpins the value of a place like Chill & Chai. With such an altruistic goal so diligently served, Chill & Chai will hopefully be revisited in several years as a success story for cause driven cafes.

3.3 Case StudyTwo: May Day Bookstore and Café

Nestled in a corner of West Delhi near Shadipur Metro Station sits the child of Left Word Books and Jana Natya Manch (“The People’s Theater Group”). May Day Bookstore and Café was born May 1, 2015 out of a mutual desire to create a shared space dedicated to left-wing ideology but open to all individuals. Attached to the bookstore is Studio Safdar, a theater space for performances and gatherings. In order to fully understand May Day, one must recognize Studio Safdar as a distinct but integral piece to the business design. May Day is designed to be a cultural space, where literature and performance are available to anyone interested in them. Fostering understanding of and appreciation for these art forms is the foremost goal of May Day, and Studio Safdar is essential to fulfilling that goal.

The primary function of May Day is as a bookstore. The day-to-day café products offered are simply tea, coffee, and biscuits (if available). These products are offered at a “pay what you want” (PWYW) price—that is, there is no fixed price, and customers are asked to offer a donation to cover the cost of whatever they consume. Thus, the café itself is not a profit-making endeavor, but because it is inextricably linked to the bookstore it is included in this study. During theater performances, May Day purchases samosas from a nearby street vendor—again, provided as a PWYW good.

The business model for May Day is fairly simple. First, May Day promises its customers an enjoyable experience browsing for a new read. As a small bookstore, May Day seeks to offer books that are as unique as the customers who walk through their doors. Sudhanva, one of the owners, expressed May Day’s interest in providing a comfortable, enjoyable, and slightly romantic experience that differs from more corporate exploits. Far from the Barnes & Nobles’ of the world, May Day entices individuals who want to be pleasantly surprised and excited at finding a new, interesting book to read; perhaps even finding an old, beloved yet forgotten book that brings back happy memories of literary escapades. The café aims to welcome customers to sit and read their treasured findings, enjoying a cozy atmosphere surrounding by the words, pages, and bindings of worlds yet undiscovered.

Furthermore, May Day’s location is similar to Chill & Chai’s insofar as it is not in a highly trafficked area. However, this location works for May Day where it hinders Chill & Chai. Part of the reason is because May Day owns the building, eliminating the worry over rent prices. After



fundraising for nearly three years and looking in all parts of Delhi, including the popular Hauz Khas Village, the decision to settle in West Delhi was made for two reasons. The first was simply cost. Owning the space was important to May Day, and it would have taken much longer to raise enough funds to own property in more expensive parts of Delhi. The second reason was to bring a cultured environment to West Delhi, an area not known for its abundance of such spaces. The added bonus is the nearness to Shadipur Metro Station, as it is directly accessible to those in East Delhi. Though the ride may take some time, the journey is all along the same line, making the trip fairly convenient.

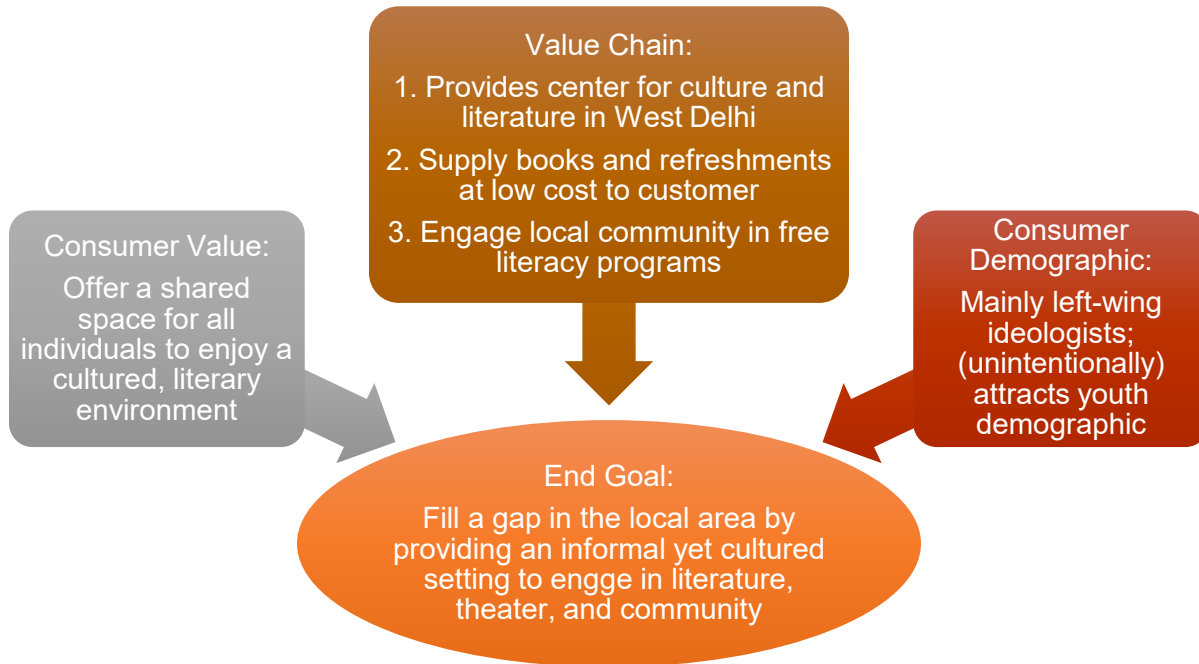
The location is key, according to Sudhanva, who points out that there are relatively no intellectual or cultural places in West Delhi, and having one that is inviting and accessible is crucial to May Day's operations. The theater performances will often attract large groups of children and young adults who have never experienced such kinds of entertainment. Curious individuals of all ages will walk through the door just to discover what it is, and they are often drawn back by the foreignness of such a place located in West Delhi.

May Day capitalizes on the situation in a way that benefits the local community. Recently May Day launched a community library program. Run by volunteer efforts, May Day helps teach children how to both read and appreciate books, free of cost. The goal is to bring kids into a cultural space and show them how enjoyable reading and performance are. Many of the participants come from lower class households, and they do not otherwise have opportunities to partake in such programs. In fact, May Day attracts a large youth crowd, full of curious individuals who do not consider themselves intellectuals. Sudhanva notes there are many university students eager to engage with cultural spaces. It is exciting for him, as he estimates that most left-wing thinkers in India are middle-aged, and he finds it refreshing to see so many young people enjoying the experience May Day provides.

This is not to say that May Day specifically targets a young demographic. In fact, May Day has a very limited presence on social media platforms, which are commonly used to advertise to younger generations. There is no specific demographic May Day is looking to draw, and because of the location and mission they receive a diverse range of individuals, though mostly young. Ultimately, May Day is welcoming to all intrigued customers. The chart below outlines the overall business plan for May Day Bookstore & Café.



Chart 3.3.1: May Day Bookstore & Café Business Model



The supply chain for May Day is very simple, since we are focusing only on the café goods for the supply chain, and not on the bookstore or theater dealings.¹⁷ The table below outlines the café’s supply chain.

Table 3.3.1: May Day Bookstore & Café Supply Chain

Supplier	Product
Local Grocer	Tea, coffee, biscuits
Street Vendors	Samosas (for theater performances or events only)

It should also be noted at this point that there is always a great deal of uncertainty when it comes to customer demand except during performances. Because May Day is a destination in itself, and not often a happenstance discovery, there is no way of determining how many people will enter the store on any given day. Especially because there are no major attractions or popular locations nearby, there is basically no incidental footfall benefiting May Day. However, the stores and vendors surrounding May Day do receive business from its customers, which is one way May Day has supported its neighboring community.

¹⁷ Though the bookstore is run by Left Word Books, it does not sell only books from their publishing house. The bookstore also runs a recycled books program, where used books can be donated and are then sold in the bookstore at low rates (anywhere from 30-100 Rs.). Highly reputable or valuable books are sold at slightly higher rates in order to recognize the literary integrity of the book.

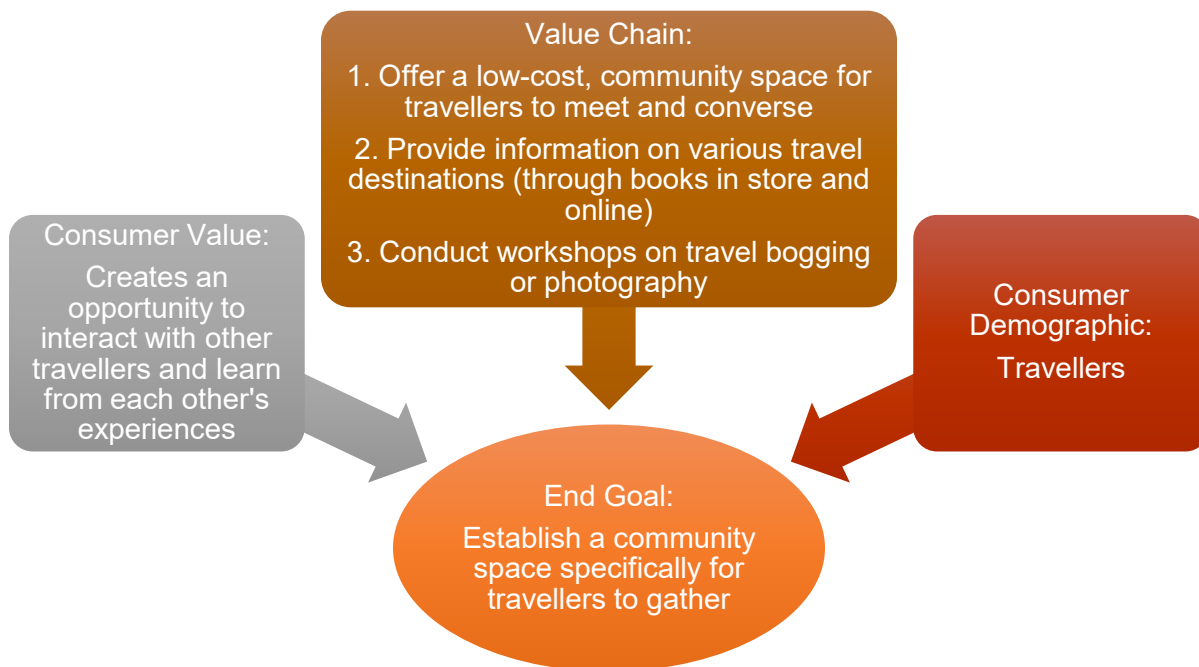


May Day Bookstore and Café proves to be a valuable asset to its community in a variety of ways. It captivates its customers with a new and unique experience, hoping to promote literature and literacy. It offers a cultured space in a section of Delhi lacking in them, and works with and for the people in the surrounding community. Overall, May Day aims to bring people from all walks of life together in a common, shared space, and it serves that cause outstandingly well.

3.4 Case Study Three: Kunzum Café

Of the case studies offered in this study, Kunzum café is unfortunately the only one unavailable for primary data collection. However, the insights it offers into the potential diversity of cause driven cafes are significant. Founded by Ajay Jain, a professional travel photographer and blogger, in October 2009, Kunzum Café specifically targets travellers looking for a relaxing place to drink coffee, read travel books, and meet fellow travellers.¹⁸ A small space in Hauz Khas Village, Kunzum Café is located in a hub for tourist and traveller activity. The business model for Kunzum Café is offered below.

Chart 3.4.1: Kunzum Café Business Model



¹⁸ Kumar, Ajay, "Money-making venture: How Ajay Jain's Kunzum Café in Hauz Khas has generated corporate interest," *The Economic Times*, October 31, 2011.



The value to customers comes at the prospect of meeting other travellers and learning more about Delhi, India, and other travel destinations alike. Again, relationships are the key to this value. So far as the value chain is concerned, Kunzum Café is not the only business venture of Jain's, and the Kunzum name houses a number of other services. Travel guides, workshops on blogging and photography, lodging reviews, books, and even an online TV channel, "Kunzum TV," all these are offered under the Kunzum name.¹⁹ All the events and opportunities are advertised in Kunzum Café, and travellers have the opportunity to learn about and from Jain's own experiences and converse with others about their own. Of course, the target demographic is travellers, but all interested persons are welcome to come and stay.

Kunzum also offers café products at a PWYW price, just as May Day does. Also like May Day, the selection is limited to just coffee, tea, and biscuits. When other events, such as workshops, are held it is unknown whether other items are provided, if at all, let alone where the products might be sourced from. Thus no supply chain is provided, as it is anticipated that the simple products are purchased from a nearby grocer. The chain cannot be linked more specifically or farther back than this.

What Kunzum's case study does offer us, though, is diversity. While both Chill & Chai and May Day leaned more toward social justice action, Kunzum Café is simply a place for travellers to meet and unwind. However, this does not lessen its case as a cause driven café at all. Though its cause is different, it still advocates for a cause. It is this nuanced definition of "cause" that makes Kunzum Café an excellent case study, as it embodies the subtle distinction.

3.5 Comparison of Cause Driven and Traditional Café Models

Hopefully at this point the variation among cause driven cafes is recognized. What we will now discuss is the difference between cause drive and traditional cafes, so that our understanding of cause driven as defined in this study is complete. Great detail will not be given to the three traditional cafes observed, but important contrasts will be drawn between the two groups.

First, there is a difference between engaging in a small-scale form of Corporate Social Responsibility and claiming cause driven status. For example, The Joint Café, located in Gurgaon, fits the traditional café approach. The ultimate objective is to achieve economic success as a business by catering to the café niche. The owner, Viktor, uses some of the profits to engage in extremely impactful social programs. He helps support a local mid-day meal scheme program, which feeds approximately 10,000 children weekly in the Delhi area. However, the café is not cause driven. Foundational to the definition given in Section 3.1 is that the cause must be an integral part of the business plan. Though The Joint Café ultimately supports meaningful causes, the causes themselves are not the end goal.

¹⁹ www.kunzum.com



Second, the cafes in this study are not seeking to corporatize any time soon, and in the case of Chill & Chai and May Day this would actually undermine their efforts. Though Kunzum café is slightly different, as its operations are gaining corporate attention, the atmosphere of the café still affords the customer a certain comfort not found in major chain cafes. Café Coffee Day, for example, does not offer the type of environment that supports cause driven activity. Please note that there is not quantitative data to support these assertions, but rather they are claims based on personal observations.

Third, the causes are not used as a means to an end. Near The Joint Café is Café Wanderlust, also called a “travel café”. The difference between Café Wanderlust and Kunzum Café, though, is that Café Wanderlust uses travel as a theme rather than a cause. This can also be called “purpose marketing,” where a café uses a popular idea (for example, social justice advocacy) in order to reach a new consumer demographic.²⁰ Kunzum seeks to bring together a common group of people, to facilitate relationships and connections among a particular demographic. Café Wanderlust, though a great café, rather seeks to attract people who enjoy the decorations and photography found in the café rather than engage in dialogues with other travellers. Such a nuance is what this study’s definition of cause driven hinges on, though, and underpins the purposefulness of cause driven organizations.

4. Conclusions

Since this study was exploratory in nature, its intentions are to investigate the phenomena of cause driven cafes in Delhi and examine the potential for such ventures. Though the cafes surveyed in this paper vary in purpose and execution, there are a few commonalities that should be noted. Firstly, each café seeks to offer a shared space for a specific community. Who that community is depends upon the cause of the respective café, but often these spaces are open to any individual who wishes to engage said community. This finding, if further investigated, may lead to an even more explicit definition of cause driven spaces. Moreover, the potential for such community-building places is countless. If the cause driven cafes prove successful in their endeavors to unite people from seemingly disparate backgrounds under the banner of a given cause, then the model has the capacity to incite significant social change.

Secondly, the cafes also seem to fill a gap in the workings of NGOs or NPOs. Though further research must be done regarding this topic, it seems likely that the cafes’ ability to engage common consumers in meaningful work, just as Chill & Chai does, reaches farther than NGOs/NPOs. Whereas individuals often must seek out these organizations in order to

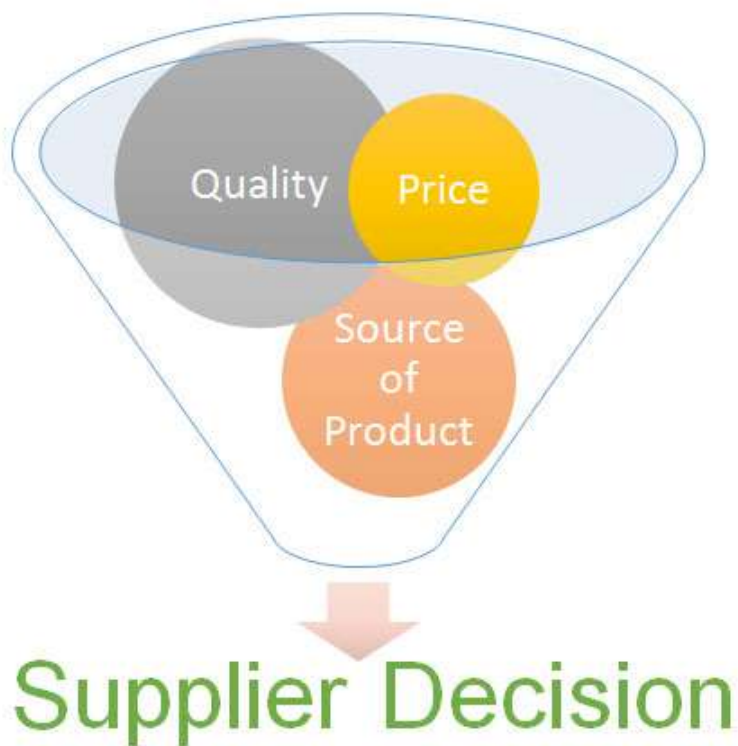
²⁰ Stuart Elliot, “Selling products.”



participate in their activities, in our case the cause driven café does the background work and presents consumers with the greatest and simplest options. This does raise the issue of selectivity on part of the cause driven entity, though. Overall, it is an issue that could be of great interest and use if studied.

Thirdly, there certainly appears to be an entrance for street vendors in the supply chain of these cafes. While cafes similar to Kunzum or May Day may not need to utilize street vendors frequently, purchasing their products for large events could help develop positive relationships within the local community, supporting the local vendor and supplying the café with relatively cheap products. This is taken from the example of May Day sourcing samosas from a nearby street vendor on production nights. The chart below shows the different factors that go into selecting a supplier.

Chart 4.0: Supplier Decision



One potential obstacle to street vendors entering the supply chain is the need to renegotiate every new transaction. Chill & Chai, which claims to source a variety of products from local vendors, noted that each transaction with street vendors requires new price negotiations. Because the system for street vendors is still very erratic and there is no uniformity in the market place, price negotiations can prove to be a discouraging factor when convincing cafes



to source locally. This is something that not only cause driven cafes would benefit from, though, and the potential for traditional cafes also exists. Further research on the obstacles for street vendors to entering the supply chain could prove invaluable for both the vendors and cafes or restaurants.

Finally, it seems entirely possible that traditional cafes can engage in a small-scale form of Corporate Social Responsibility (CSR). CSR is typically taken on by large industries, a duty assumed out of an obligation to do good once massive wealth is accrued. However, it is not only corporations that have the ability or the responsibility to serve the community. Every business can adopt certain values or principles of CSR in their own practices, even if the business is not a cause driven one. The Joint Café is an excellent example. As previously stated, the owner, Viktor, is able to aid local mid-day meal programs for school children because of his successful café. He also encourages customers who request to-go boxes to give the food to the homeless or beggars on the street. This last example, though small, shows that all restaurants and cafes have the ability to encourage good deeds. For this reason, it is not just CSR that should be expected, but Entrepreneurial Social Responsibility as well—the responsibility for all of us to assist the less fortunate where we are able. Clearly these are unqualified assumptions, but further research on the issue is strongly urged and highly recommended.

In conclusion, this study barely touches the surface. There was a great deal of information to sift through simply because the topic had not been covered previously, so there was no clear starting point. However, there is certainly a new breed of cafes entering the market in Delhi. With these organizations still in their formative stages, it is critical to begin examining their potential for growth and impact now. Chill & Chai, May Day Bookstore and Café, and Kunzum Café all developed independent of each other, and each provides a slightly different takes on the cause driven model. The similarities between them, though, prove that there is a common goal among them. They desire to draw people from all different backgrounds together, to create a safe and enjoyable space for customers, and to engage individuals in new but meaningful experiences. Each transaction forges a bond between connoisseur and cafe. Each discussion adds a new voice to an ongoing conversation. Each cup of coffee contains a cause.



Appendix

Interview Questionnaire

1. What led to the creation of Café X?
 1. Who started the business?
 2. What was the original intent?
 3. When did the café first open?
 4. Why was this location chosen?
2. What type of license does Café X operate under?
3. Has Café X been profitable to date?
 1. What are the major expenditures?
 2. What brings in the most revenue?
4. What has changed since opening Café X?
 1. Have the mission altered at all? Why?
 2. Have there been any unforeseen obstacles?
5. What, if any, products are locally sourced?
 1. If yes, what and from where?
 2. If no, why not? Is there any opportunity for local vendors to enter into the line of supply?
6. What is most important when obtaining produce?
 1. Quality?
 2. Price?
 3. Convenience?
 4. Other?
7. What are your future goals for Café X?



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