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FACTORIAL STRUCTURE FOR INDEPENDENT COFFEE SHOPS AND CAFES' SUCCESS FACTORS: A UK STUDY

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Abstract

Purpose. The main purposes of this paper were to identify the business success factors as perceived by independent cafes/coffee shop owners who have been in business for longer than two years and to identify the latent constructs of the various success factors affecting them.

Methodology. A literature review identified 24 (manifest) variables frequently reported as success factors for SMEs Then an empirical survey of 81 independent coffee shop owners was conducted using a questionnaire structured around these variables. The responses were analysed using SPSS v25 to determine descriptive statistics and to conduct Exploratory Factor Analysis in order to structure the factors.

Findings. Results indicated that the top 3 critical success factors were: friendly staff, high standards of hygiene and good quality food. The Exploratory Factor Analysis resulted in a framework of 8 success factor constructs. The study therefore proposes 8 constructs for success, namely; "Support aspects", "Staff aspects", "Product/service aspects", "Operations aspects", "Business skills aspects", "Financial aspects", "Image aspects" and "Location aspects". These constructs account for nearly 73% of the total variance in the data.

Practical implications. The factorial structure of the success factors presents themes for classifying success factors and can provide guidance to owners of coffee shops and researchers in that field who need to recognise and control them. Further the conceptual model developed from the exploratory factor analysis in this study can be further tested in order to validate the framework of construct and manifest variables.

Limitation. The main limitation is the small sample size. A larger sample may provide more valid and reliable results

Originality/value. This is the first paper to investigate the success factors for independent coffee shops and cafes and to develop a model of their factorial structure.

Keywords
Critical Success Factors; SMEs, Principle Component Analysis

1. Introduction

The hospitality industry in the UK includes enterprises that provide accommodation, meals and drinks in venues outside of the home to both overseas visitors and domestic UK residents (UK Hospitality, 2018). In terms of employment, the hospitality industry is the UK's third biggest industry behind wholesale and retail and healthcare. In 2017 it accounted for 3.2 million jobs through direct employment and a further 2.8 million indirectly as part of the supply chain. It generated £72 billion of Gross Value Added (GVA) directly to the UK economy and a further £86 billion indirectly. Nearly 86% of enterprises in the UK hospitality sector are SMEs with 76% of those employing fewer than 10 people with 50% employing fewer than 5 people (British Hospitality Association, 2012 in Nachmias et al, 2013)) Its impact on the UK economy is therefore huge. An important subsection of the hospitality sector is restaurants and cafés.

The UK's "café culture" has grown rapidly in just a few decades. The coffee shop market is now valued at £10.1 billion (Allegro World Coffee Portal, 2019). It consists of 25,483 outlets made up of 8,149 branded coffee chains outlets such as Costa, Starbucks and Café Nero, 7,022 independent operators and 10,312 non-specialist outlets (Luty,2018). This paper concerns independent operators.

According to UK Companies House, outside London, which has 27.1% of outlets, the Northwest of England is third with 9.2% and Scotland fourth with 7.4% behind the Southeast of England with 13.1%. Liverpool is ranked third highest behind London and Glasgow in terms of the total number of independent coffee shops (Hospitality and Catering News, 2013).

However, success and sustainability in terms of longevity is an issue. Despite the low barriers to entry into the industry, cafés are a very high risk business and many start-ups fail (Baskerville, 2017). Office for National Statistics data show that in 2018 there were 5.7 million private sector businesses in the UK of which 5.4 million were micro businesses employing 8.8 million people. In other words 96% of UK businesses are micro and employ 33% of the workforce. The five year survival rate for any business born in 2012 and active in 2017 was 43.2%. For any businesses started in 2012 the 2 year survival rate is 73.8%, with the 3 year survival rate 59.4% and the 4 year survival rate 50.4% and the 5 year survival rate 43.2%. For a business started in 2014 the 2 year survival rate is 75.8% and the 3 year survival rate is 61.2%. However, the accommodation and food services sector has the lowest 5 year survival rate of all sectors with only 34.2% of businesses surviving 5 years. In this sector in 2017 there were 27,000 births and 23,000 deaths of businesses (Office for National Statistics, 2018).
Therefore the aims of this research project are:

1) To identify the factors that influence the success of cafes and coffee shops that have been in business for longer than two years as perceived by their owners;
2) To identify the latent constructs of the various success factors affecting independent coffee shop success in the UK.

This empirical research study used a survey approach to collect responses from café and coffee shop owners. The success factors identified from a review of the literature were analysed using SPSS v25 and Principle Component Analysis (PCA) to propose a factorial structure of the success factors.

The paper is further divided into the following sections: a literature review to identify the success factors for SMEs; then the methodology is described followed by a presentation of the results, their analysis and discussion and finally a conclusion and suggestions for future research are discussed.

2. Literature Review

The literature review that formed the foundation of this research targeted papers on SMEs available in electronic databases such as Emerald, Ebsco, Science Direct and Google Scholar using keywords such as SMEs, Critical Success Factors, Success Factors and Cafes and Coffee shops.

Many researchers have discussed what business success is with some arguing it is about profitability and growth (Simpson *et al*., 2004) where growth was measured in terms of employment levels, increase in sales or turnover (Yazdanfar and Öhman, 2014), while others saw success as continuance of trading (Watson *et al., (*1998) or continued existence, i.e. having survived for more than 2 years (Nieman *et al.,* 2003). Clearly success is difficult to both define and measure.

Watson (2011) linked SME success and various owner characteristics such as education and experience while Teng *et al*., (2011) found that the most important factors contributing to business success were:

- employment;
- training;
- holding on to high-quality staff;
- selling good products and services;
- optimum timing in introducing new products into the market;
- excellent relationships with customers;
- top managers with good leadership qualities;

In a recent survey by Mintel (2017), when coffee shop customers were asked what factors motivated them to visit an independent coffee shop over a branded one the most cited response was friendly customer service (73%) followed by cleanliness (55%).

External Accountants are also deemed to play an important role is advising small business owners on a range of financial and non-financial issues where they lack the expertise to make good decisions (Williams and O'Donovan, 2014). The use of external business advisers seems to be crucial to small business growth (Berry *et al.*, 2006). The most sought after advisers were accountants and network contacts with academic advice being only rarely sought. Indeed poor financial management is a critical and common cause of SME failure (Jindrichovska, 2013). Oertel and Walgenbach (2012) further argued that changes in the top-management teams and partner exits increased the risk of SMEs failing.

Overall there is no agreement on what constitutes success or what the factors of success are. Critical success factors (CSFs) are defined as those factors that are required in order for the firm to survive (Teng et al., 2011). This definition links success with survival. However,

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Simpson *et al.*, (2012) argued that there was no agreement in the literature on the CSFs that contributed to SME performance arguing that the number of variables contributing to both performance and survival was extremely large. Rodrigez-Gutiérrez *et al,*. (2015) introduced the idea of survival variables being either internal or external where external variables were dependent upon the ever changing business environment and therefore subject to rapid change.

There is a growing trend for businesses to use social media, particularly Facebook, as a relatively low cost method of connecting with customers. This is especially beneficial for SMEs that may lack the technical know-how or finances for the more traditional websites (McCann and Barlow, 2015).

There is a lack of research and empirical data on the success or failure of coffee shops and cafes. However, Parsa et al., (2011) categorised restaurant failures as due to macro or micro factors. Macro factors tended to be out with the control of the firm and included;

- economic factors
- government legislation

Micro factors included;

- lack of capital
- poor choice of location (physical site and surrounding demographics) (Akinboade, 2015).
- poor quality of life (working 60 hours per week, sacrificing the quality of life and family),
- entrepreneurial incompetence (lack of business acumen)
- lack of the necessary prior business experience to manage restaurants
- lack of basic branding skills necessary to survive in the competitive world of restaurants (Parsa et al., 2011).
- employee theft (King, 2002).

The success or failure of SMEs is down to their ability to recognise and control the success factors and critical success factors reported by the various studies listed in Table 1 below. It should be noted that these factors listed in Tables 1 are not an exhaustive list but are those factors most frequently cited in the extant literature.

Failure to control those factors could lead to failure and a critical success factor will become a critical failure factor. Many of the identified barriers or critical failure factors (CFFs) are the opposite of the identified success factors, for example if the ability to retain high quality staff is a success factor then clearly the inability to retain high quality staff is a barrier or failure factor. The lack of access to credit was identified by Pansiri and Temtime (2010) as one of the major factors inhibiting the success of small businesses. Based on the gaps in the literature identified above this paper aims to answer the following research questions:

RQ1: What are the success factors for coffee shops and cafes?

RQ2: Can these identified success factors be classified in themes?

Table 1 Factors affecting Coffee shop and Café Success

|		
a.	Good quality product (coffee)	Teng et al. 2011; Suriyankietkaew and Avery, 2014
b.	Good quality product (food)	Teng et al. 2011; Suriyankietkaew and Avery, 2014
c.	Good location	Akinboade, 2015
d.	Short waiting times?	Mintel, 2017
e.	Recruitment of high quality staff?	Simpson et al. 2004
f.	Retaining high quality staff?	Teng et al. 2011
g.	Maintaining good relations with customers?	Teng et al. 2011
h.	Friendly staff	Mintel 2015
i.	Having good leadership qualities?	Teng et al. 2011
j.	Having good marketing skills?	Teng et al. 2011
k.	Having previous business experience?	Pansiri and Temtime, 2010

l.	Creating a brand that customers associate with?	Asamoah, 2014.
m.	Having access to short term credit?	Pansiri and Temtime, 2010; Chu et al. 2007.
n.	Having access to long term credit?	Pansiri and Temtime, 2010; Chu et al. 2007.
o.	Having sufficient cash available to pay suppliers?	Teng et al. 2011; CIPS, 2013.
p.	Having good operations skills?	Urban and Naidoo, 2012
q.	Having access to appropriate training?	Teng et al. 2011; Chu et al.,2007
r.	Having government policies that foster an environment that is favourable to SMEs?	Akinboade, 2015; Teng et al. 2011; Chu et al.,2007
s.	Being able to access business advisors?	Berry et al. 2006; Williams and O'Donovan, 2015.
t.	Having a high level of education?	Pansiri and Temtime, 2010
u.	Good employee relations?	Simpson et al. 2004
v.	Ability to attract new customers	Muller et al, 2017
w.	High standards of Hygiene	Mintel, 2017
x.	Free Wifi for customers	Mintel, 2015

Source: Authors' elaboration

3. Methodology

The main objective of this study is to identify the factors critical to the success of coffee shops and cafes as well as the barriers to their success. Therefore a 4 phase methodology was followed (see Figure 1 below)

Figure 1. Research Methodology Phases
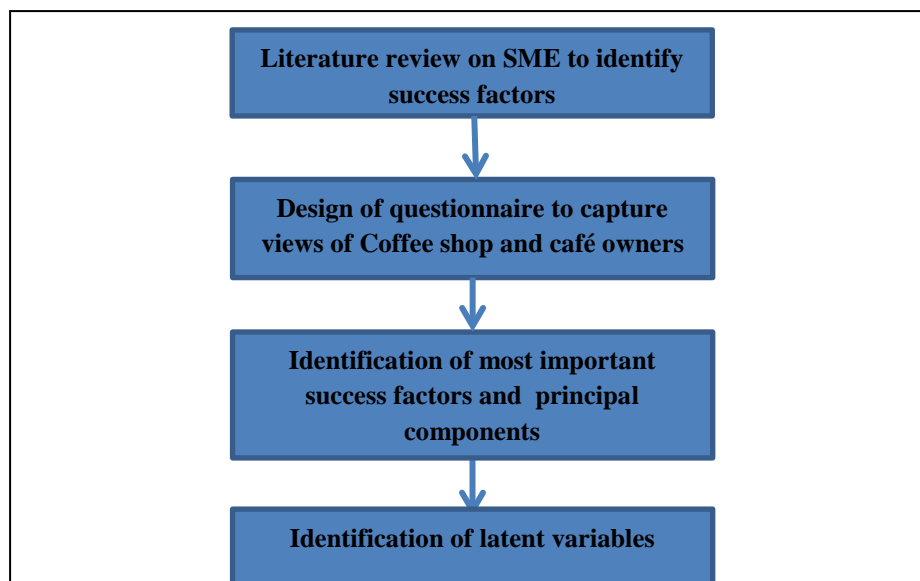
In Phase 1 the review of the extant literature identified those factors that influenced the success or failure of SMEs. This was a valid search because the vast majority of independent coffee shops and cafes are micro or small enterprises. Those factors that occurred most frequently were selected for further investigation via a questionnaire designed in Phase 2. Respondents were asked to rate a list of success factors using a five-point Likert scale, where 1 = very important, 2 = important, 3 = neither important nor unimportant, 4 = unimportant and 5 = very unimportant. The ratings indicated the degree to which the factors were important to the success of the business. An initial version of the questionnaire was discussed with the owners of coffee shops and cafes before a pilot study was conducted of 30 coffee shops and cafes. The

results of that survey (Douglas *et al.,* 2018) and the feedback received from coffee shop and café owners informed the final version of the questionnaire (see Appendix 1). The criteria for selecting enterprises were based on geographical location (the North West of England (including Liverpool) and the West of Scotland (including Glasgow) because of the large number of independent outlets in each area and on survival, i.e. all coffee shops and cafes had been in existence for at least 2 years. A total of 200 questionnaires were delivered to the owners (respondents) of cafes and coffee shops selected from the TripAdviser website and also on geographical convenience. A total of 81 useable questions were returned for analysis giving a response rate of 40.4 percent.

In Phase 3 the collected data were tested for reliability and factorability. The aim was to restructure the data by reducing the large number (24) of variables. The data reduction technique used was Exploratory Factor Analysis (EFA) using Principal Component Analysis (PCA) and the Equamax rotation method was applied to understand the manifest variables and the latent structure of the success factors.

Finally, in Phase 4 the latent variables / constructs for success factors were identified.

4. Data Analysis and Results

Phase 1 of this study (the literature review) resulted in the identification of 24 factors classified as success factors (see Table 1). In Phase 2 a questionnaire was designed and delivered to a sample of coffee shop and café owners. Responses were analysed using SPSS v 25. The respnses were tested for internal consistency (scale reliability) using Cronbach's Alpha and measured 0.928 which means the 24 items have relatively high internal consistency (a coefficient of 0.6 or higher is considered "acceptable" in most research situations). The demographics of respondents is given below in Tables 2,3,4 and 5. Most respondents were sole traders and 63% of respondents had previous business experience. Only 2 respondents had no education while nearly 25% had been to university. At least 25% of respondents had a start-up loan to begin trading however 37% of respondents did not answer this question.

Table 2: Ownership

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Sole Trader	24	29.6	29.6	29.6
	Family Partnership	10	12.3	12.3	42.0
	Nonfamily Partnership	2	2.5	2.5	44.4
	Limited Company Self	21	25.9	25.9	70.4
	Limited Company Family	17	21.0	21.0	91.4
	Limited Company Non Family	7	8.6	8.6	100.0
	Total	81	100.0	100.0	

Table 3: Previous Business Experience?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	51	63.0	63.0	63.0
	No	30	37.0	37.0	100.0
	Total	81	100.0	100.0	

Table 4: Owner's Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	None	2	2.5	2.5	2.5
	Secondary Education	21	25.9	25.9	28.4
	College Education or equivalent	30	37.0	37.0	65.4
	University Education or equivalent	20	24.7	24.7	90.1
	Postgraduate or equivalent	8	9.9	9.9	100.0
	Total	81	100.0	100.0	

Table 5: Start-up Loan?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	20	24.7	24.7	24.7
	No	31	38.3	38.3	63.0
	No response	30	37.0	37.0	100.0
	Total	81	100.0	100.0	

With regards to the quality of life of coffee shop and café owners 18.5% indicated that they did not take holidays – see table 6 below, and 18.5% did not take a salary out of the business – see table 7 below.

Table 6: Holiday taken?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	36	44.4	44.4	44.4
	No	15	18.5	18.5	63.0
	No response	30	37.0	37.0	100.0
	Total	81	100.0	100.0	

Table 7: Salary taken?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	36	44.4	44.4	44.4
	No	15	18.5	18.5	63.0
	No response	30	37.0	37.0	100.0
	Total	81	100.0	100.0	

Based on the perceptions of the owner/managers of the respondent firms the most important factors contributing to the success of their café / coffee shops were (perhaps unsurprisingly) friendly staff, high standards of hygiene and good quality food (See Table 8 below). Note: 1 = most important and 5 = least important.

Table 8: **Critical Success Factors for UK Café / Coffee Shops (Order of Importance)**

Rank	Variable / Factor	Mean	StDev
1	Friendly staff	1.0741	0.4685
3	Good quality food	1.1358	0.5185
2	High standards of hygiene	1.1125	0.5030
5=	Maintaining good relations with customers	1.2949	0.5124
7	Having good leadership qualities	1.3333	0.5505
8	Being able to retain high quality staff	1.3846	0.7068
10	Good quality coffee	1.4074	0.7546
5=	Good employee relations	1.2949	0.5424
9	Your location	1.4051	0.5888
12	Having sufficient cash to pay suppliers	1.4557	0.7646
11	Having good operations skills	1.4125	0.6501
13	Being able to recruit high quality staff	1.6962	0.8220
14	Creating a brand that customers associate with	1.7342	0.7630
16	Having good marketing skills	1.8077	0.7569
15	Short waiting times	1.7500	0.6656
17	Having government policies that foster an environment that is favourable to small businesses	1.8961	0.9812
18	Having access to appropriate training	2.1184	0.9087
21	Free wifi	2.6753	1.2295
19	Having previous business experience	2.3418	1.0486
20	Being able to access business advisers	2.6538	0.9912
21	Having access to long term credit	2.8590	1.1702
22	Having access to short term credit	2.9481	1.0870
23	Having a high level of education	3.2436	1.1070
4	Ability to attract new customer	1.2200	0.4667

The data collected in Phase 2 concerning success factors was then further statistically analysed to identify latent variables and manifest / observed variables. A latent variable is a variable that cannot be measured directly but is measured indirectly through several observable variables called manifest variables. Observable variables are questions in a questionnaire and can be thought of as items and consequently each subset of items represents a scale. It is worth noting that the terms construct, latent variable and factor are used interchangeable as they have the same meaning. In the context of this research study the latent variable is Success. For success 24 manifest variables were measured. The factor extraction technique used is Principal Component Analysis (PCA). To test the applicability / suitability of PCA two tests were conducted on the data. The first test was the Kaiser-Meyer-Olkin (KMO) that measured sampling adequacy and ranged from 0 to 1. A KMO of greater than 0.5 should be sufficient for factor analysis (Williams *et al*, 2010). The second test is the Bartlett test of Sphericity where a small p value of <0.001 indicates that it is highly unlikely that the observed correlation matrix was obtained from a population of zero correlation. The KMO and Bartlett's test for Success factors is shown in Table 9 below..

Table 9: KMO and Bartlett's Test – Success factors

|		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.471
Bartlett's Test of Sphericity	Approx. Chi-Square	561.447
	df	276
	Sig.	.000

The test results show that KMO for Success factors is a bit low at .471, however Bartlett's test for Sphericity has an associated P value (sig in the table) of < 0.001 as by default SPSS reports p values of less than 0.001 as 0.000. So based on the above results a valid factor analysis can be performed. The method for extracting the factors is Principal Component Analysis (PCA).This analysis will determine how many important components are present in the data (see Table 10 below).

Table 10: Principal Component Analysis

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.062	25.258	25.258	3.109	12.956	12.956
2	2.780	11.584	36.842	2.664	11.102	24.057
3	1.873	7.803	44.645	2.524	10.518	34.576
4	1.700	7.083	51.728	2.292	9.551	44.126
5	1.531	6.381	58.108	2.089	8.705	52.831
6	1.466	6.108	64.216	1.913	7.971	60.802
7	1.077	4.487	68.703	1.535	6.394	67.196
8	1.007	4.198	72.901	1.369	5.705	72.901
9	.935	3.895	76.796			
10	.830	3.458	80.255			
11	.801	3.338	83.593			
12	.726	3.025	86.619			
13	.708	2.948	89.567			
14	.525	2.187	91.753			
15	.491	2.046	93.800			
16	.367	1.527	95.327			
17	.272	1.134	96.460			
18	.227	.944	97.405			
19	.186	.776	98.180			
20	.154	.641	98.821			
21	.111	.463	99.285			
22	.080	.335	99.620			
23	.060	.250	99.870			
24	.031	.130	100.000			

The PCA showed a number of components of which the first eight have explained over 72% of the total variance. The remaining factors accounted for only a small proportion of the variability and were likely unimportant. Table 10 shows the total eigenvalues and the total variance explained. Kaiser (1960) proposed that all factors with an eigenvalue greater than one be retained or extracted for further investigation. This leads to the conclusion that an eight factor solution will probably be adequate for success factors. This conclusion is supported by the scree plot which is actually displaying the same data visually (see figure 2 below). The scree plot orders the eigenvalues from largest to smallest.

Figure 2: Scree plot
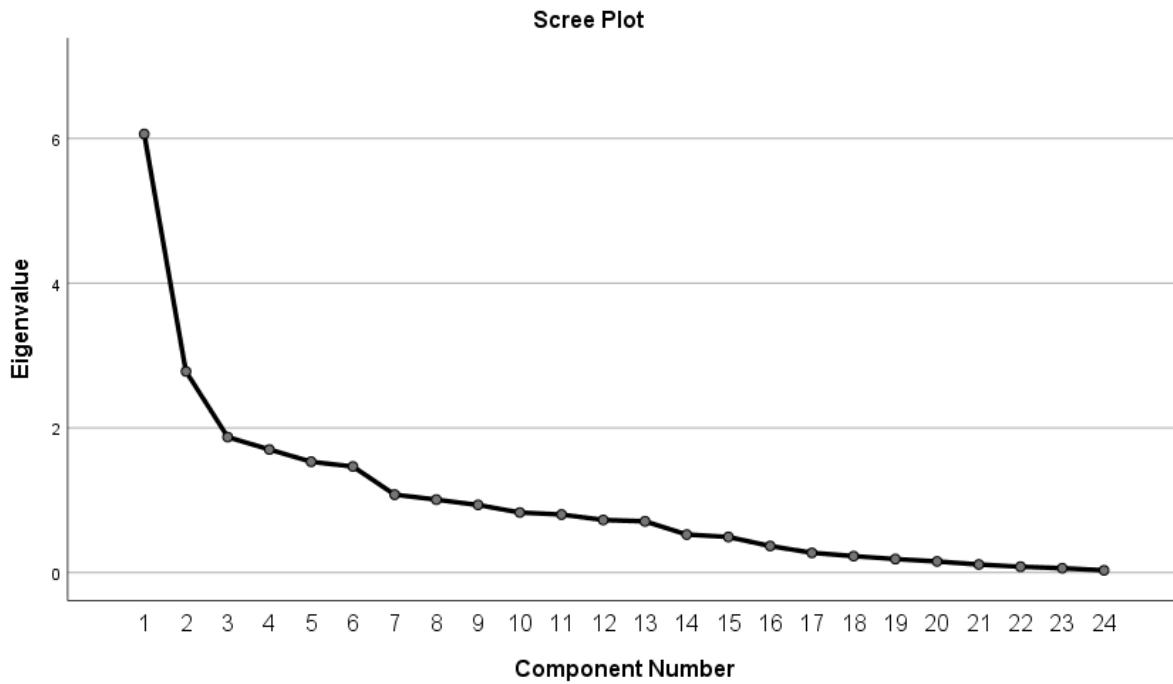
Having decided that eight factors were to be extracted these were rotated to simplify the data structure to allow for better interpretation of the variables. Unrotated factor loadings are often difficult to interpret. The aim of factor loading was to attain an optimal simple structure which tried to have each variable load on to as few factors as possible (Young and Pearce, 2013). The chosen technique was the orthogonal equamax rotation. Table 11 below shows the variable loadings on the extracted eight components after rotation. This rotated factor matrix shows the questionnaire question number associated with each factor. The study therefore proposes 8 constructs for success.

Table 11: Rotated Component Matrix

	Component							
	1	2	3	4	5	6	7	8
Q15 Having access to long term credit	.603							
Q18 Having access to appropriate training	.581							
Q19 Having government policies that foster an environment that is favourable to small businesses	.721							
Q20 Being able to access business advisors	.757							
Q21 Having a high level of education	.763							
Q7 Ability to recruit high quality staff		.824						
Q8 Ability to retain high quality staff		.875						
Q22 Good employee relations		.544						
Q2 Good quality coffee			.741					
Q3 Good quality food			.564					
Q4 Friendly staff			.848					
Q9 Maintaining good relationships with customers	-		.688					-
Q17 Having good operations skills				.520				
Q23 High standards of hygiene				.822				
Q24 Ability to attract new customer				.783				
Q6 Free WiFi					.437			
Q10 Having good leadership qualities					.776		-	
Q11 Having good marketing skills	.				.445			
Q12 Having previous business experience		-			.798			
Q14 Having access to short term credit						.585		
Q16 Having sufficient cash to pay suppliers						.588		
Q5 Short waiting times							.381	
Q13 Creating a brand that customers associate with							.878	
Q1 Location			.		.		.	.859
Percentage of variance explained	25.258	11.584	7.803	7.083	6.381	6.108	4.487	4.198
Cumulative percentage of variance explained	25.258	36.842	44.645	51.728	58.108	64.216	68.703	72.901

Extraction Method: Principal Component Analysis.

Rotation Method: Equamax with Kaiser Normalization.

Next, these factors needed to be named. There are no rules for naming factors and it is considered a bit of an "art" (Young and Pearce, 2013). It is a subjective process. Table 12 below shows the 8 factors from this analysis and the names they have been given.

Table 12: Factor Names

Component Number	Name
1	Support aspects
2	Staff aspects
3	Product/Service aspects
4	Operations aspects
5	Business skills aspects
6	Financial aspects
7	Image aspects
8	Location aspect

Figure 3 below shows the new factorial structure for Coffee shops and cafes' success factors with the new factor names included. Both success and these 8 factors or constructs are latent variables and the 24 questions are the observed or manifest variables for the model

Figure 3: Model of Success Factors for Coffee shops and cafes
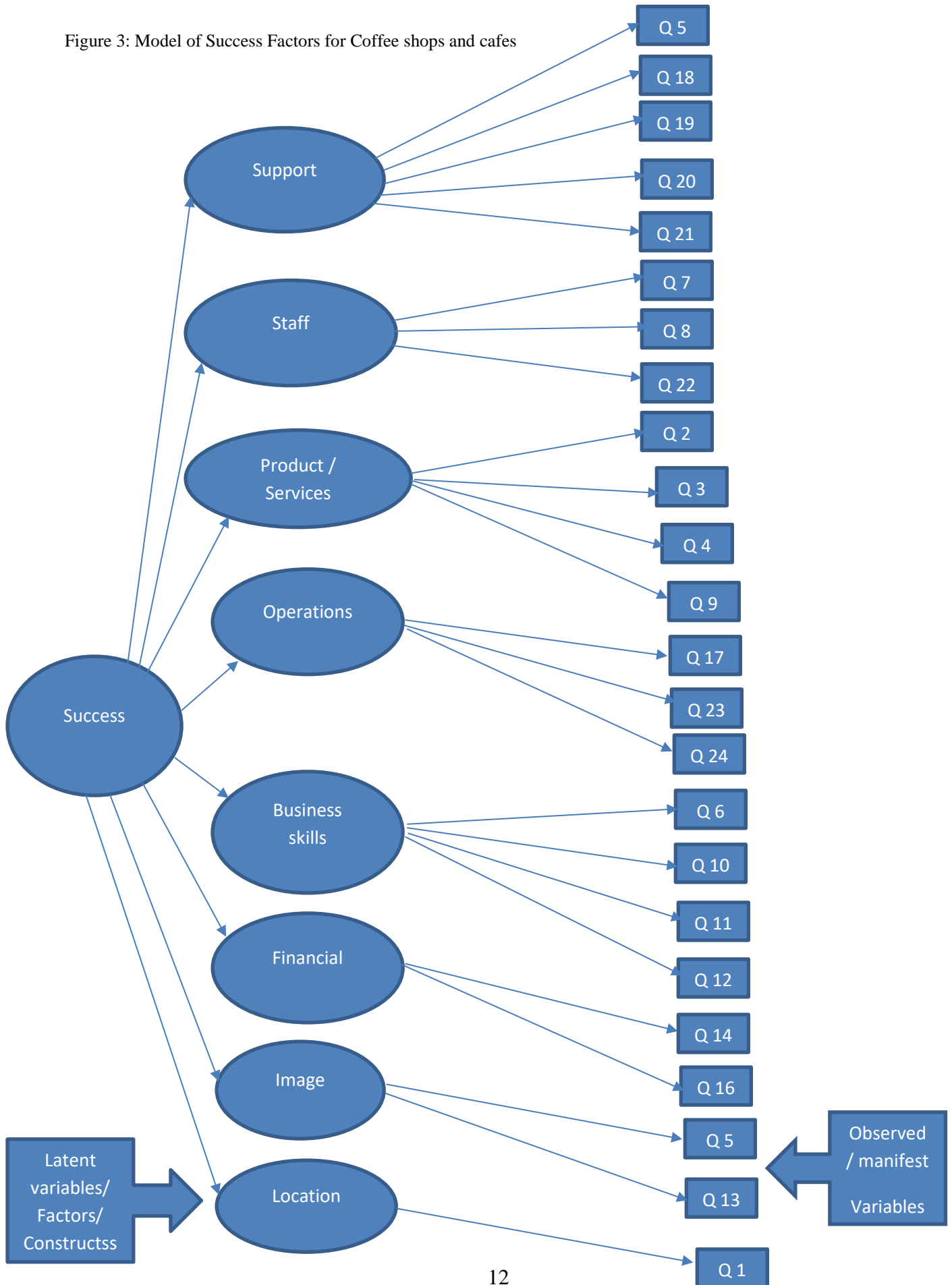
Finally, the items (questions) in the factorial groups were tested for reliability and validity. The items were grouped into their respective factorial groups (as per Table 10 above) and coefficient alpha (Cronbach's Alpha) was calculated for each group using SPSS (see table below for results).

Table 12: Factor questionnaire reliability

FACTORIAL GROUP	Cronbach Alpha Score
Support aspects	0.762
Staff aspects	0.752
Product/Service aspects	0.884
Operations aspects	0.686
Business skills aspects	0.618
Financial aspects	0.419
Image aspects	0.332
Location aspect	N/A

As Table 12 above shows, the first 5 factorial groups are reliable; however Factors 6 and 7 fall below the recognised Cronbach's Alpha score of 0.6 and no score could be computed for group 8. These low scores may be attributed to groups 6 and 7 consisting of only 2 questions each and group 8 consisting of only one question. It may be that additional questions regarding financial, image and location aspects need to be added to the survey instrument.

5. Conclusion

Clearly coffee shop and café owners need to target and control each of the success factors. To succeed the owner has to have the following characteristics: be educated, have good leadership skills and, preferably, previous business experience. In addition the business has to recruit and retain high quality staff who are friendly have good customer relations skills and serve good quality food and drink. The café or coffee shop should be in a good location and have high hygiene standards.

This paper has explored the relationship among the success factors of coffee shops and cafes using exploratory factor analysis. Principal component analysis was used and resulted in the grouping of the success factors into eight components. These eight components or latent variables were then extracted and rotated to make the interpretation of the factor loadings easier. Each factor was then aligned with its associated observed variables (questions on the survey instrument). Then each component's question groupings were tested for reliability using Cronbach alpha. This study therefore proposes a new set of constructs for coffee shop and café success. It has limitations associated with the small sample size. A larger sample size may provide better validation of the results.

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Appendix 1 Survey of Success Factors

		1 Very Important	2 Important	3 Neither	4 Unimportant	5 Very Unimportant
(a)	Your location	1	2	3	4	5
(b)	Good quality coffee	1	2	3	4	5
(c)	Good quality food	1	2	3	4	5
(d)	Friendly staff	1	2	3	4	5
(e)	Short waiting times	1	2	3	4	5
(f)	Free WiFi	1	2	3	4	5
(g)	Being able to recruit high quality staff	1	2	3	4	5
(h)	Being able to retain high quality staff	1	2	3	4	5
(i)	Maintaining good relationships with customers	1	2	3	4	5
(j)	Having good leadership qualities	1	2	3	4	5
(k)	Having good marketing skills	1	2	3	4	5

(l)	Having previous business experience	**1**	**2**	**3**	**4**	**5**
(m)	Creating a brand that customers associate with	**1**	**2**	**3**	**4**	**5**
(n)	Having access to short term credit	**1**	**2**	**3**	**4**	**5**
(o)	Having access to long term credit	**1**	**2**	**3**	**4**	**5**
(p)	Having sufficient cash to pay suppliers	**1**	**2**	**3**	**4**	**5**
(q)	Having good operations skills	**1**	**2**	**3**	**4**	**5**
(r)	Having access to appropriate training	**1**	**2**	**3**	**4**	**5**
(s)	Having government policies that foster an environment that is favourable to small businesses	**1**	**2**	**3**	**4**	**5**
(t)	Being able to access business advisors	**1**	**2**	**3**	**4**	**5**
(u)	Having a high level of education	**1**	**2**	**3**	**4**	**5**
(v)	Good employee relations	**1**	**2**	**3**	**4**	**5**
(w)	High standards of hygiene	**1**	**2**	**3**	**4**	**5**
(x)	Other (s) please specify _____	**1**	**2**	**3**	**4**	**5**

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