

# Tim Hortons

WINNING CANADA'S  
NEXT GENERATION



Kim's Convenience





# ABOUT THE TEAM



## KIM'S CONVIENIENCE



**KATY SEPHERI**

[katy.sepheri@gmail.com](mailto:katy.sepheri@gmail.com)



**KIMLI NGUYEN**

[kimliberlyn@icloud.com](mailto:kimliberlyn@icloud.com)



**PARINA GILL**

[parinagill2@gmail.com](mailto:parinagill2@gmail.com)



**ADAM HAMZEH**

[adam.hamzeh@gmail.com](mailto:adam.hamzeh@gmail.com)





# EXECUTIVE SUMMARY



Situation

## Competitive Post-Morning Market

Tims dominates mornings but loses to Starbucks in the afternoon and evening

## Rising Living Costs

Gen Z is more financially responsible: prefers affordable and reliable products

## Consumer Preferences

Gen Z expect apps, trend-driven cold beverages, and socially shareable products



Question

**How** can **Tim Hortons strengthen its connection** with **Canadians** aged **18–30** to generate **C\$10M in new annual sales** from afternoon and evening occasions **by 2029**?



Strategy

## Capture

the afternoon and evening daypart through game-night product lines

## Activate

app-exclusive game night rewards through spin-to-win surprises, and score prediction challenges

## Sustain

Tim Hortons' hockey identity through partnerships with NHL teams, Olympic athletes, and UGC



Impact

**\$49.8M**

incremental annual sales from afternoon & evening by end of 2029

**32K**

converted afternoon users needed: just 0.8% of the 4M addressable 18–30 daily coffee drinkers

**2-3x**

daily visit frequency by shifting Tims from morning-only to multi-occasion

Overview

Problem

Recommendation

Integration

Execution

Implementation

Risk Mitigation

Conclusion



# WHAT CONTRIBUTES TO TIM HORTON'S SUCCESS

● Strengths ● Differentiating Factors ● Can Improve

## Canadian Heritage

- Founded by NHL legend Tim Horton
- Deeply nostalgic brand Canadians grow up with

## Scale & Accessibility

- 4,000+ locations across Canada
- Drive-thru dominance: fastest QSR service



## Beverage Menu

- Lags competitors in customisation
- Nothing visually unique or trend-driven

## Affordability

- Coffee under \$3 vs \$7+ at Starbucks
- Value combos appeal to budget-conscious 18-30s

## Post-Mornings

- Only 22% of 18-30 visits after noon
- No compelling afternoon or evening hook

## Key Market Insights

**\$38B**

Canadian fast-food market projected by 2030

**52%**  
of Gen Z

coffee occasions are now cold beverages

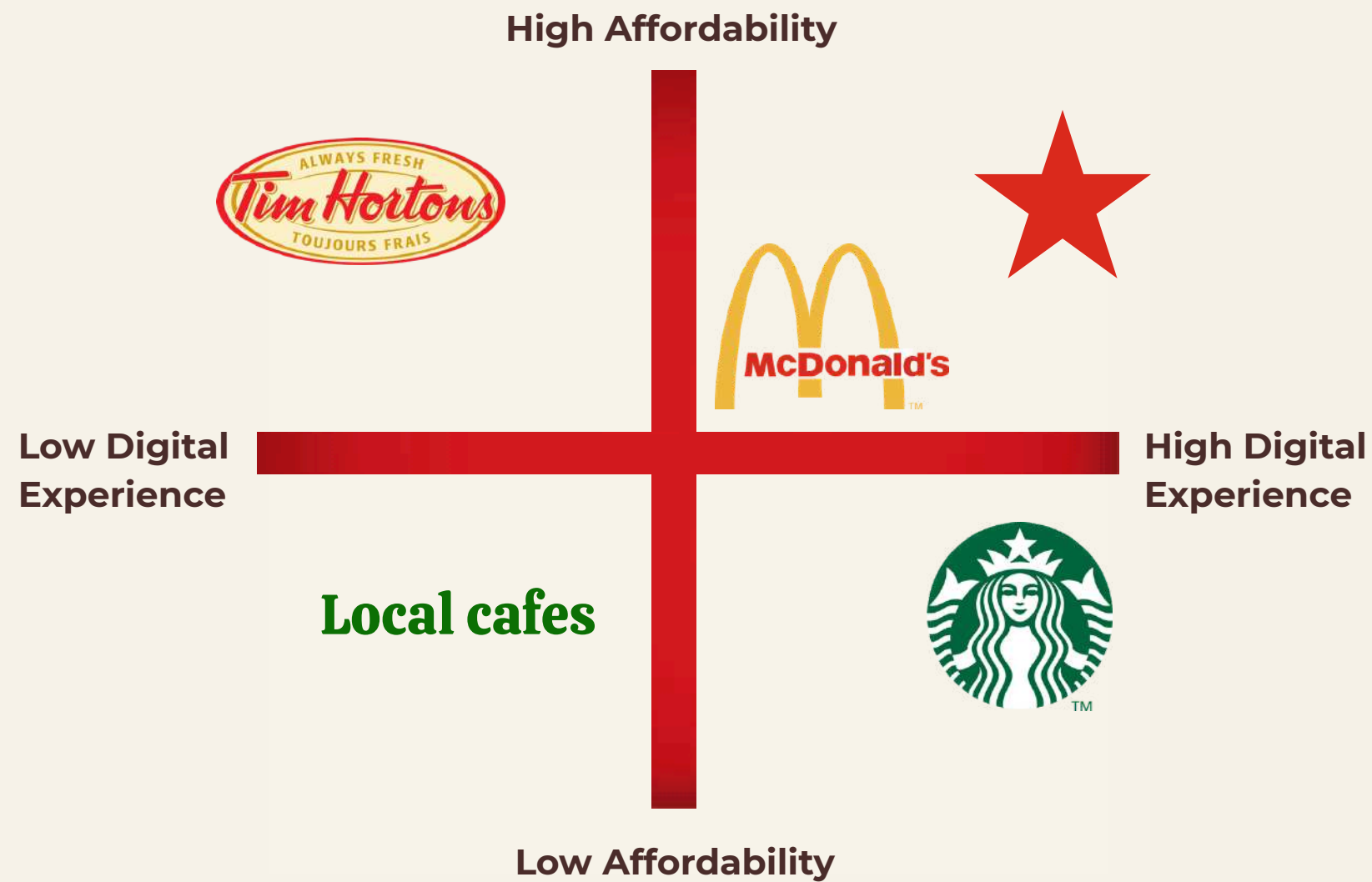
**40%**  
of Gen Z

use QSR apps specifically for deals

Sources: RBI Annual Report, NCA, Bond Loyalty, App Store Canada, Statista, S&P Global

# WHERE DOES TIM HORTONS STAND AMONG COMPETITORS

## Competitive Positioning



**Goal:** Shift Tim Hortons to become both highly affordable and have a high digital experience

## Head-to-Head Comparison

Brand	Affordability	Digital/App	Cold Beverages	18-30 Appeal
<u>Tim Hortons</u>	<u>Strong</u>	<u>Growing</u>	<u>Limited</u>	<u>Mainly mornings</u>
Starbucks	Expensive	Best in class	Trend-leading	Strong
McDonald's	Strong	Moderate	Moderate	Moderate
Local cafes	Expensive	Minimal	Strong	Strong

Besides affordability, Tim Hortons is lacking in other areas compared to competitors



TH CONTINUES TO FACE CHALLENGES IN FURTHER ATTRACTING 18-30 Y/O...



## The Problem

How can **Tim Hortons** strengthen its connection with **Canadians** aged **18-30** to generate **C\$10M** in new annual sales from afternoon and evening occasions **by 2029?**



### Business Challenges

 **Declining** In-Store **Foot Traffic**

 **Declining** Social Media **Presence**

 **Changing** Consumer **Preferences**



### External Pressure

 **Rising Food Costs & Import Fees** from U.S

 **Increasing Competition** in **Value Items & Fast Food Industry**  
*Ex. Starbucks, McDonalds*

# ABOUT THE TARGET AUDIENCE: 18-30 YEAR OLD GEN Z

# 8.5M

Canadians aged 18-30



- Value driven
- App-first ordering
- Social shareability

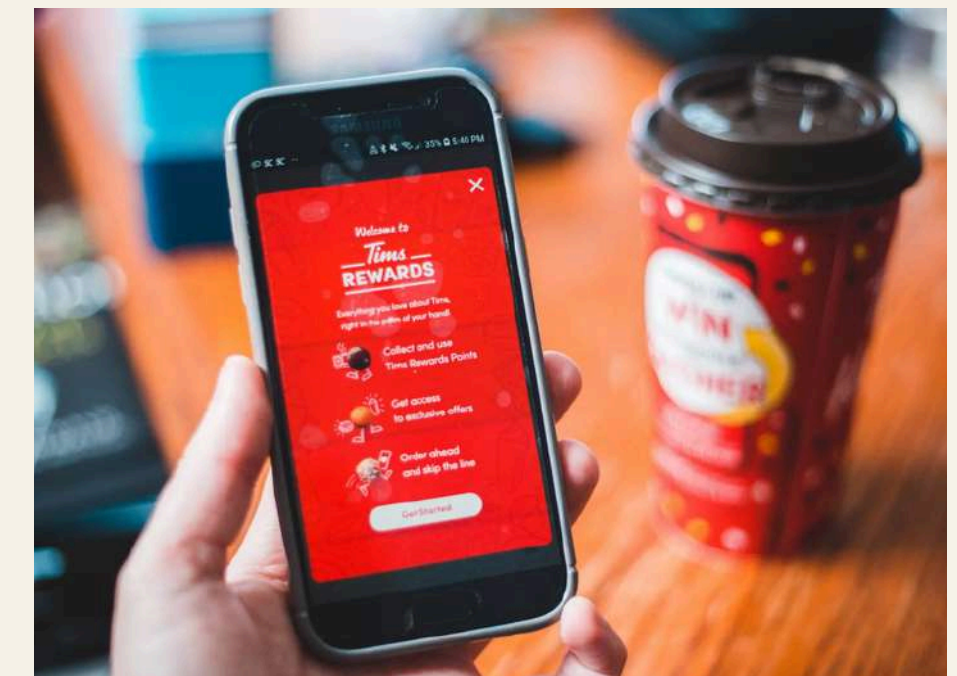
# 71%

of students consume  
caffeine daily



# 40%

of Gen Z use QSR apps for deals



- 3 pm energy slump
- Game night socials
- Tiktok Discovery



# Meet Ashley: A New Adult Trying to Navigate Life



## Anxious Ashley

- 24 years old
- Currently pursuing post education while working a full-time job
- Morning Tims loyalist
- \$100/mo on coffee & caffeine

### Needs

**Affordable, fast fuel** for overlapping school and work schedules

A **credible evening sit-down spot** for studying or relaxing. Not too loud, has seats, and Wi-Fi

Fast-accruing, tangible **loyalty rewards**. *Bonus points* if they have visually distinct drinks to post

### Barriers

In store **experience feels** more **transactional** compared to competitors

**Known** for **morning** products.

They have the **same drinks**, and **nothing** she orders is **visually unique**

To **win** Ashley, **Tims needs** to bring her **back after morning, elevate her experience, and feel less transactional**

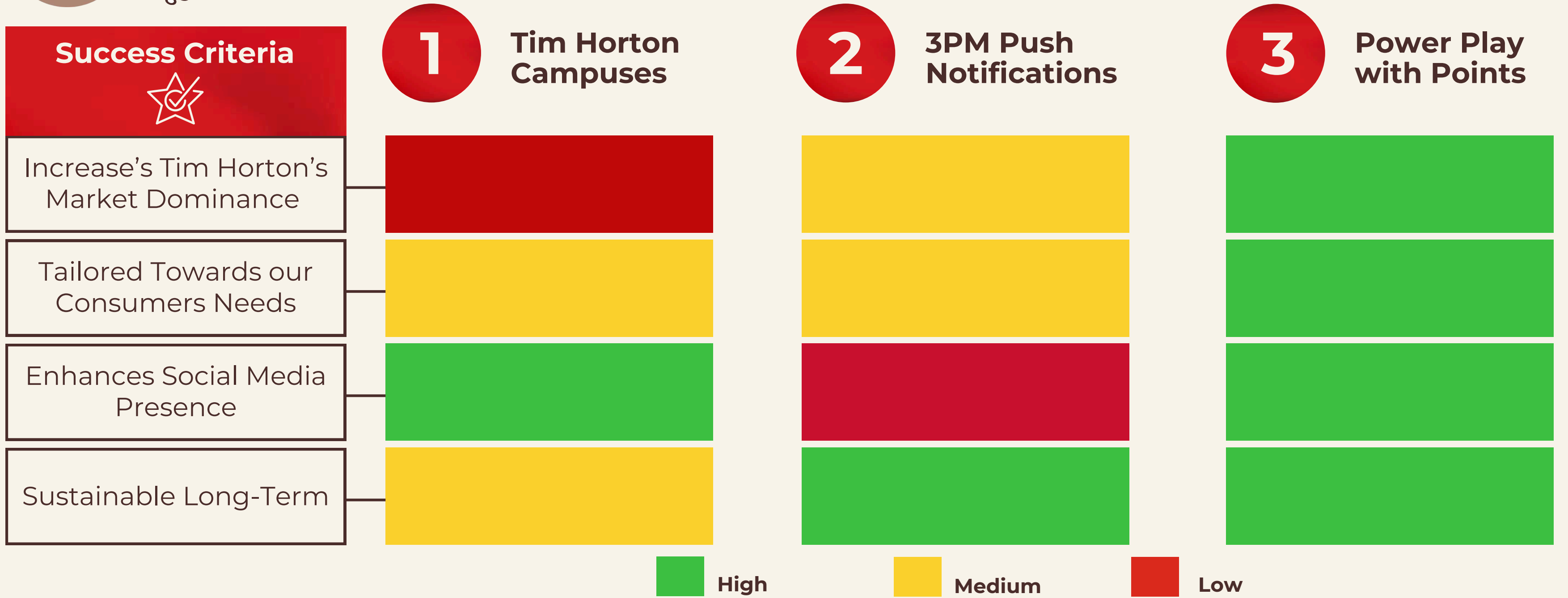


# Power Play with Points is the Most Comprehensive Solution



*What I should consider*

## Decision Matrix





# Power Play with Points

1

## Capture

the **afternoon** and **evening** daypart by launching a game-night product line featuring team spirit donuts, rivalry-branded iced drinks, and snack boxes **timed exclusively** to **NHL games**

2

## Activate

**app-exclusive game-night rewards:** a spin-to-win mechanic, score prediction challenges, and double-point evenings, transforming the Tims app from **scan-to-pay into a daily destination**

3

## Sustain

Tim Hortons' hockey identity through partnerships with all 7 Canadian NHL teams and Olympic athletes, supported by player-led TikTok, YouTube, and Instagram content to **increase brand visibility and attention**



# Power Play with Points

1

## Capture

the **afternoon** and **evening** daypart by launching a game-night product line featuring team spirit donuts, rivalry-branded iced drinks, and snack boxes **timed exclusively** to **NHL games**

## Why

- Helps target underutilized **4-10PM** daypart
- Aligns with **GEN Z** social & game night behaviour
- Leverages growth in **cold & customizable beverages**
- Encourages group purchases which leads to a higher basket size

## Revenue

- Average combo price: **\$6-\$8**
- Group orders (more than 2 people): **\$12-\$20 per visit**
- NHL games create **recurring, high frequency occasions**
- Bringing in incremental **afternoon & evening revenue**



## Step #2: Activate

# Power Play with Points

## Why

- The app becomes a **daily habit**
- Aligns with Gen Z **gamification & reward driven behaviour**
- Increases **engagement** during important games
- Strengthens **app loyalty** leading to repeat purchases

2

## Activate

**app-exclusive game-night rewards:** a spin-to-win mechanic, score prediction challenges, and double-point evenings, transforming the Tims app from **scan-to-pay into a daily destination**

## Revenue

- Increases **visit frequency** per user, **app adoption & retention rates**
- converts one time users into **repeat customers**

# Power Play with Points

## Why

- Leverages **NHL + National identity** => emotional connection
- Expand reach through **TikTok, Youtube & Instagram**
- **Brand relevance**

## Revenue

- **New customers** through more brand awareness
- Consistent **traffic** across **NHL** season
- Strengthens long-term **brand loyalty & retention**

3

## Sustain

Tim Hortons' hockey identity through partnerships with all 7 Canadian NHL teams and Olympic athletes, supported by player-led TikTok, YouTube, and Instagram content to **increase brand visibility and attention**



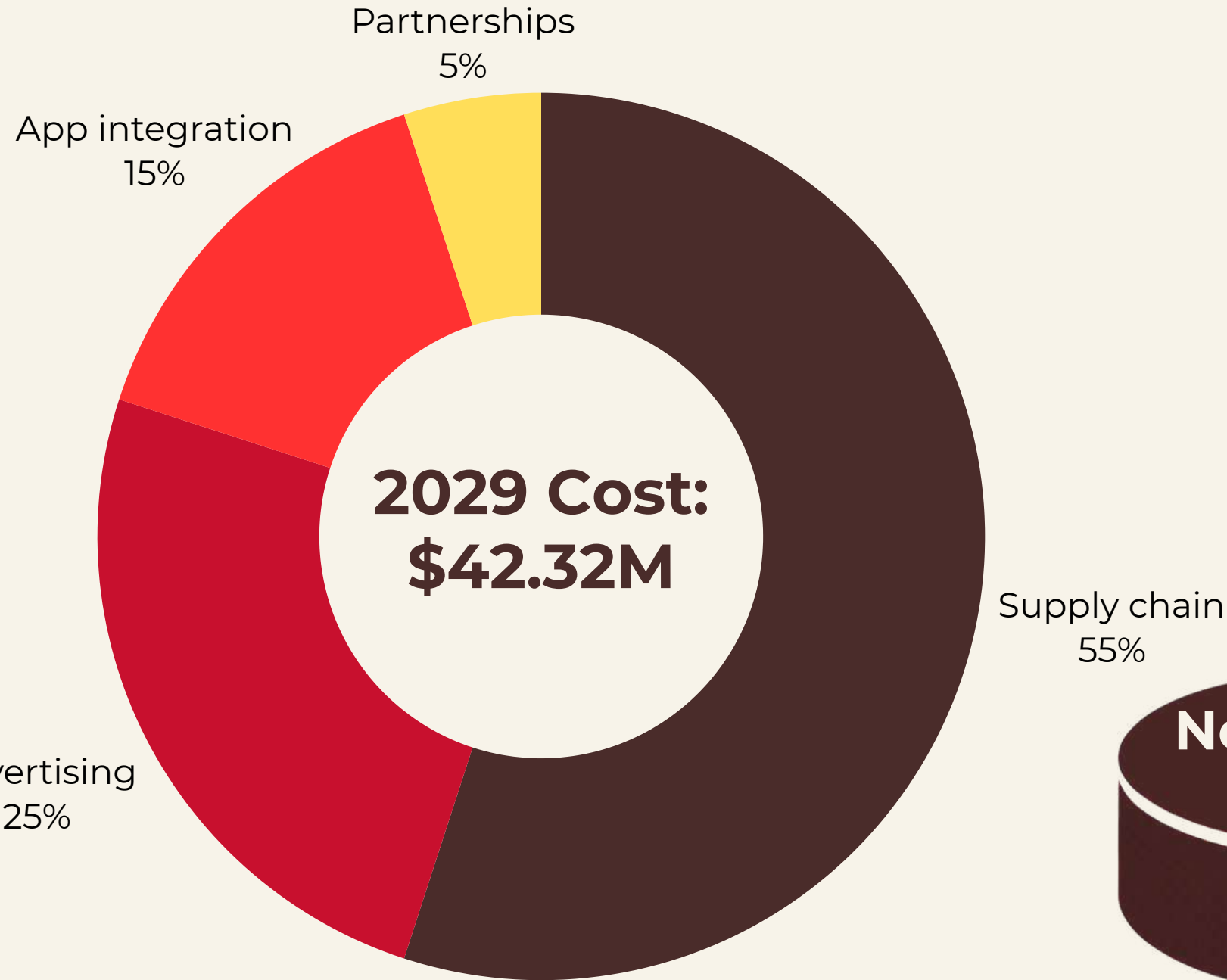
# Power Play with Points can be Feasibly Implemented in 12 Months

FY 2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2027+
<b>Phase 1: Technical Integration</b>													
Sketch & Plan Ideas for Offerings													
Begin Updating and Pilot Testing													
Launch to Public													
<b>Phase 2: Menu Rollout</b>													
Outreach to Influencers & Partnerships: Develop Marketing													
Plan & Launch the Power Play Menu													
<b>Phase 3: Expansion &amp; Long-Term Growth</b>													
Use Data Collection to Send Out Personalized Offers													
Plan and Integrate Newer Product Lines that Appeal to Gen Z													

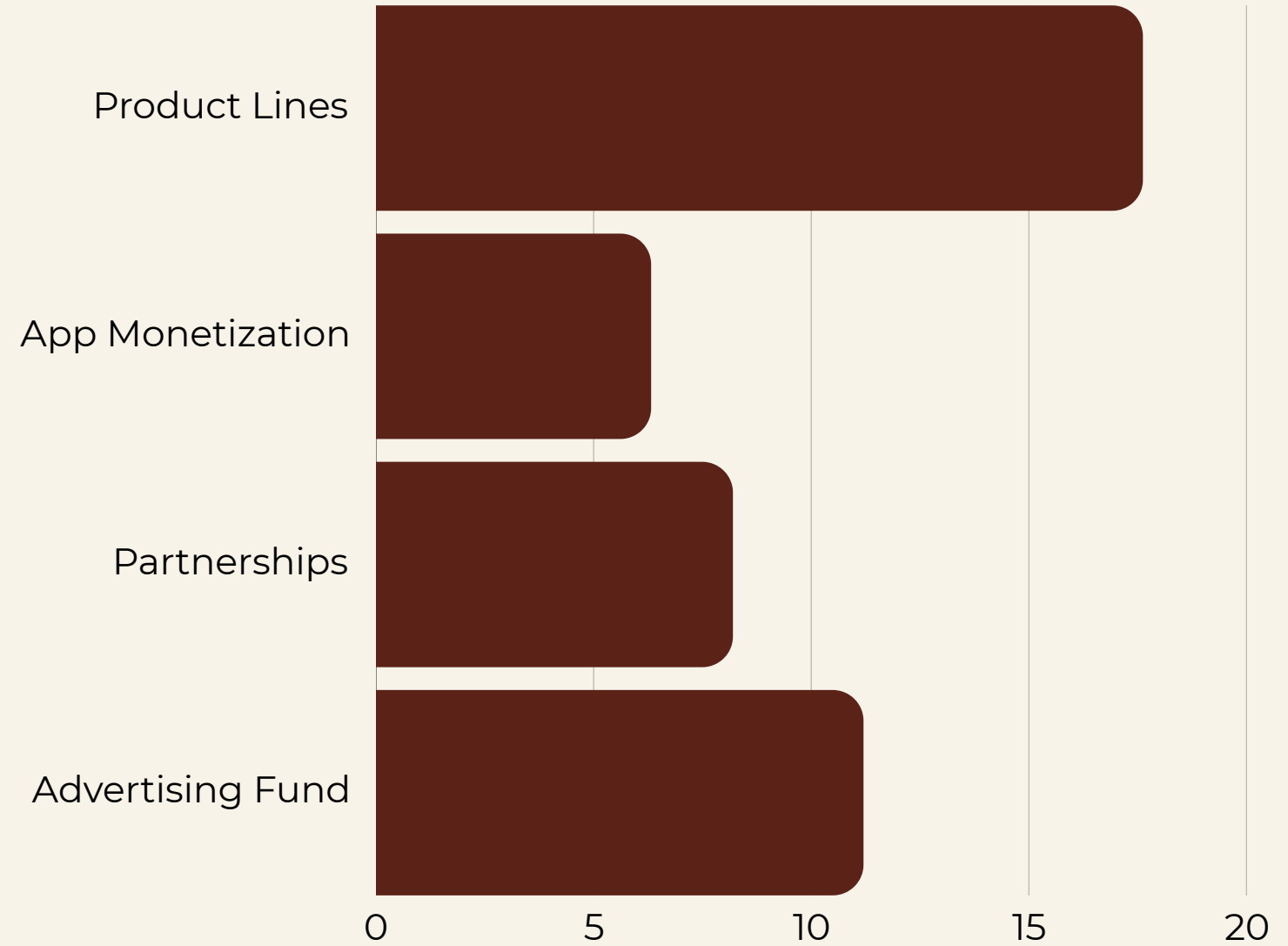
**Summary:** *The Implementation of Power Play with Points will see success in only 6 months*



# Financials of Power Play with Points



## Projected Revenue 2029 (In millions)

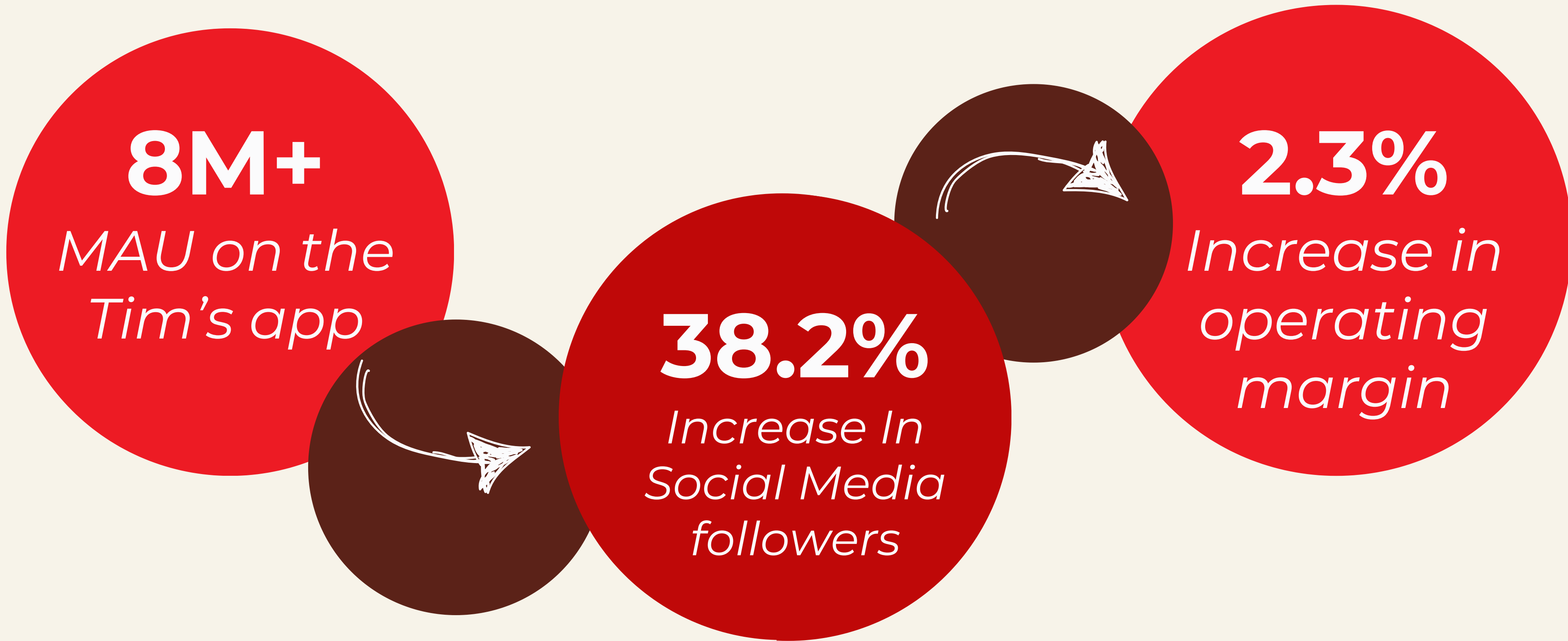


## Projected Expenses 2029 (In millions)

**2029 Revenue: \$49.8M**

# Key Performance Indicators

---





# RISKS AND MITIGATION

## Risks

**1** Users making multiple accounts to spin to win

**2** Influencer collabs

**3** Game night bundle - high demand

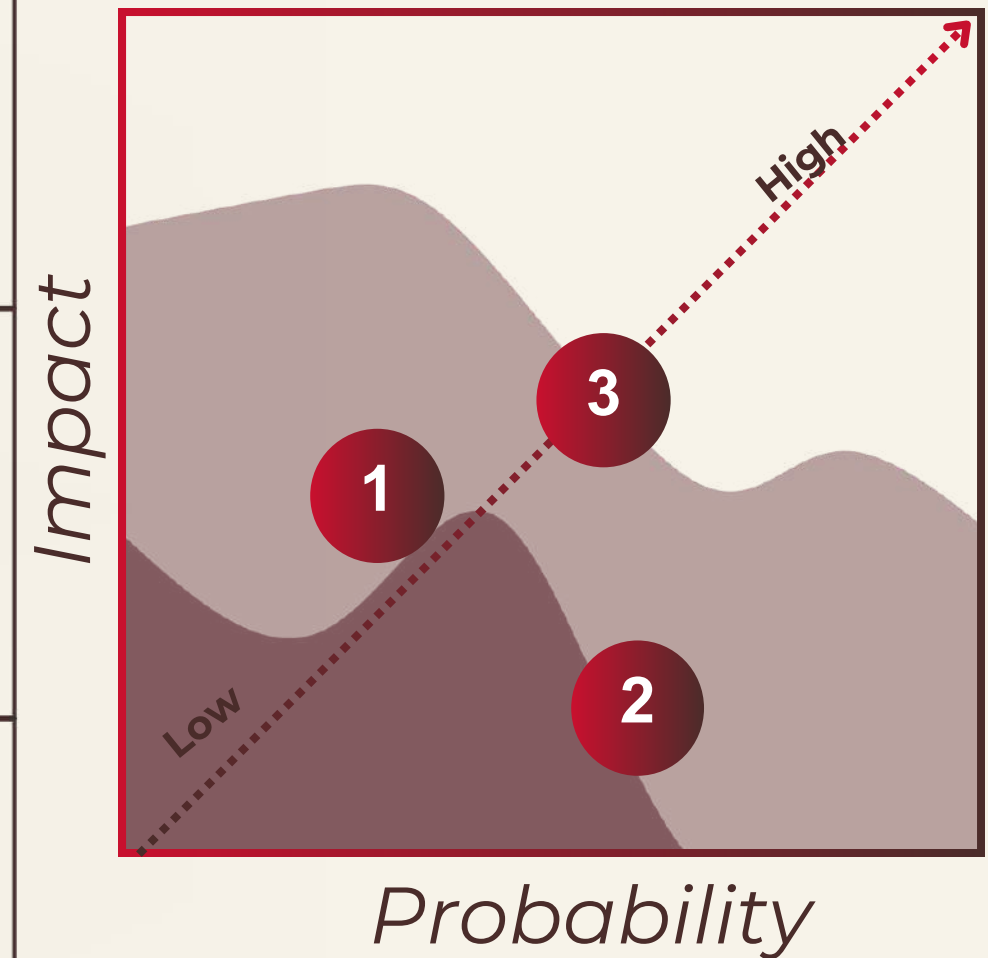
## Mitigation

- Incorporate a fraud detection tool to minimize suspicious activity
- Have consumers receive a unique code through email or phone number

- Be able to vouch for these people before signing a contract and partnering with them
- Diverse partnerships

- Increase inventory for items that are in high demand
- Allow customers to pre order these combos using the app

## Impact Matrix





# CONCLUSION - THANKS FOR LISTENING!

## Team Kim's Convenience





# APPENDIX OVERVIEW

---

- a) Tim Hortons Revenue 2021-2023
- b) Tim Hortons Revenue 2024-2025
- c) Tim Hortons forecasted revenue summary: 2029
- d) Power Play Points financial summary overview



# APPENDIX A: Tim Hortons Revenue 2021-2023

<b>Tim Hortons: Segment</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Revenues:</b>			
Sales	\$2,249.00	\$2,631.00	\$2,725.00
Franchise and property revenues	\$853.00	\$905.00	\$955.00
Advertising revenues and other services	\$229.00	\$266.00	\$292.00
<b>Total revenues</b>	<b>\$3,331.00</b>	<b>\$3,801.00</b>	<b>\$3,972.00</b>
Cost of sales	\$1,765.00	\$2,131.00	\$2,231.00
Franchise and property expenses	\$336.00	\$332.00	\$325.00
Advertising expenses and other services	\$277.00	\$282.00	\$309.00
Segment G&A	\$133.00	\$151.00	\$168.00
<b>Adjustments:</b>			
Franchise agreement amortization	\$8.00	\$7.00	\$6.00
Cash distribution from investments	\$17.00	\$13.00	\$14.00
<b>Adjusted operating income</b>	<b>\$845.00</b>	<b>\$925.00</b>	<b>\$958.00</b>



# APPENDIX B: Tim Hortons Revenue 2024-2025

<b>Tim Hortons: Segment</b>	<b>2024</b>	<b>2025</b>	<b>Variance</b>
<b>Revenues:</b>			
Supply chain sales	\$2,708.00	\$2,909.00	\$201.00
Company restaurant sales	\$45.00	\$46.00	\$1.00
Franchise and property revenues	\$987.00	\$995.00	\$8.00
Advertising revenues and other services	\$301.00	\$298.00	-\$3.00
<b>Total revenues</b>	<b>\$4,040.00</b>	<b>\$4,247.00</b>	<b>\$207.00</b>
Supply chain cost of sales	\$2,180.00	\$2,363.00	\$183.00
Company restaurant expenses	\$37.00	\$40.00	\$3.00
Segment F&P expenses	\$330.00	\$330.00	\$0.00
Advertising expenses and other services	\$307.00	\$312.00	\$5.00
Segment G&A	\$158.00	\$140.00	-\$18.00
<b>Adjustments:</b>			
Cash distribution received from investments	\$15.00	\$16.00	\$1.00
<b>Adjusted operating income</b>	<b>\$1,043.00</b>	<b>\$1,077.00</b>	<b>\$34.00</b>



# APPENDIX C: Tim Hortons forecasted revenue summary: 2029

<b>Revenues:</b>	<b>Pessimistic</b>	<b>Realistic</b>	<b>Optimistic</b>
Supply chain sales	\$3,287.17	\$3,345.35	\$3,461.71
Company restaurant sales	\$51.98	\$52.90	\$54.74
Franchise and property revenues	\$1,124.35	\$1,144.25	\$1,184.05
Advertising revenues and other services	\$336.74	\$342.70	\$354.62
<b>Total revenues</b>	<b>\$4,799.11</b>	<b>\$4,884.05</b>	<b>\$5,053.93</b>
Supply chain cost of sales	\$2,670.19	\$2,717.45	\$2,811.97
Company restaurant expenses	\$45.20	\$46.00	\$47.60
Segment F&P expenses	\$372.90	\$379.50	\$392.70
Advertising expenses and other services	\$352.56	\$358.80	\$371.28
Segment G&A	\$158.20	\$161.00	\$166.60
<b>Adjustments:</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Cash distribution received from investments	\$18.08	\$18.40	\$19.04
<b>Adjusted operating income</b>	<b>\$1,217.01</b>	<b>\$1,238.55</b>	<b>\$1,281.63</b>



# APPENDIX D: Power Play Points financial summary

<b>Total Revenues</b>	<b>Pessimistic</b>	<b>Realistic</b>
<b>Supply chain sales:</b>		
Power Play Combo	\$6.61	\$7.71
Hat trick box	\$7.68	\$9.63
Team spirit donuts	\$5.30	\$7.47
Team spirit drinks (coffee, iced coffee)	\$3.06	\$4.84
<b>Total Supply chain sales:</b>	<b>\$22.65</b>	<b>\$29.65</b>
<b>Advertising revenues and other services</b>		
App monetization and data value	\$9.31	\$12.01
Partnership Integration Revenue	\$6.14	\$8.14
<b>Advertising revenues and other services</b>	<b>\$15.45</b>	<b>\$20.15</b>
<b>Total Revenues:</b>	<b>\$38.10</b>	<b>\$49.80</b>

<b>Total Expenses</b>	<b>Pessimistic</b>	<b>Realistic</b>
<b>Supply chain sales:</b>		
Power Play Combo	\$8.91	\$5.01
Hat trick box	\$10.20	\$7.82
Team spirit donuts	\$9.32	\$6.44
Team spirit drinks (coffee, iced coffee)	\$7.34	\$3.30
<b>Total Supply chain sales:</b>	<b>\$35.77</b>	<b>\$22.57</b>
<b>Advertising expenses and other services</b>		
Social Media & Influencer Marketing	\$3.53	\$4.31
App integration	\$11.31	\$9.30
Advertising	\$9.54	\$6.14
<b>Total Advertising and other services</b>	<b>\$24.38</b>	<b>\$19.75</b>
<b>Total expenses:</b>	<b>\$60.15</b>	<b>\$42.32</b>