



# 7 Things to Research Before Opening a Cafe in Australia

*A free pre-launch checklist from MarketOnDemand*

Most cafe concepts don't fail because the coffee is bad. They fail because nobody validated the business case before the lease was signed. This checklist covers the seven areas that actually determine viability — and the single question you should be able to answer before you commit.

01

## Foot Traffic & Location Patterns

Don't just walk past and check 'it looks busy'. Count pedestrian flow at different times — 7am, 12pm, 5pm, Saturday morning. Map who is actually walking past: office workers, residents, students? The right crowd for your concept matters more than the total number.

*Ask yourself: "Is the foot traffic pattern a match for when and what I'm selling?"*

02

## Competitive Density & Gaps

Map every similar operator within 500 metres. Note their price point, quality tier, capacity, and opening hours. You're not looking for zero competition — you're looking for a gap. What is nobody doing well in this specific pocket of the market?

*Ask yourself: "Is there a clear gap I can credibly occupy — or am I just adding another option?"*

03

## Demographic Fit

Pull ABS census data for the suburb. Look at median household income, age profile, occupation mix, and population growth trends. A specialty single-origin cafe concept needs a different demographic profile than a grab-and-go coffee-and-sandwich operation.

*Ask yourself: "Does the local population genuinely match my target customer?"*

04

## Pricing Benchmarks

Visit your top 5 competitors and note their full price list. Calculate the average price for a flat white, a lunch item, and a cabinet food item. Know where you'll sit relative to the market before you finalise your menu — not after.

*Ask yourself: "Can I price where I need to be and still compete effectively?"*



05

### Revenue Model Stress Test

Work backwards from your fixed costs (rent, staff, COGS) to calculate your required daily covers and average spend. Then model a conservative scenario: what if you hit 60% of your target in month one? Can you still survive? Most operators skip this step.

*Ask yourself: "What is my break-even in covers per day — and is it realistic for this location?"*

06

### Regulatory & Compliance Flags

Check council zoning, fit-out requirements, and food business registration early. Confirm whether the site requires a DA. Look for noise restrictions, outdoor seating rules, and signage limitations. These can add months and tens of thousands to your launch — better to know now.

*Ask yourself: "Are there any compliance flags that could delay or derail my launch?"*

07

### The One Question That Cuts Through Everything

After you've done the research, ask yourself honestly: 'If a stranger showed me this data cold — no emotional attachment, no sunk cost — would I back this?' If the answer is yes, you have a go. If it's a hesitant maybe, keep digging. If it's no, the research just saved you everything.

*Ask yourself: "Based on the evidence — not the hope — is this a go?"*

## What to do next

### 1 Work through the checklist

Go through each of the 7 areas for your specific concept and location. Take notes. Be honest.

### 2 Identify your gaps

Which areas do you have solid answers for? Which haven't you researched yet? The gaps are where your risk sits.

### 3 Get a professional assessment

If you want an independent feasibility report for your specific concept and location — that's exactly what MarketOnDemand does.

## Ready to go deeper?

Book a free consult — DM Alex on LinkedIn

Free consult

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