Session Three: Major Supply & Demand Trends

Growth in the Global Coffee Industry

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Kraft Foods International
Growing the global coffee industry requires ...

- commitment and contribution from all participants
- investment and leadership from brands
- a willingness to embrace change
Global Coffee consumption has increased steadily over time.

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Kraft Foods International
Three companies account for over 45% of global volume ...

- Kraft
- Nestlé
- Sara Lee

... with market share growing steadily over time.
The growth recipe is simple in theory ...

build powerful brands

... but increasingly complex as the consumer is faced with a spectrum of options.
A successful brand is a combination of ...

- a high quality product

- in a variety of forms/formats to meet consumer needs

- with a personality built up over years through marketing investment
When the equation is optimised the successful Coffee brand can ...

- build a loyal bond with consumers
- grow share within a market
- reinvest in technology/marketing to further increase consumer value
- grow markets through new users and increased purchase rate
Investment commitment means that consumers are continually presented with increased value options …

- better quality
- more convenience
- increased availability
But, the Coffee industry is an integrated unit and all parts must work in concert.

Consumer

- retailers
- producers
- brand builders
- exporters
- processors
- governments
- traders
And, it is easy for this common growth mission to get out of alignment.

- volatility
- quality
- free movement of goods
- local vs global agendas
In summary,

- growth requires commitment and contribution from all participants
- brands will lead the path to growth
- success in a competitive world requires a willingness to embrace change