TRENDS IN NEW COFFEE CONSUMING MARKETS
OUT OF HOME CONSUMPTION

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NEW COFFEE CONSUMING MARKETS

- Booming middle class
  - higher income
  - new aspirations
  - thirst for novelty

- Coffee as a lifestyle
  - eastern vs. western habits

- Discovery of local (domestic) markets in

  Producing countries  Emerging markets
  - Indonesia  • Vietnam  • Russia  • China
  - India  • Mexico  • East Europe  • Korea
COFFEE HOUSES

- Role as trend setters

- Aspirational
  - status yet affordable

- “Coffee experience”
  - indulgence
  - product + ambiance + companion

- Socialization of the habit
  - emotional connection

FAST EXPANSION IN NEW MARKETS

- Starbucks investing in Asia-Pacific
  - 500 stores in China
  - >200 stores in Phillipines
  - >140 stores in Indonesia
  - Asia as fastest growing market (3,300 stores)
  - opening first store in Vietnam
  - roasting in India

- The power of Coffee Day in India
  - 1,400 Café Coffee Day stores in 200 Indian cities (US$1/cup)
  - 400,000 guest-visits per day
  - 900 Coffee Day Xpress (US$0.3/cup)
  - investing in new models to target different consumers
    - extended menu
    - premium cafes
OFFICE COFFEE SERVICES

- Drip coffee (R+G and soluble) is ubiquitous
  - but machines expand fast
  - espresso, cappuccino, other preparations

- Coffee kiosks

- Office workers: young consumers drive consumption
  - China
  - India
THE SEARCH FOR CONVENIENCE

- Single serve solutions
  - coffee stations
- Coffee “on the go”
- Innovative products
- Practicality

MORE AFFORDABLE OPTIONS

COFFEE DAY XPRESS
MC CAFÉ
FRESH & GROUND
THE INFORMAL SECTOR

- Very strong in big cities
  - workers
- Coffee stands/“warongs” in Indonesia
  - mobile coffee shop - bicycles
- “Tinteros” in Colombia
- Breakfast booth in São Paulo
  - coffee + cake

KEY TRENDS IN PRODUCING COUNTRIES

- Local chains
- Country specific solutions
  - “corner” stores
  - padaria / bakery
  - informal sector
- Foreign chains

FROM HOME TO OUT OF HOME
KEY TRENDS IN EMERGING MARKETS

- Modern outlets
- Foreign inspired
- Locally adapted
- Fewer artisanal solutions

FROM OUT OF HOME TO HOME

THANK YOU!

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