



# Café de Colombia: Evolving with the emerging consumption trends

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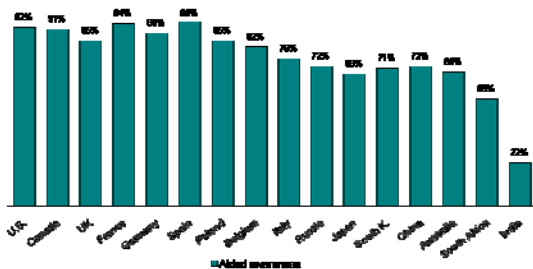
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## Today Colombia is one of the most well-known origins for coffee. It wasn't always this way...

Awareness of Colombia as a coffee-growing country



Colombia had an excellent product but nobody knew about it. The need for a differentiation strategy was evident.

- During the late 50's the price of Colombian coffee went from \$0.85/lb to \$0.45/lb due to an excessive supply of coffee in the world market.

- Only 4% of consumers recognized Colombia as a coffee origin.

- Roasters dominated the market and they tended to hide origin in order to gain more flexibility in blends.

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## The road towards origin differentiation...

- 1960 - Creation of the Juan Valdez Character
- Make sure consumers demand Colombian coffee
- Industry would assure distribution by offering 100% Colombian coffee brands
- 1980 - Colombian Coffee ingredient brand strategy
- A new segment in the coffee category was created: 100% Colombian coffee
- Successful Push-pull strategy

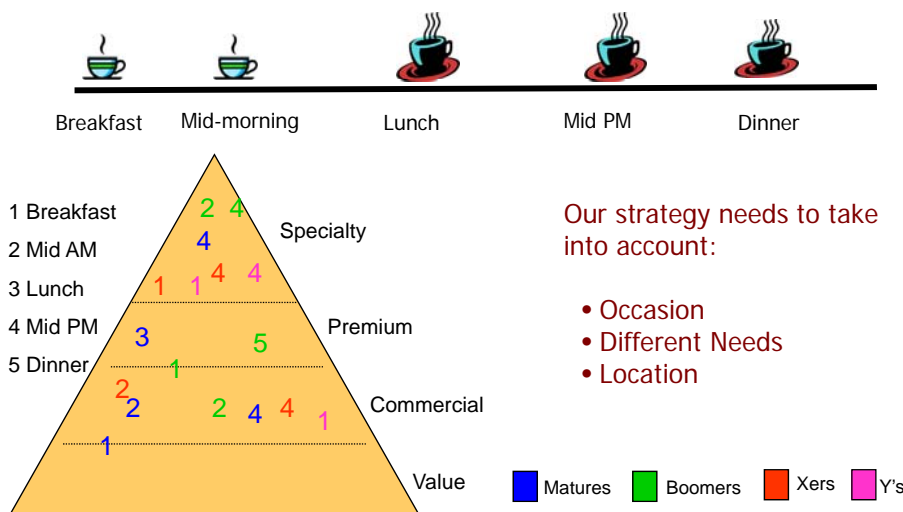


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## As from the 90's the category changed. Colombian coffee needed to become relevant for different price points and occasions



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## To satisfy consumers that wanted more than just quality

- New generations have greater access and interest for more information about the products they consume.
- Globalization also generated a niche of more conscious and demanding consumers.
- Origin became an increasingly important differentiation tool.
- More diverse product categories: Consumers want more options with different value propositions.



Y(20-34yrs): 47% of the segment are coffee drinkers (U.S.)



X(35-48 yrs): 61% of the segment are coffee drinkers (U.S.)

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## Our brand architecture and strategy needed to evolve.

Just one ingredient brand will not do the job to communicate the options Colombian coffee has.



# Juan Valdez



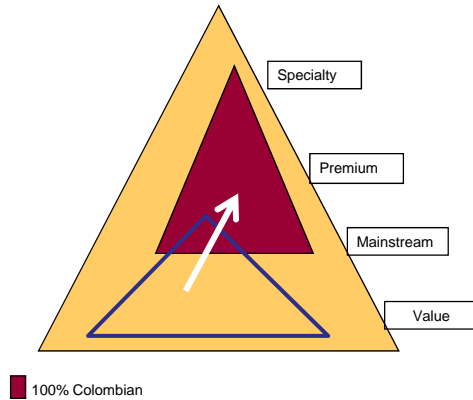
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## Our new Juan Valdez has helped to reposition Colombian coffee in the Specialty category

Generating demand for Colombian coffee at different price points and consumption occasions

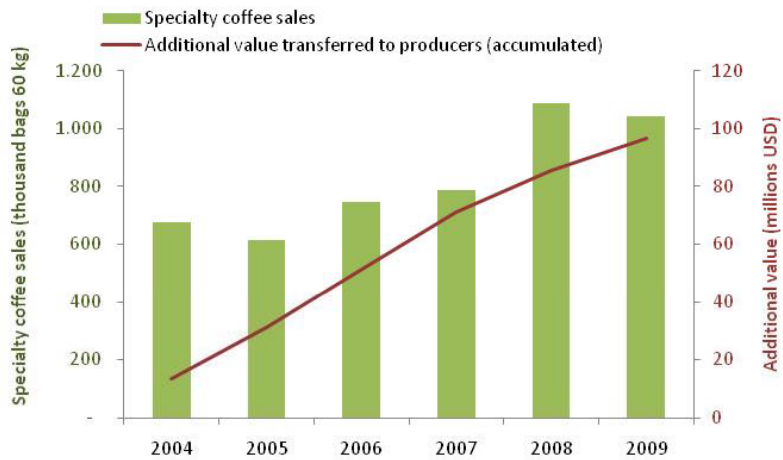


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## Generating industry demand for specialty coffees from Colombia at higher prices



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## Innovation is key to an ever evolving experience

Using Federation's infrastructure we can now create a stronger link to origin with consumers with traceability technology

### Protected Geographical Indication



### Specialized tools – Beantrack



### Virtual Trips to the origin



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## Where is your coffee from, really?

- Interactive tools placed in Juan Valdez Coffee Shops to know and appreciate their coffee
- Allows connoisseurs to know the specific origin of the Colombian coffee by entering Beantrack<sup>®</sup> code in the package



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## Supporting traceability with Beantrack ®

- Interface powered by the producers traceability system
- Friendly navigation specially designed for consumers
- Tool for coffee amateurs interested on deeper knowledge regarding coffee origin



- See [www.juanvaldezcafe.com](http://www.juanvaldezcafe.com)

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## Virtual Trips to origin



- Virtual trip where the "traveler" can discover the origin of its coffee, departing from his/her own house.
- Edutainment tool that explains how the geographic and environmental factors affect coffee attributes

- Consumers friendly navigation
- A Virtual experience similar in concept to a winery tour- Why this coffee is special and different –
- See: [www.cafedecolombia.com/la\\_tierra\\_del\\_cafe/regiones\\_cafeteras/narino](http://www.cafedecolombia.com/la_tierra_del_cafe/regiones_cafeteras/narino)



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As producers, our challenge is to make the origin relevant to consumers. Centered on the coffee grower, his/her efforts and our values and identity.



An Authentic Origin Experience

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# Thanks

For further information please visit our websites:

[www.federaciondecafeteros.org](http://www.federaciondecafeteros.org)

[www.100porcientocafedecolombia.com](http://www.100porcientocafedecolombia.com)

[www.cafedecolombia.com](http://www.cafedecolombia.com)

[www.juanvaldez.com](http://www.juanvaldez.com)

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