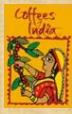







ICO GUIDE UPDATE

P&A Marketing International
March 2009

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APPLICATIONS OF ICO GUIDE

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LATEST UPDATE SINCE SEPTEMBER 2008




- Colombia
 - Executive Director chosen
 - Ready to start (2009)
- Costa Rica
 - Designing structure (2009)
- Africa
 - Seeds sown
- Vietnam
 - Initial tentative efforts
- Brazil
 - Retrofeeding at ENCAFÉ (2008)

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TRENDS IN PRODUCING COUNTRIES



- High income groups follow world tendencies
- Availability of products / economies of scale
- Replacement of traditional preparation systems
- Soluble and 3 in 1
- Traditional vs. modern retail
- Institutional sector
- Home ↔ Out-of-home



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POSITIONING COFFEE TO CONSUMERS IN PRODUCING COUNTRIES



- Low income groups are majority
- Specific approaches required
 - functionality (health / sports / attention)
 - coffee as food
 - pleasure / emotion
 - socialization
- Aspirational values
 - glamour / luxury



**CONSUMERS LOOK FOR MORE
VALUE FOR THEIR MONEY**

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HOW TO COMMUNICATE WITH CONSUMERS INTERESTING CASES



- India 
- Mexico 
- El Salvador 
- Colombia 

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EXAMPLES FROM INDIA I



SMALL PACKAGES

- 10 to 100 grams
- simple materials
- displays





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EXAMPLES FROM INDIA II

DOOR TO DOOR SAMPLING

- package distribution
 - individual servings
 - preparation instructions
- products' sale monitored by region
- very high response
- the most efficient strategy to introduce products






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EXAMPLES FROM INDIA III

DIFFERENT STORES FOR DIFFERENT MARKETS

- Three types of store (1080 units)
 - high end shops - **Cafe Coffee Day** (specialty / espresso / snacks / etc)
 - Kiosks - **Xpress**
 - Traditional stores - **Fresh 'n Ground** (R+G and chicory by pound / create your blend)
- Different names for each type of store
- Visual communication allows association between different stores
- Similar beverages with different names and prices


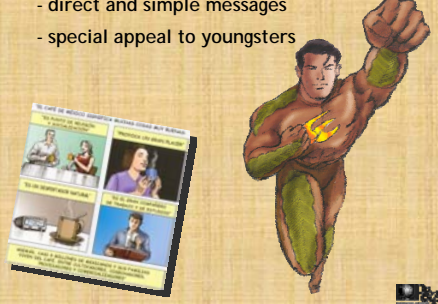



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EXAMPLES FROM MEXICO I

COMIC BOOKS

- idea borrowed from political campaigns
- direct and simple messages
- special appeal to youngsters

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EXAMPLES FROM MEXICO II

PERFORMANCES IN PUBLIC AREAS AND COMMERCIAL MALLS

- troupe performing plays on the street
 - simple and direct messages
 - advantages of coffee
 - coffee and sociability
 - coffee and health
- humor / choreography / joy
- coffee tasting

DISPLAYS IN SHOPPING MALLS FOR NEW CONSUMERS?



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EXAMPLES FROM MEXICO III

UNDERSTAND WHERE AND HOW THE BOP CONSUMER BUYS

- Traditional shops
- Popular supermarkets
- Small packages
 - individual and multiple servings
 - displays




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EXAMPLES FROM EL SALVADOR I COFFEE IN THE BACKPACK



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EXAMPLES FROM MEXICO AND EL SALVADOR COFFEE STATION IN GAS STATIONS AND CONVENIENCE STORES



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EXAMPLES FROM COLOMBIA I



RADIO

- cheaper
- more selective
- more frequent
- excellent cost / benefit



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EXAMPLES FROM COLOMBIA II COFFEE VANS



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THANK YOU!



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