



GOSTOSO

INDUSTRY REPORT



Lojain Abu Naser
Dr. Leonardo Mataruna
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TABLE OF CONTENTS

What's On the Menu?

Background.....	01
Company Information.....	02
Market Analysis.....	03
Gostoso SWOT.....	05
Factory Experience.....	06
Recommendations and Advice.....	08
Recreating our Campaign.....	10
Bibliography.....	12



BACKGROUND

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- Gostoso Coffee is a **Brazilian** coffee company that was established by **Colin Francis** in 2021 through BR Food Industries (BFI).
- BFI is a food manufacturer that **supplies** to customers in Europe, Asia and the Middle East.
- BFI's goal is to **unite** nations to make Brazilian Coffee "great again" (Br Food Industries, 2024) by providing top **quality** products at **competitive** rates.

GOSTOSO'S STRATEGY + USP

Gostoso Coffee's direct sourcing from **Brazilian farmers** cuts costs and creates transparency. By **bypassing middlemen** and intermediaries, they **reduce expenses**, enabling them to offer affordable prices without undercutting fair **compensation** to **farmers** and **quality** for consumers.

This approach also strengthens relationships, ensuring fair profits for farmers and allowing Gostoso Coffee to showcase their **ethical sourcing** commitment.

CURRENT PRODUCTS & PORTFOLIO

Gostoso Coffee currently holds various types of coffee products with diverse notes and acidities. They include:

- Specialty Coffee
- Reserve Coffee
- Gourmet Coffee
- Signature Coffee
- Turkish Coffee
- Dubai Coffee
- Passport Drip Coffee
- Passport 10 Capsules
- Passport Gold & Classic



COMPANY INFO

THE MISSION AND VISION OF GOSTOSO COFFEE

While there is no website for Gostoso Coffee, a lot of the information can be retrieved by BR Food Industries as they share similar visions and missions that were discussed during Francis' visit to CUD and the factory visit.



MISSION OF BFI:

"To provide our customers with quality coffee products at competitive rates, our farmers with the dignity they deserve and fair prices, and our people with a fantastic work environment" (BR Food Industries, 2024).

VISION OF BFI:

"To be a constant force for good in the world while supplying the world with best-in-class coffee products." (BR Food Industries, 2024).



GOSTOSO'S TARGET MARKET

- **Value-conscious consumers:**
 - Competitive pricing (quality coffee at affordable rates).
- **Ethically-minded consumers:**
 - Focus on fair treatment of farmers resonates with those prioritizing ethical sourcing.
- **Coffee enthusiasts:**
 - Diverse product range caters to those appreciating various coffee profiles and brewing methods (e.g. specialty and ground coffee).
- **Local consumers in the UAE:**
 - Products like "Dubai Coffee" and location in Jebel Ali target the local UAE market.
- **International audience:**
 - Existing presence in Europe, Asia, and the Middle East indicates a desire to reach a broader international audience.
- **Potential business partners:**
 - Offering tours and showcasing ethical sourcing can attract partners interested in high-quality, competitively priced coffee and shared values.

MARKET ANALYSIS

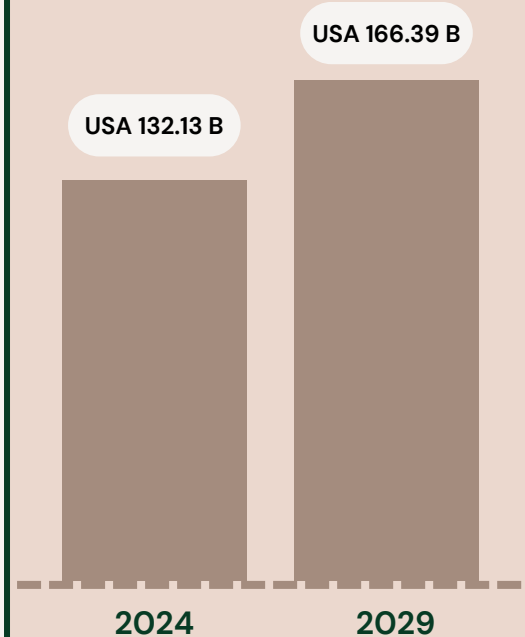
MARKET SIZE AND GROWTH:

Based on an industry report by **Mordor Intelligence**, the global coffee market is estimated at a staggering **USD 132.13 billion** in **2024**, projected to reach **USD 166.39 billion** by **2029** (Mordor Intelligence, 2024).

Moreover, **revenue** generated at **home** (e.g., in supermarkets and convenience stores) in the Coffee market amounts to **US\$94.7 billion** in **2024** based on a Statista report (Statista, 2024).

This information is relevant for Gostoso Coffee as most of the distributors are supermarkets and grocery stores. This consistent growth in the coffee industry reflects the ever-increasing demand for the popular beverage.

Coffee Market Estimated Growth



DRIVING FORCES IN THE MARKET

- **Change in Lifestyle:** Rising disposable income in developing countries drives demand for premium coffee experiences, as well as convenience needs.
- **Changing Consumer Preferences:** Adventurous coffee choices encourages industry innovation with specialty blends, single-origin coffees, and customization options.
- **Sustainability Concerns:** Increasing focus on environmental and social impact urges adoption of sustainable practices like fair trade and organic sourcing.
- **Health and Wellness Trends:** Emphasis on health benefits leads to offerings of cold brew, nitro coffee, and plant-based milk alternatives.
- **Evolving Retail Landscape:** Online platforms and specialty shops reshape the retail scene, adding to traditional grocery stores with convenience and variety.

MARKET ANALYSIS

CHALLENGES AND CONSIDERATIONS:

- **Climate Change:** Fluctuations in weather patterns and extreme weather threatens coffee bean production, potentially impacting prices and availability (Fairtrade, 2022).
- **Sustainability Concerns:** Consumers increasingly demand ethical sourcing and sustainable practices, requiring companies to address these concerns.
- **Competition:** The market is highly competitive, with established players and emerging companies competing for market share.
- **Unpredictable Pricing:** Coffee bean prices are subject to fluctuations due to factors like global supply and demand, impacting profit margins for companies (Euromonitor International, 2023).
- **Regulations:** Navigating complex regulations related to food safety, labor practices, and environmental sustainability can be challenging for companies operating globally.
- **Constant Technological Developments:** Keeping pace with evolving technologies in areas like online ordering can be challenging for new and unexperiences companies.

KEY PLAYERS IN THE UAE COFFEE MARKET



GOSTOSO SWOT

Strengths

- **Brand Origin:** Leveraging the positive association of Brazilian coffee with quality and taste can be a significant advantage in the UAE market.
- **Unique Selling Proposition (USP):** Offering quality, ethically-sourced Arabica coffee beans from Brazil for a competitive price.
- **Local Adaptation:** Tailoring offerings to local preferences, such as providing a product called "Dubai Coffee" and offering culturally relevant flavours, enhances brand appeal.

Weaknesses

- **Brand Awareness:** As a new entrant, Gostoso Coffee might face challenges in establishing brand recognition compared to well-established players.
- **Limited Distribution:** Since Gostoso Coffee is new, it has a limited presence in supermarkets, cafes, and online platforms. Therefore, they might struggle to reach a wider customer base.
- **Price Point:** Gostoso Coffee could face competition from established brands offering similar products at different price points.

Opportunities

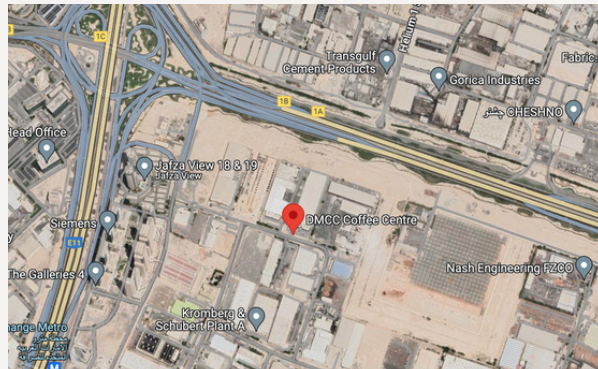
- **Growing Coffee Market:** The UAE's flourishing coffee market presents an opportunity for Gostoso Coffee to gain market share and grow its customer base.
- **E-commerce Growth:** Expanding online presence through e-commerce platforms can increase accessibility and reach a wider audience, especially considering the growing online shopping trend in the UAE (eCommerce Market UAE, 2024).
- **Specialty Coffee Trend:** The rising popularity of specialty coffee offers an opportunity for Gostoso Coffee to position itself as a premium brand catering to discerning coffee enthusiasts.

Threats

- **Competition:** The UAE coffee market is already saturated with established local and international players, making it challenging for new entrants to stand out.
- **Economic Fluctuations:** Fluctuations in the global coffee market and economic factors like inflation can impact Gostoso Coffee's profitability and operational costs.
- **Climate change:** Climate change can impact how the coffee beans are grown, as well as how much they will be sold for in the future.

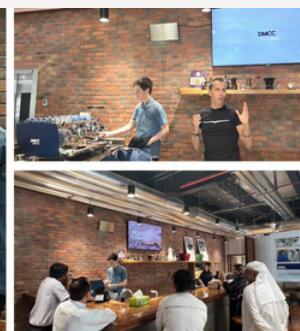
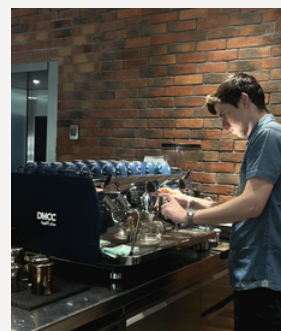
FACTORY EXPERIENCE

The Gostoso Coffee factory is nestled within the bustling **Jebel Ali Free Zone**, the Dubai Multi Commodities Centre (**DMCC**). The DMCC is the UAE's **largest free-trade** zone and accounts for 11% of all foreign direct investment in the emirate (DMCC, 2024). Colin Francis has spoken about the great efforts the CEO of DMCC, **Ahmed Sultan Bin Sulayem**, has been making to create multiple segments of the DMCC with the vision of being sustainable and ethical, one of the recent ones being the **DMCC Coffee Centre**.



(DMCC Coffee Centre, 2024)

When visitors and potential clients walk in, they are first greeted by a welcoming **coffee station/cafe** where they can get a chance to savour the very essence of Gostoso Coffee before taking a tour of the facility. During this session, **information** about the **flavour notes** is discussed and visitors can also enjoy a cup of their choice of either espresso or filtered coffee.



(DMCC Coffee Centre, 2024)

FACTORY EXPERIENCE

After this, many **precautions** are taken to ensure the **cleanliness** of the factory. For instance, people with long hair need to tie it up and everyone needs to wear a hairnet. The first room of the factory is a warehouse with **ethically** sourced **bags of coffee** beans. These coffee bags are organized by country of **origin** and are **marked** with specific colors to represent them. For instance, coffee bags from Brazil are marked with green and yellow. The visitors were informed of some more coffee **facts** during this part of the tour, for instance, how the coffee beans are stored in a specific **plastic wrapping** to ensure the taste stays the same and consistent.



(BR Food Industries, 2024)

Next, the visitors are taken to two different rooms of **production**. The first one focuses on **roasting** the beans, while the second one is for **packaging** and distributing. The whole factory has **services** for storage, processing, roasting, packing, and delivery of coffee to international destinations. Furthermore, the storage facility is **temperature-controlled** to ensure the beans are of high quality (Br Food Industries, 2024).



(DMCC Coffee Centre, 2024)

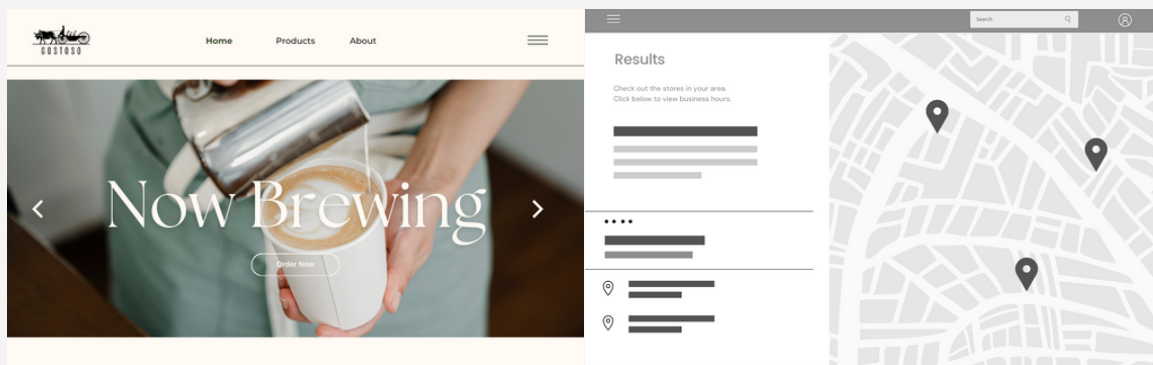
Witnessing this dedication to **quality** and **ethical** sourcing firsthand made me realize how having a good **corporate social responsibility** for a company is truly possible, inspiring, and rewarding, even in a **competitive market**.

RECOMMENDATIONS AND ADVICE

Based on the Market Analysis, some of the recommendations Gostoso Coffee can implement goes as follows:

1. Enhance Online Presence:

Develop a user-friendly **website** (exclusively for Gostoso Coffee) showcasing Gostoso's story, products, brewing tips, and ethical sourcing practices. Include a **product locator** for physical stores and an **e-commerce platform** for online sales, offering convenience and wider reach.



2. Invest in Targeted Advertising:

Leveraging platforms like **Google Ads** and **social media** advertising with a consistent theme (for brand recognition) could help Gostoso Coffee reach wider audiences. This **cost-effective** strategy allows for **efficient** marketing compared to traditional methods like billboards.



Gosotoso Coffee
Colour Theme



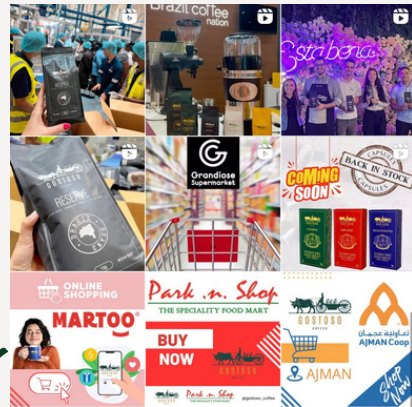
RECOMMENDATIONS AND ADVICE

3. Cater to Health Trends:

Based on the market trends showing an increase of **health and wellness** conscious people, Gostoso Coffee could emphasize the **health benefits** of the coffee they produce. For **example**, the good quality roasted beans that Gostoso Coffee has, rather than the burnt beans found in cheaper mass-produced alternatives.

2. Leverage Social Media:

Even though Gostoso Coffee has **Instagram** and **Facebook**, they should take the time to build brand **awareness**, engage with customers, **share** company updates, and showcase their **unique selling proposition (USP)** through visually appealing content. They could do this by using a consistent **theme** that aligns with the **brand identity**. On the right, an image of Gostoso Coffee's current social media grid can be **compared** to one with a theme.



5. Pursue B2B Opportunities:

Gostoso Coffee should **partner** with cafes and restaurants, offering them beans as their **supplier**. This expands their reach and sales beyond direct-to-consumer channels.

6. Implement Loyalty Programs:

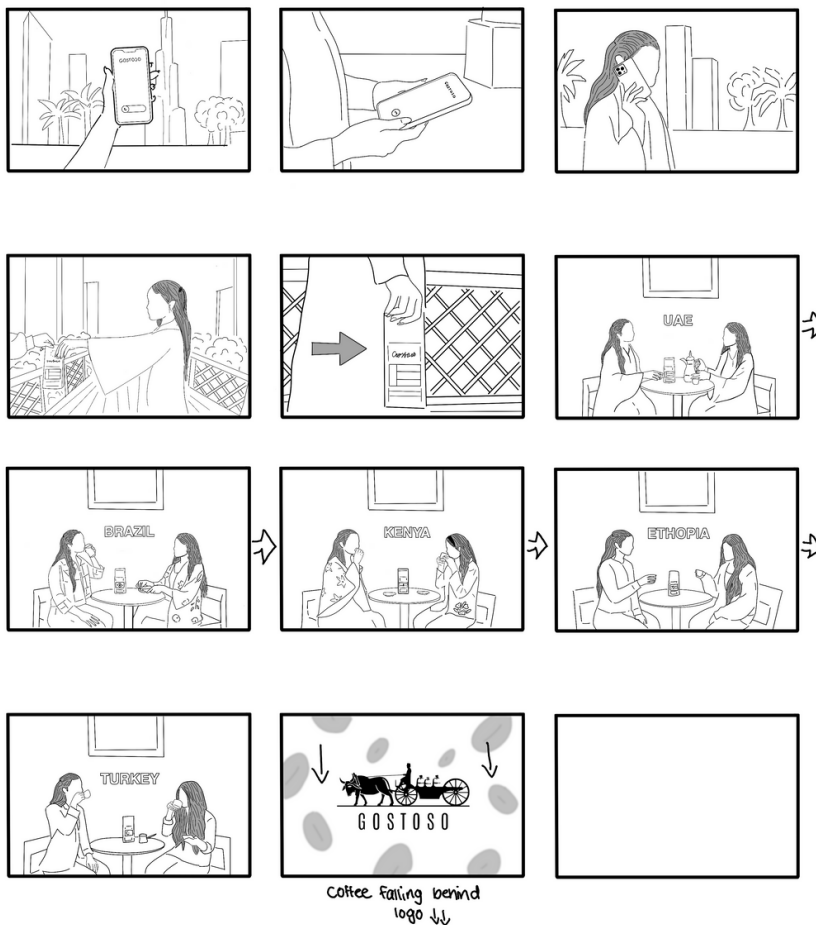
Rewarding repeat customers through **exclusive** deals, discounts, and personalized offers encourages **brand loyalty** and repeat business.

7. Expand Product Portfolio:

Introducing coffee **pods** compatible with popular single-serve brewing systems should be implemented to cater to the **growing** demand for **convenience** and cater to a wider range of coffee enthusiasts

Our group had to create a campaign to promote Gostoso Coffee using **AI-generated** tools and programs. It was quite **challenging** trying to find out what to focus on since one of Gostoso Coffee's **weaknesses** is a short online presence (e.g. no dedicated website and an Instagram with a lack of information). Therefore, we focused on Gostoso Coffee's extensive product line that features coffee beans and flavour notes from all over the world. Gostoso Coffee even has a **passport line**, where all of their coffee's from various origins are put together into one pack.

Gostoso Ad Storyboard



RECREATING OUR CAMPAIGN

However, after showing Colin Francis the idea, he **recommended** that we would focus on Gostoso Coffee's specialty, **Brazilian** coffee. Our group missed what made Gostoso Coffee special in the UAE market, the **scarcity** of finding **ethically** sourced **quality** Arabica beans from **Brazil** for a **competitive** price.

While our campaign was **professionally** made and had a **good** message (diversity), it would have been better if we focused on Gostoso Coffee's main **specialty** and country of origin, **Brazil**.

Using this information, I asked **ChatGPT** to rewrite a new video campaign idea and this is what it gave me:

"Introducing "**Brazilian Coffee Odyssey**" – a captivating video campaign showcasing Gostoso Coffee's specialty in **Brazilian** coffee. This **immersive** journey will transport viewers to the heart of Brazil's coffee plantations, highlighting Gostoso's commitment to **ethical** sourcing and the **rich** flavours of their premium Arabica beans. Through expert tastings and **breathtaking** visuals, viewers will discover the **rarity** and **exclusivity** of Gostoso's ethically sourced beans, positioning them as a treasure to be savoured by coffee connoisseurs **worldwide**."



(French Press Agency, 2021)

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