




Design Thinking and  
the development of  
an idea in the  
Craft Coffee industry

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# Agenda

1. Current situation of the coffee industry
  2. Evolution and 3rd wave coffee
  3. Design Thinking
  4. The process
  5. Next steps
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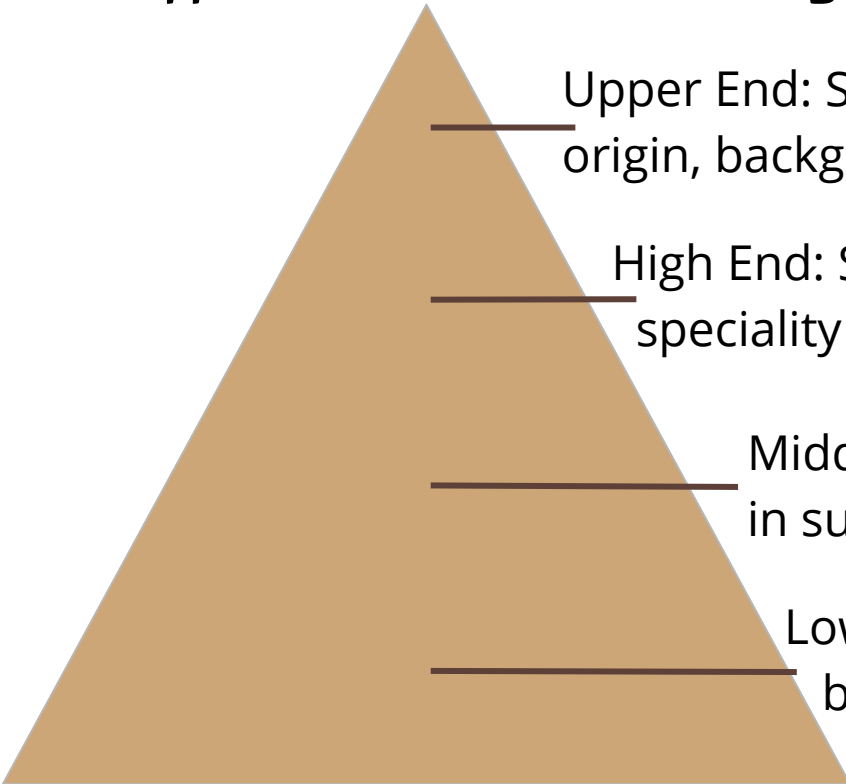
# Current situation of the Coffee industry in Germany

6.5 Kg.  
of coffee  
per person  
every year

- Germany is one of the main coffee consumers in the world.
- Largest green coffee importer in Europe.
- Biggest green coffee re-exporter of Europe.
- Europe's main exporter of roasted coffee.
- Germany's coffee industry is worth 7.7 thousand million dollars, and is growing 3.9% per year.

*(Mordor Intelligence, 2020)*

# Coffee end market segmentation by quality



Upper End: Speciality coffee, excellent quality, single origin, background story, specialized markets, 50€/kg

High End: Speciality coffee, high quality, single origin, speciality markets, 30€/kg

Middle Range: Good quality, 1 certification, sold in supermarkets, 15-20€/kg

Low End: Low quality coffee, mainly robusta or burnt coffees, 10-13€/kg

# Evolution of the Coffee industry

A few years ago, coffee was just a drink to be taken every morning out of tradition, where quality was not a priority, and waking up was the main focus.

But coffee has evolved into something bigger, with a more mature industry that seeks for the essence of coffee.

New generations seek an emotional connection with their cup of coffee, being responsible to both the environment and the producers, while pursuing the highest quality standards.

This last change is called the **Third Coffee Wave**.

# The 3 coffee waves

- 1st: mid 20th century, when coffee first became widely adopted with cheap instant and ground coffee  
-Nescafe & Dallmayr
- 2nd: 1990s, creating a cafe culture made premium  
-Starbucks & Costa

- 3rd: Niche, specialized and educated.  
Emotional connection with the coffee. A ritual.  
Sustainable and responsible.  
Transparent origin.

# Third coffee wave

*“Truly a way of **appreciating** a **quality** product.”*

- Direct trade: roaster buys directly from the producer, single origin, cooperatives and small farms
- Emphasis on sustainability, both for the environment and the farmers
- Excellent coffee quality
- Specialized roasting and brewing methods
- Great customer experience, a story behind the cup, knowledge and education
- And all this is sold at a premium price to consumers

# Third Wave Coffee Audience

## Millennials

In their late twenties and early thirties

Good job

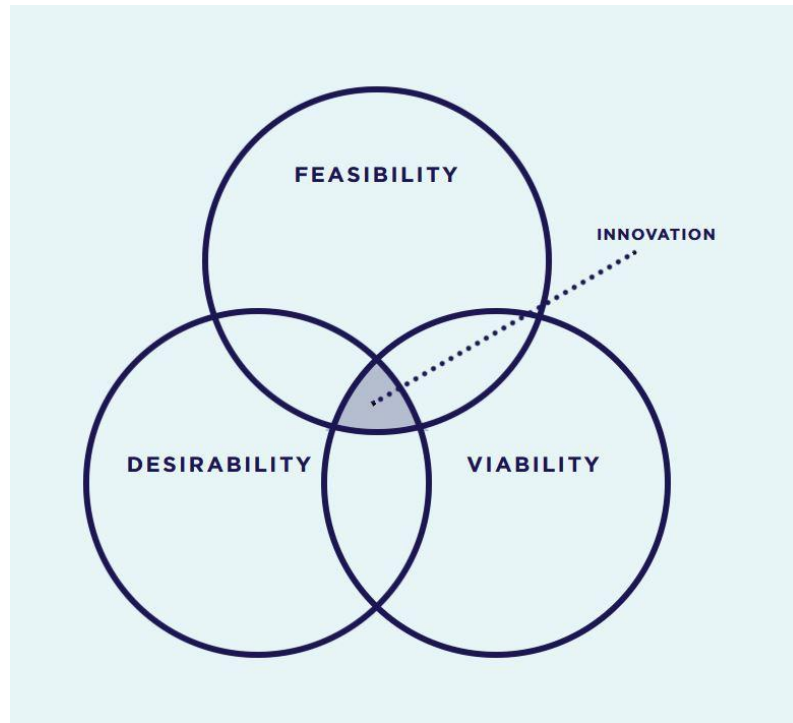
Have traveled and met different cultures

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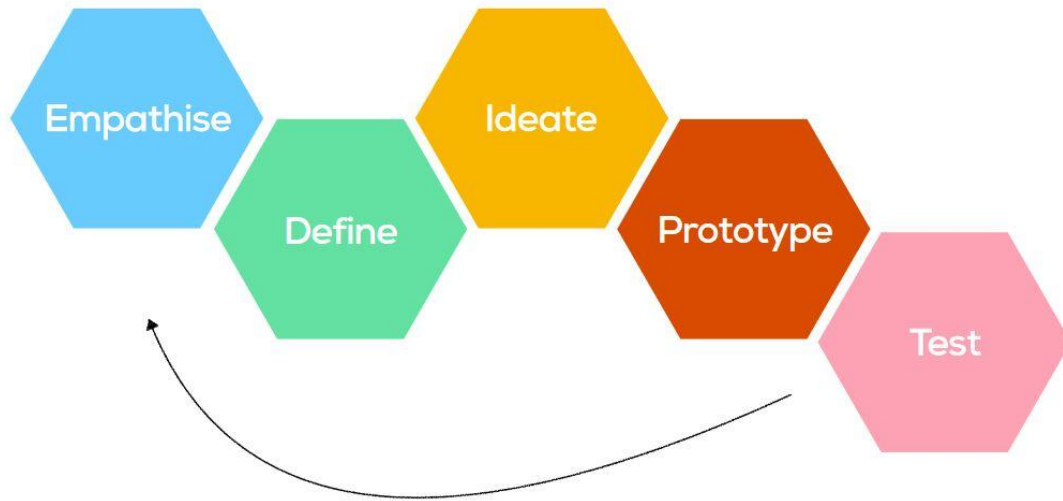


# Design thinking

- People centered
- Understand what users want and need
- Start with an observation rather than a problem
- Ask interesting questions to draw new solutions
- Immersion in user's experience



# Stanford's Design Thinking Bootleg



- Five step (or modes) iterative process
- People centered
- Understand the users' situations, wants and needs
- The process doesn't necessarily have a sequential order

# Empathize

Empathy is the foundation of human-centered design.

Build empathy for the users by learning their values.

To empathize:

- Observe
- Engage
- Immerse

# Survey

- Section 1: getting to know the users' main likes in coffee, the previous knowledge about how coffee gets to them, the relevance that country of origin had for them.
- Section 2: about the coffee buying process, including how often they buy coffee, the relevance of certain aspects in their decision taking process, and the qualities that the coffee they buy has.
- Section 3: demographic understanding of the surveyed group.

# Results and Findings - 1

- 100% of the surveyed people drink coffee at least once a day.
- Filter coffee and espresso are the most common ways of drinking coffee, followed by milk coffee and moka.
- 57% of surveyed people buy different kinds of coffees for different coffee drinks.
- 50% of the people surveyed bought coffee grown in Latin America, but for most, it had been roasted in Europe, or they were not sure about the roasting origin.
- 70% of people said to be interested in learning more about coffee

# Results and Findings - 2

- 85% of surveyed people buy coffee once or twice a month
- 100% of the people said quality was the most important aspect for their coffee purchase, followed by country of production and fairness and sustainability.
- 85% of the users claimed to buy their coffee in supermarkets or specialized coffee stores, and only 14.5% had purchased online; but 50% assured to be very open to acquiring coffee on the web.

# Results and Findings - 3

- 86% of surveyed people were between 26-35 years old
- 71% of the group were females
- 86% work in a private company

# Interview

- The short interview took place in a small cafe with 2 people.
- Coffee is an experience and always a ritual.
- Coffee is not drunk just for energy, but it is a treat.
- Main concern is quality and if they like the taste.
- Want to get the flavours and notes without going too deep into science.
- Where does coffee comes from? Good for farmers and the environment.
- They want to know the story of the coffee and feel a connection with it.
- A well designed, clean, hip but organic package is important.
- Willing to learn and pay extra for premium.



# Define

Based on the understanding of users and their environments, it is time to come up with an actionable problem/wants statement: **the Point Of View.**

- Who are we talking to?
- What do people want?
- Why should they be interested?

# Persona

## **Anna Jones**

29 years old

Single

Lives in Berlin

Online Marketing Manager

Anna lives in Berlin after taking a gap year to travel through South America and South East Asia. She is not an expert on the subject, but she tries to make informed purchases, mainly taking into account fairness and sustainability. She is price flexible and is willing to pay extra for something premium.



*(Photo by Joanna Nix on Unsplash)*

# Wants and Interests



# Next Steps

- Design a brand of high quality coffee that is single origin, both for farming and roasting, with a behind story, fair and sustainable.
- Explore local roasting opportunities and interests.
- The creation of an attractive brand and logo, together with package looks that are desirable and gives the customers a feeling of having a treat and a ritual on every cup are also part of the process to come.
- Continue to pursue process with the Design Thinking Process, following Ideation, Prototype and Test, followed by continuous iteration to finally get to the product that the target audience really wants.

# Next Steps



Thank You



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