

Unforgettable coffee moments at a single touch 

# NESPRESSO®

## Final Phase

Team 5

Dennings Xu, Tia Qiu, Xuechen Hong



# Our Team



**Dennings Xu**

Marketing



**Tia Qiu**

Marketing | Business  
Analytics



**Xuechen Hong**

Marketing | Business  
Analytics

# Problem Statement

## Students' Coffee Machine Ownership

- Type of coffee machine
  - Machine-free instant coffee (43.14%)
  - Single-serve capsule or pod coffee machines (41.82%)
  - Drip coffee makers (38.98%)

## Students' Coffee Consumption

- Students typically consume 1 cup of coffee per day

How can Nespresso effectively target the student demographic in Canada?

# Survey Findings

## Students' Coffee Machine Purchasing

- Preferred coffee machine brand
  - Nespresso (78.03%)
  - Keurig (65.83%)
- Purchasing channel
  - Physical store (50.54%)
  - Online (24.65%)
- Purchasing timing
  - 50%+ of students purchase at a discount

## Interests in Student Perks with Nespresso

- Exclusive discounts (product discounts, shipping discounts, bulk purchase deals) (88.7%)
- Exclusive events (workshops, tasting events) (42.7%)
- Customized coffee capsules (35.8%)

## Coffee Machine Purchasing Intentions

- Factors considered when purchasing coffee machine
  - Quality/reliability (66.69%)
  - Ability to make good coffee (65.93%)
  - Value of money (57%)
  - Consistent quality and taste in every cup (51.41%)

## Other Valuable Insights

- Interest in using coffee as an ingredient
  - In cooking (62.59%) & In cocktail (53.5%)
- Prioritize ease of use (57.06%)
- Social media insights
  - Follow brands/Influencers on Instagram/TikTok (66.7%)
  - Reasons to shop through Instagram/TikTok
    - Recommendations from influencers/creators (67.9%)
    - Convenience (60.7%)
  - Continue shopping on Instagram/TikTok (75%)

# Competitor Landscape



Keurig's Starter Kit



Keurig x McGill Residence



Starbucks Coffee in Plastic and Paper Cups



Student Buying Coffee from Starbucks Before Class



## Direct Competitor (Coffee Machine): Keurig

- Starter kit: Choose the coffee maker, select the beverages and set your schedule for auto-delivery at 50% off (for all customers, not specifically student-oriented)
- Partnership with McGill: Each room in La Citadelle residence comes with a Keurig coffee maker

### Insights for Nespresso:

- Provide students with an exclusive discount...
- Collaborate with universities to hold events as a sponsor



## Indirect Competitor (Buying Coffee at Coffee Shop): Starbucks, Tim Hortons...

- Convenience: near campus and residence, making it easily accessible for students who rush to classes in daily routine. Don't have to make coffee by themselves at home.
- Drawbacks: Plastic and paper cups are not sustainable

### Insights for Nespresso:

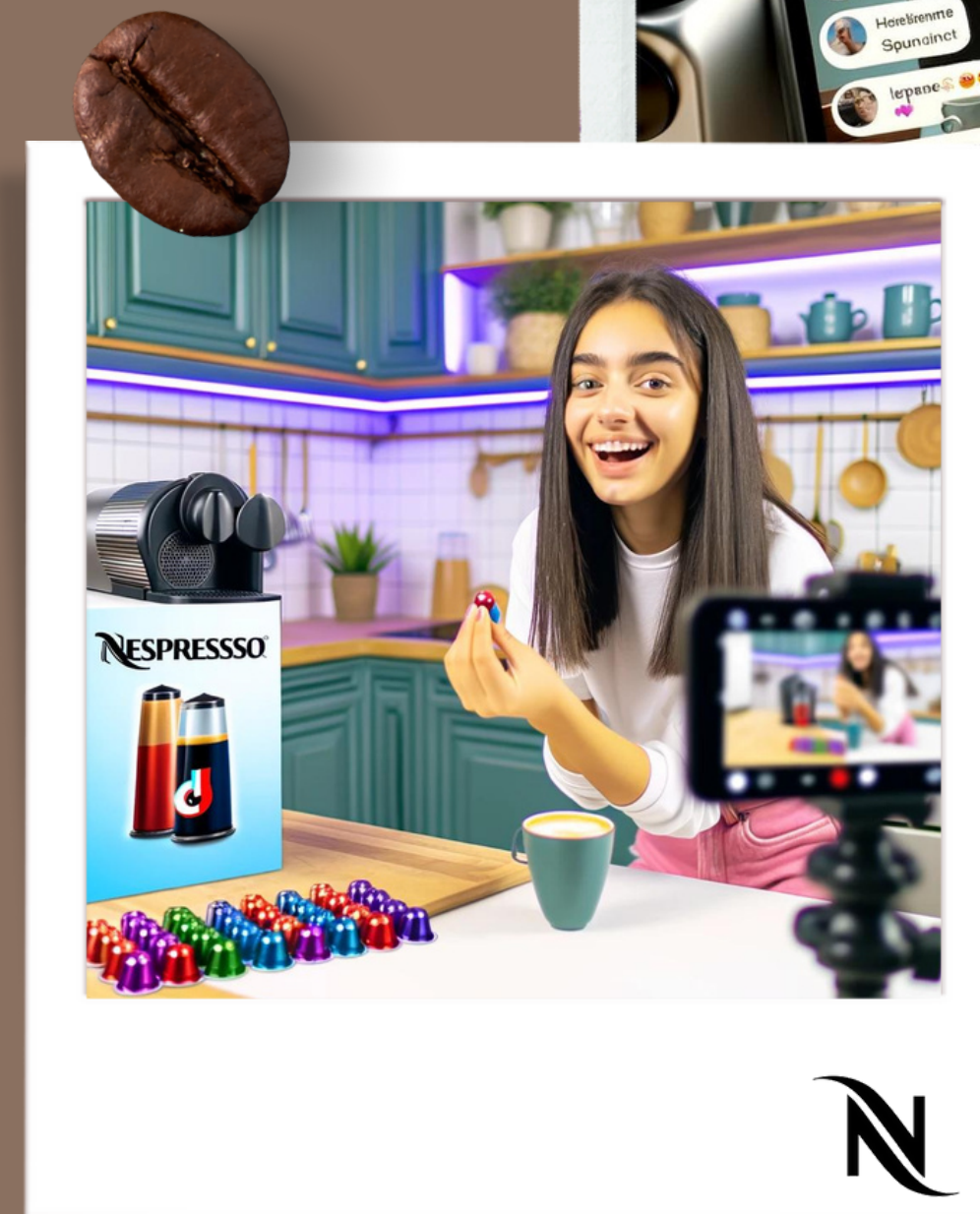
- Convincing students that Nespresso machine is actually very easy to use and time-saving
- Capsule recycle program aligns with Nespresso's commitment to sustainability, which is highly valued by Gen Z demographic

# Recommendation 1

## >>> Online Store & Live Streaming & Influencer Marketing on TikTok

*Objective: Elevate the online shopping experience and encourage customer engagement*

- Utilize TikTok's integrated shopping features to establish an online TikTok Store.
- Offer exclusive discounts and promotions for purchases made through the TikTok store.
- Host live streaming on TikTok, including coffee-making tutorials and product Q&A to show how Nespresso machines function.
- Collaborate with popular influencers (Hailey Bieber, Zendaya ) and student ambassadors to foster the creation of TikTok challenges centered around the utilization of Nespresso's products.



# Recommendation 2

## >>> Pop-up stores

*Objective: Increase brand awareness and loyalty among young consumers through interactive experiences*

- When: **Aug.-Sep.** (Start of the Academic Year)
- Where: Consider cities like Toronto, Vancouver, and Montreal, which have a **vibrant student life**.
- Scan the **code** to get a **student-exclusive discount**.
- Make an appointment on Nespresso's application to get **free gifts** such as **reusable cups** and **canvas tote bags**.
- Host coffee-related **workshops** and **tastings**.
- Ensure the interior design is **Instagramable**.



# Recommendation 3

## >>> Nespresso Student Sips

*Objective: Associate Nespresso with positive moments in their academic and social lives*

### 1. Sponsor Canadian universities' orientation weeks and career fairs:

- Set up **Nespresso booths** at events
- Launch a **Brand Ambassador Program** to recruit students to represent Nespresso on campus, helping to promote events and **sustainable initiatives**.

### 2. Host stress-relieve parties:

- Nespresso **coffee-based mocktails and cocktails** are provided
- Showcases the **versatility** of Nespresso coffee beyond traditional consumption





# Decision Matrix

	Scalability	Feasibility	Business Impact	Sustainability
TikTok store				
Pop-Up Store				
Nespresso Student Sips				

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**Thank you!**  
**Any questions?**



# References

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- Council Post: How TikTok Has Changed The Way Gen Z Shops Online. Forbes. Retrieved February 25, 2024, from <https://www.forbes.com/sites/theyec/2022/10/12/how-tiktok-has-changed-the-way-gen-z-shops-online/?sh=724d32755ab>

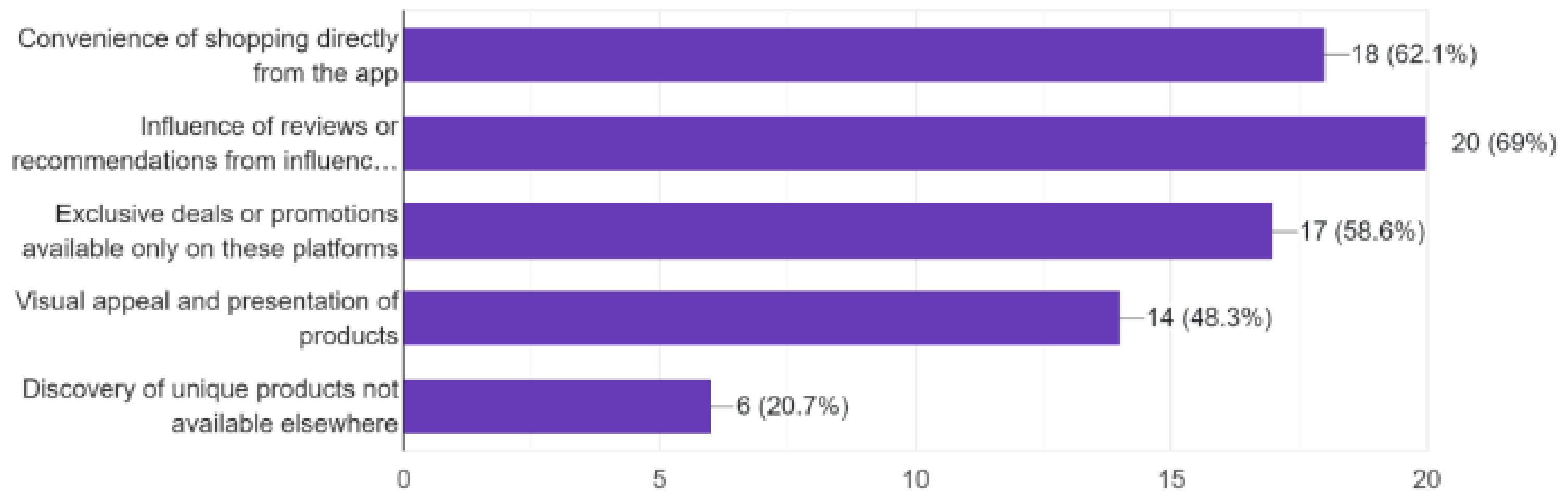


# Appendices

## >>> Survey Result

What motivates you to purchase products through Instagram or TikTok? (Select all that apply)

29 responses

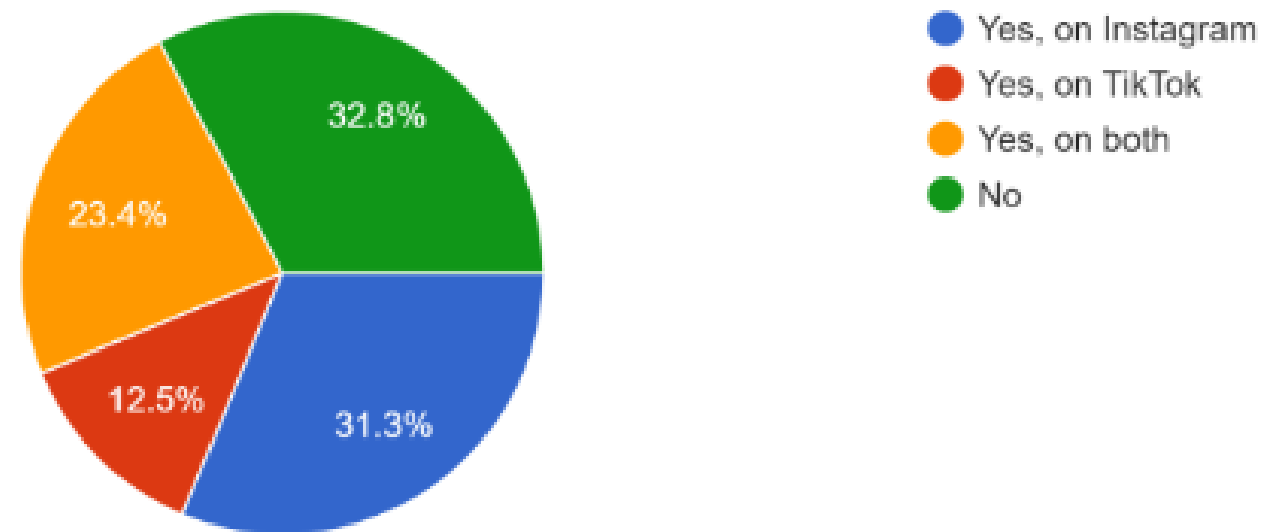


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## >>> Survey Result

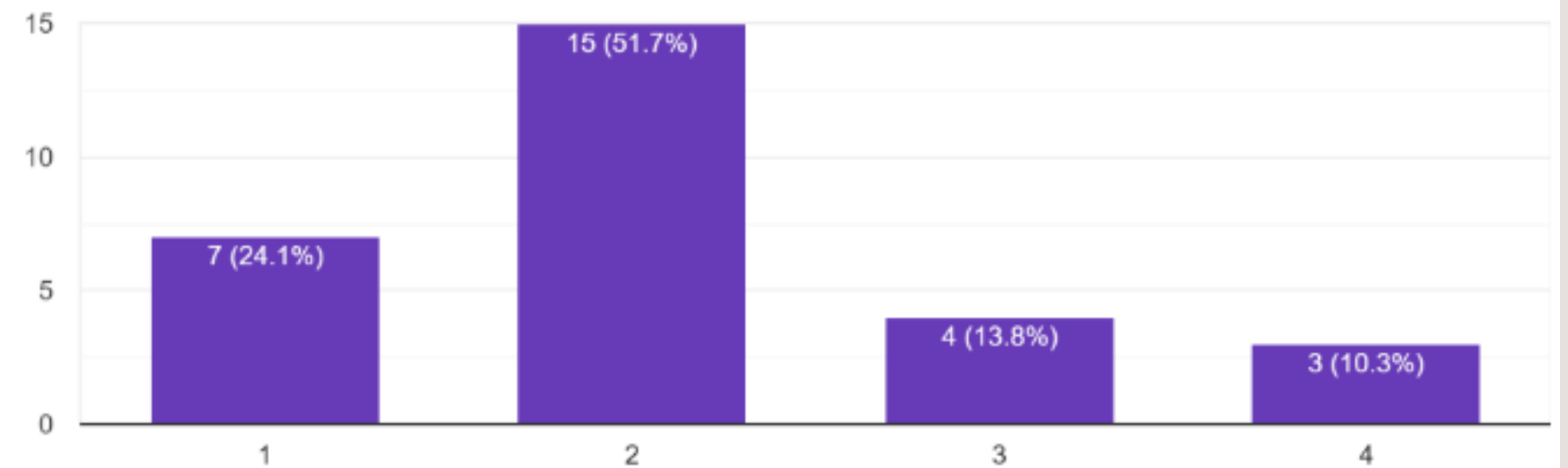
Do you follow any brands or influencers on Instagram or TikTok?

64 responses



How likely are you to continue shopping through Instagram or TikTok in the future?

29 responses



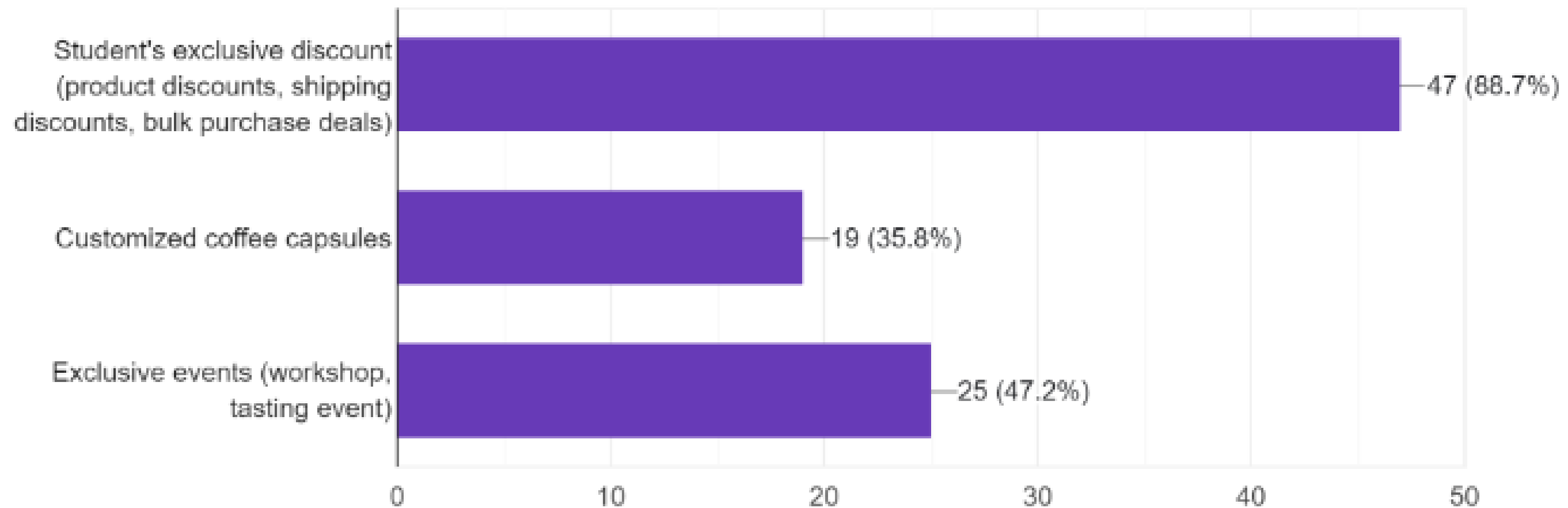
**1: Very likely 4: Very Unlikely**

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## >>> Survey Result

What kinds of perks or benefits would you like to see in future Nespresso offerings specifically tailored for students?

53 responses

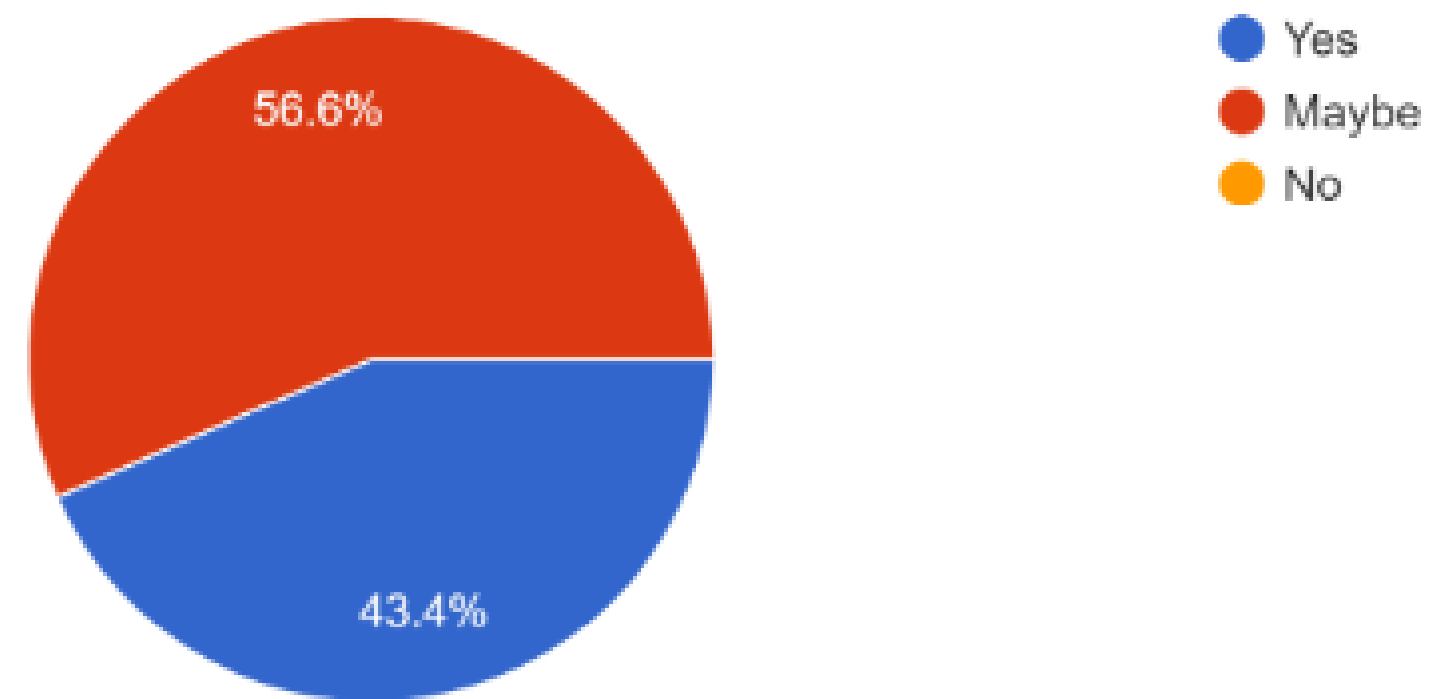


# Appendices

## >>> Survey Result

Would these student's perks incentivize you to purchase Nespresso's capsules or coffee machine in the future?

53 responses



# Appendices

## >>> Implementation timeline

### Short Term

#### TikTok Store

- Launch the TikTok Store utilizing its integrated shopping features.
- Initiate a series of live-streaming events

#### Pop-Up Store

- Finalize locations
- Develop and test the QR code system for student-exclusive discounts and the appointment system for free gifts on Nespresso's application.

#### Nespresso Student Sips

- Start the program to recruit student ambassadors
- Choose partnerships to sponsor and finalize the location for hosting parties

### Long Term

- Establish ongoing collaborations with popular influencers and student ambassadors.
- Develop and launch TikTok challenges to continuously engage the audience and foster brand loyalty.

- Launch marketing campaign targeting students
- Expand to more cities and universities.
- Enhance the store's design for better social media engagement.

- Regularly assess the effectiveness of the Brand Ambassador Program and event engagements, making necessary adjustments to strategies and offerings based on feedback and results.
- Gathering feedback to enhance the experience, such as introducing new coffee-based mocktail and cocktail recipes