

Putting consumer and market intelligence at the heart of a new proposition

Nespresso is a global leadership brand, present in 80 countries worldwide. The company has three coffee solutions: professional capsules, the original line and the recently launched Vertuo line.

A pioneer in the premium coffee market

Innovation is essential in dynamic and competitive markets like coffee and coffee machines. Nespresso created the new Vertuo proposition before the outbreak of the global coronavirus pandemic to reinvent the premium coffee machine market. The innovative capsule proposition uses centrifusion technology to deepen the coffee taste experience. Eliminating the need for pressure to mix the perfect brew, Vertuo delivers more coffee experience in the cup in more varieties than any other Nespresso system.

However, as the company started the countdown to the crucial launch phase in 2020, coronavirus began to spread, and the lockdowns were imposed. Given the crucial role of the coffee taste in marketing activities, the brand's plan for experiential promotional campaigns in boutiques and train stations had to be mothballed.

the launch of Nespresso Vertuo in a challenging time. We wanted to reinvent the coffee experience, expanding the Nespresso product range and deepening our understanding of the shopper journey.

Bob Hermans

Marketing and Communications Director

Nespresso Belux

NESPRESSO.	Facts & Figures
Established	1986
Nespresso Club	Launched in 1989
Recycling	First scheme launched in 1991
Ecommerce website	Launched in 1996
Boutiques	First boutique opened in 2000
# of boutiques	9 boutiques in Belgium and Luxemburg
Triple AAA program	Launched with Rain Forest Alliance in 2003

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Using shopper journey analysis to inform launch activities

To understand shopper behavior, Nespresso and GfK carried out a very valuable shopper journey analysis which covered a range of topics.

Looking at models and price points, based on GfK Market Intelligence: Sales Tracking on Hot Beverage Makers, the results showed that although the majority of coffee machine sales (65%) were at a cost of 100 euros or lower, almost one quarter (23%) of sales were made at a starting price of 200 euros.

Deep dive analysis indicated which consumer demographic groups Nespresso appeals to and identified areas of opportunity that are addressed by the Vertuo line.

In terms of the replacement journey, the insight revealed what happens when a coffee machine breaks at home. Rather than substitute it with the same or a similar model, most coffee lovers trade up to the next best machine. Vertuo fulfils both the buyer's needs and aspiration at this crucial moment.

analysis and support we needed at different stages of the launch, from concept to consumer targeting to help make Nespresso Vertuo a success in Belgium and Luxemburg. 11

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More recent analysis has considered the impact of rising inflation on Nespresso's customers. The findings are informing how the brand can help its customers through the cost-of-living crisis. The player is committed to its premium positioning as a force for good, supporting recycling and sustainable farming practices to deliver the ultimate coffee experience while simultaneously responding to the pressure its consumers face.

A close working relationship

Nespresso and GfK worked closely during the introduction of Vertuo to the Belux markets. This is an effective working relationship, where the team at Nespresso is able to call on GfK's experts for tactical support and strategic insight as well as ad hoc research.

Take your strategy to the next level

Like what you read about how Nespresso Belux is using our consumer and shopper intelligence solutions? Find out how GfK's unique combination of products can elevate your tactical business decision making.

