

A Perfect Blend? “NESPRO” the Protein- Coffee Capsule by Nespresso

Yasmeen Al Jaabari

NESPRO Elevator Pitch

The Busy Professional's Choice

“Imagine starting your day not just with any coffee, but with NESPRO by Nespresso—a revolutionary coffee capsule that combines the rich, luxurious taste of Nespresso with the added boost of essential proteins. Perfect for busy professionals like you, NESPRO is designed to support your active lifestyle by providing a quick, delicious source of energy and nutrition. Just pop a capsule into your Nespresso machine and enjoy a coffee that not only wakes you up but also keeps you going. Ready to transform your mornings and fuel your busy day? Try NESPRO today and experience the power of protein in your coffee.”

The Health-Conscious Coffee Lover

“Meet NESPRO, the latest innovation from Nespresso, crafted for those who don't want to compromise on taste or health. Each NESPRO capsule offers the premium coffee experience you love, enhanced with high-quality protein to support your wellness goals. Whether you're looking to maintain muscle health, boost your metabolism, or simply enjoy a fulfilling coffee break, NESPRO provides the perfect blend of flavour and function. Ideal for health-conscious individuals, this protein-infused coffee is your new secret weapon for staying energized and satisfied. Dive into the NESPRO experience—where your coffee meets your lifestyle needs.”



Table of Contents

- ❖ Introduction
- ❖ Analysis and Strategy
- ❖ Digital Action Plan
- ❖ Relational & Loyalty Strategy
- ❖ Operations, Logistics and Distribution
- ❖ Analytics and Budget
- ❖ Next Steps and Trends
- ❖ Conclusions

Introduction

- ❖ Nespresso is launching NESPRO coffee capsules enriched with protein in the Spanish market. The company is emphasising ecological sustainability, creative marketing and cultural inclusion.
- ❖ The success of NESPRO is linked to Spain's well-established coffee culture, the increasing trends in health and wellbeing, and the strategic targeting of premium clients.
- ❖ Ecological sustainability focuses on promoting environmentally friendly packaging, implementing recycling programmes and reducing the overall environmental footprint.
- ❖ Cultural integration is achieved by adapting to the preferences of the local population and developing a coffee culture that prioritises health.





NESPRO Vision, Mission and Values

Vision

- ❖ NESPRO aims to revolutionize the coffee industry by integrating traditional coffee culture with the growing trend of protein intake, providing a unique and health-conscious coffee experience.
- ❖ Strives to become the leading protein-coffee experience in Spain by continually prioritising quality in every element of its operations.

Mission

- ❖ NESPRO is aiming to achieve a 50% global capsule recycling rate by 2025 and reduce carbon emissions by 50% by 2030 .
- ❖ Sustainability initiatives: The Positive Cup, AAA Sustainable Quality™ Program and Rainforest Alliance.
- ❖ Introduction to paper-based coffee capsules.
- ❖ Aim to promote healthy lifestyles by offering innovative coffee-protein capsules tailored to health-conscious individuals.

Values

- ❖ NESPRO cater to the needs of the consumer, emphasizing the importance of health and wellness.
- ❖ Dedication to implementing sustainable methods, which includes using resources that can be recycled & composted.
- ❖ Deliver innovative & superior coffee experiences that align with the current consumer trends & preferences.

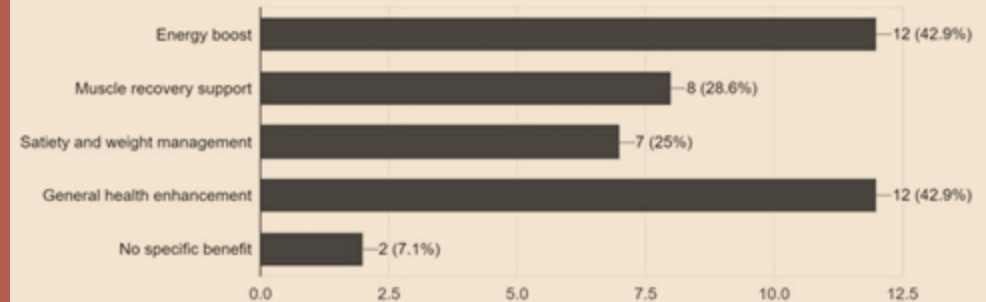
NESPRO Market Research- Customer Survey

What interests you most about Nespro coffee capsules?



40% “Combination of Coffee & Protein”

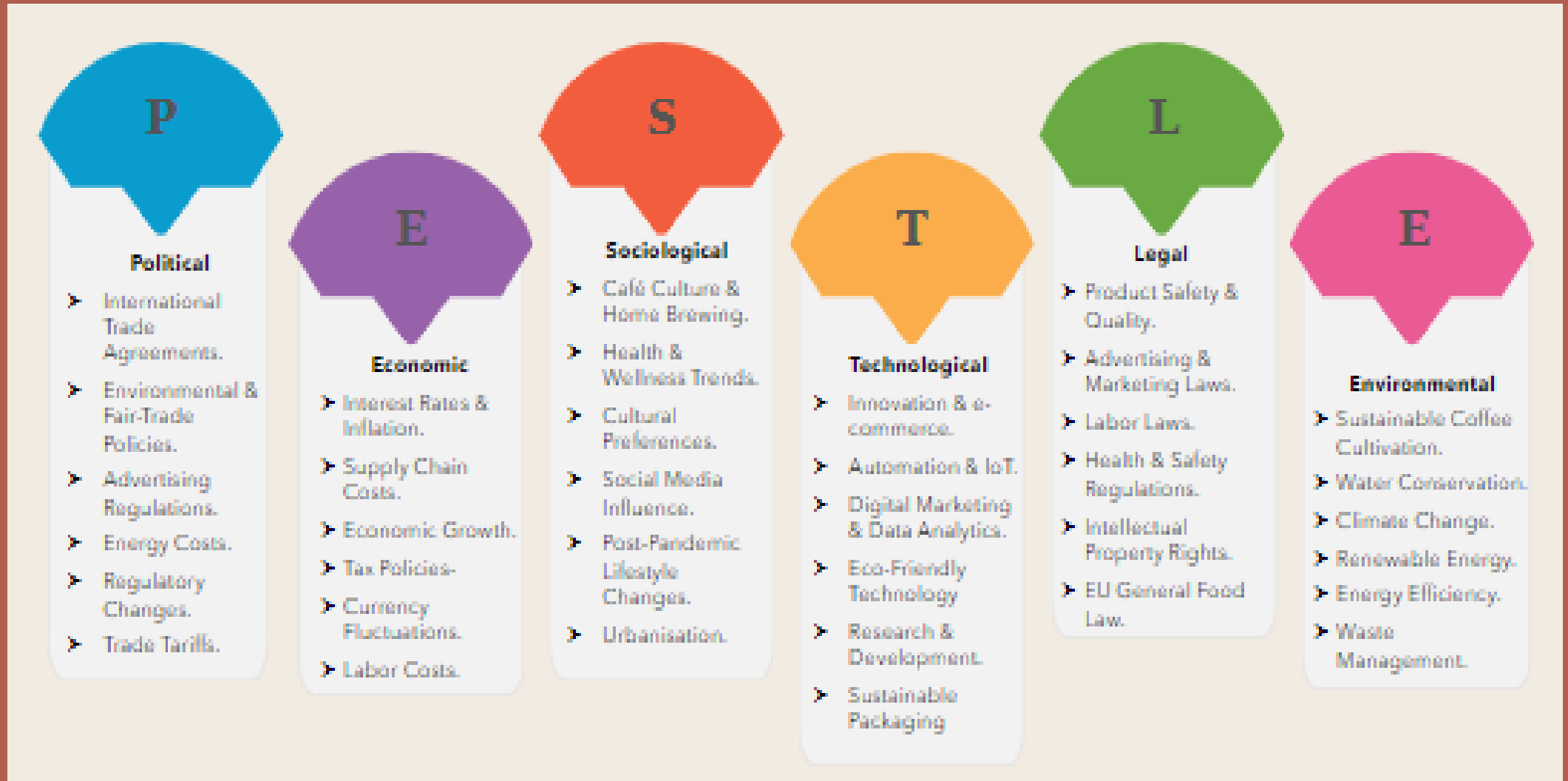
What do you believe is the biggest benefit of Nespro capsules?



43% “Energy Boost & General Health Enhancement”

<https://docs.google.com/forms/d/1t3uQ3uVjW07z-U6bP-zlYUZI0FbhX2MuMfk5aoASY48/edit#responses>

NESPRO- PESTLE Analysis



NESPRO- SWOT Analysis

Strengths

- ❖ Brand reputation for quality and innovation in the coffee industry.

Weaknesses

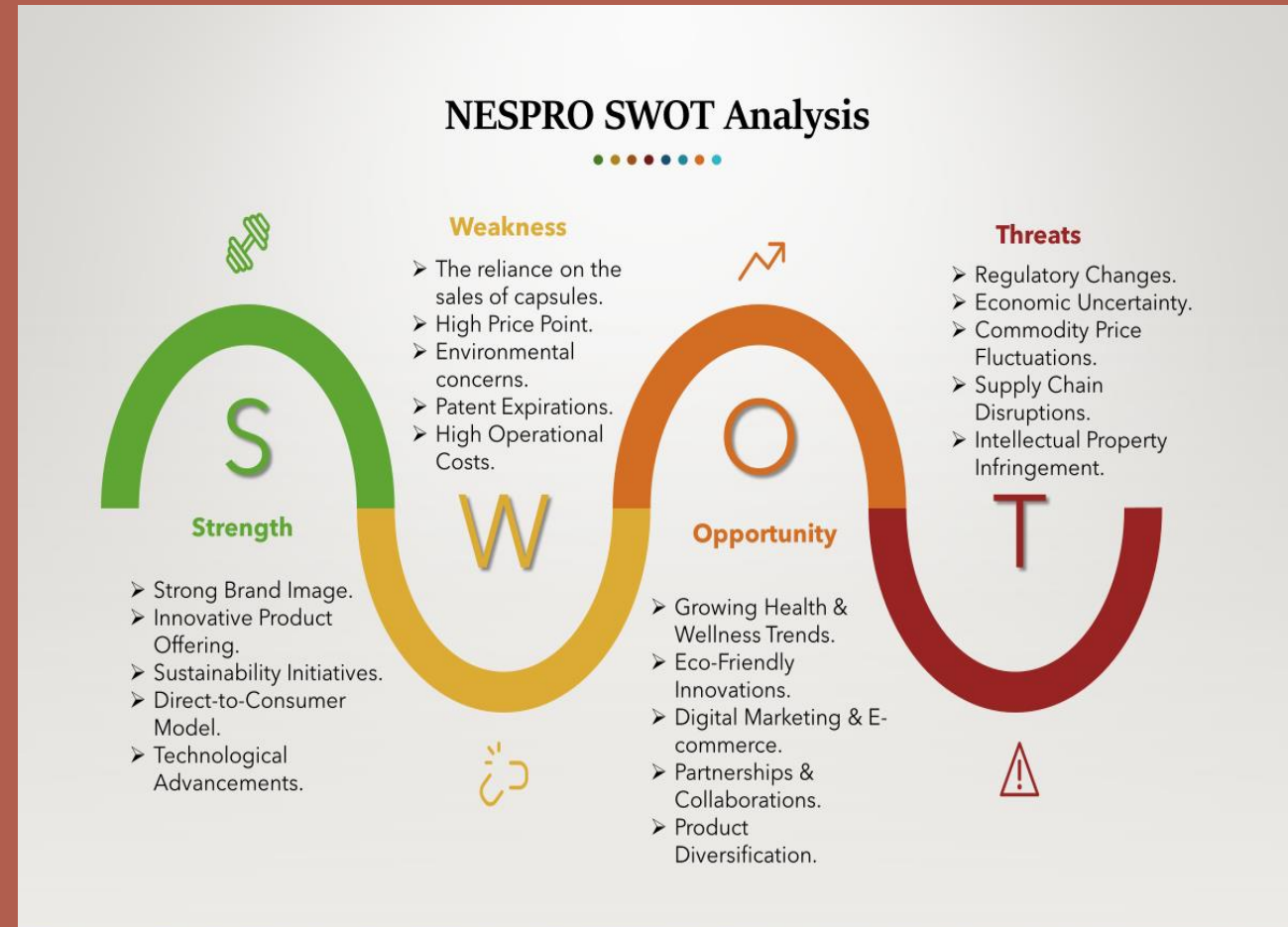
- ❖ Dependence on recurring coffee capsule sales.

Opportunities

- ❖ Aligns with growing health and wellness trends.

Threats

- ❖ Economic instability, high unemployment rates, and inflation could impact consumer purchasing power.



NESPRO Buyer Persona

Healthy Enthusiasts/Fitness Enthusiasts/Wellness Seeker



AGE:42

BIO

David, a sports enthusiast, is a personal trainer in the sports equipment sector. He enjoys physical fitness, outdoor activities, and sports such as cycling, tennis, and running. He values products that enhance his athletic performance.

GOALS

David actively pursues personal development, skill enhancement, and accomplishment in athletics and fitness, striving to surpass boundaries and achieve significant milestones. He finds immense satisfaction in achieving his goals.

SKILLS

Leadership
Team Collaboration

MOTIVATION

David is driven by his desire to achieve fitness goals and enhance his athletic performance, actively seeking practical products such as sports equipment.

PERSONALITY

Dedicated
Social


FAVORITE BRAND

Nike, Puma, Adidas, Under Armour

David Smith
Personal Trainer

Competitive Adventurous Disciplined

Professionals/Home-coffee Consumers/Coffee Enthusiasts



AGE:35

BIO

Judy, a busy professional, makes lifestyle decisions that prioritise convenience and quality. She maintains a busy schedule, managing the demands of her profession alongside her familial obligations.

GOALS

Judy prioritizes convenience and efficiency due to her busy schedule, seeking a coffee solution that allows her to prepare perfect coffee quickly and efficiently, eliminating the need for long trips to coffee shops.

SKILLS

Problem Solving
Time Mangement

MOTIVATION

Judy is intrigued by Nespresso's innovative coffee machines, featuring programmable settings, automatic extraction, and mobile device connectivity.

PERSONALITY

Design Thinking
Driven

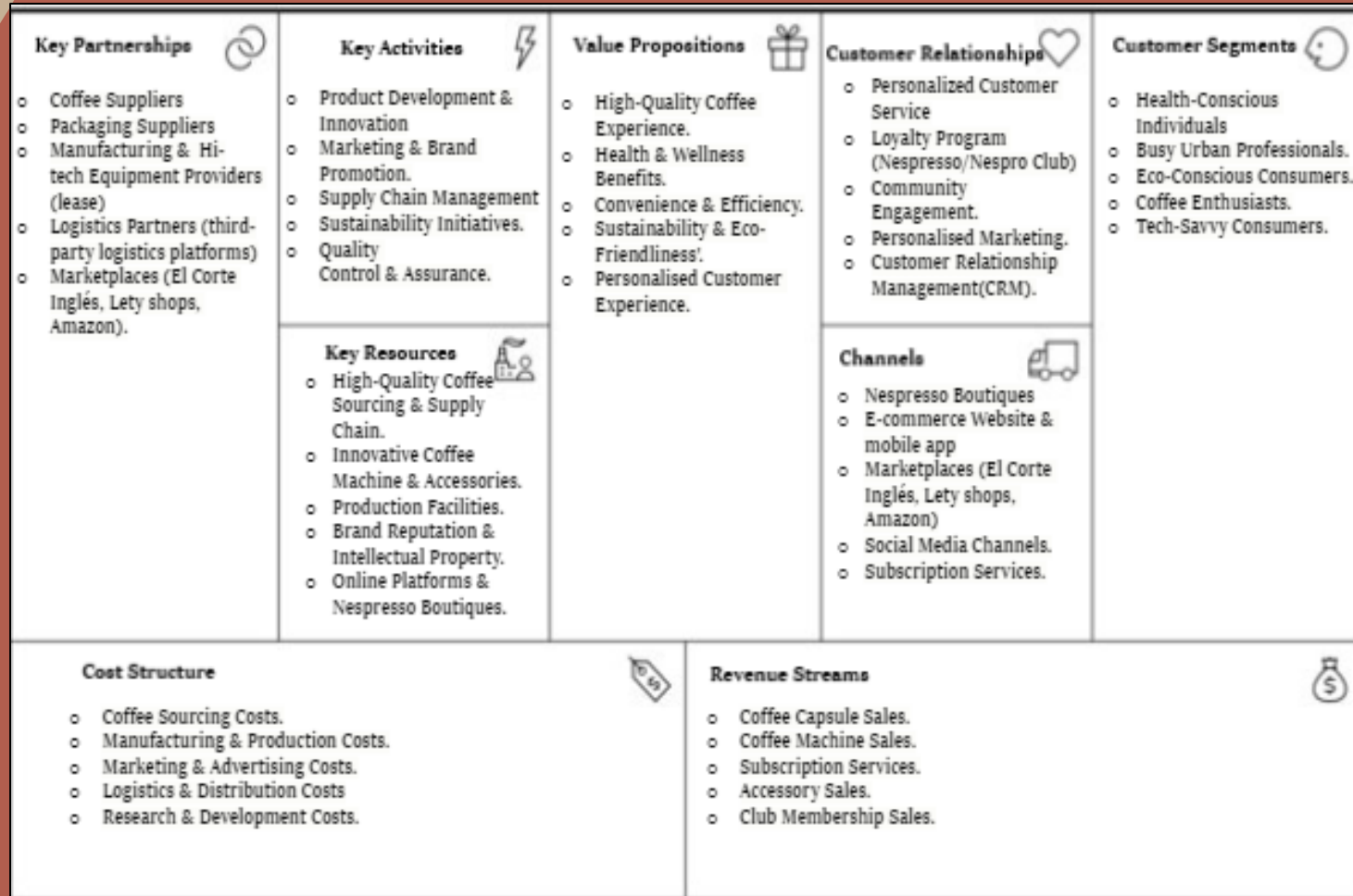
FAVORITE BRAND

CHANEL, GUCCI, CH, BVLGARI

Judy Johnes
Interior Designer

perfectionist Sociable Optimistic

NESPRO- Business Model Canvas



- ❖ **Key Partnerships:** NESPRO partners with logistics platforms, packaging suppliers and marketplaces to ensure a robust supply chain.
- ❖ **Key Activities:** Focus on supply chain management, customer service, marketing and product development for successful market introduction for new products.
- ❖ **Value Proposition:** Offers high-quality protein-infused coffee capsules, offering diverse flavours, sustainable packaging catering to health-conscious and busy lifestyle.
- ❖ **Customer Relationships:** online community engagement, customer feedback, loyalty programs, and personalized customer service to build strong consumer relationships and encourage repeat purchases.

NESPRO- Brand Positioning Strategy

- ❖ **Quality & Excellence:** NESPRO follows rigorous quality assurance standards to guarantee consistent and outstanding product quality.
- ❖ **Luxury & Exclusivity:** Implementing premium pricing and releasing limited edition products to cultivate an impression of exclusivity and desirability.
- ❖ **Innovation & Technology:** NESPRO prioritises research and development to keep ahead of customer tastes and industry trends.
- ❖ **Sustainability & Social Experience:** NESPRO prioritizes sustainability by utilising recyclable aluminium capsules and a robust recycling program, enhancing its appeal to environmentally conscious customers.



NESPRO Customer Journey

- ❖ **Awareness**: To establish brand recognition by emphasising the unique value propositions of NESPRO's coffee capsule products.
- ❖ **Consideration**: To provide detailed information about NESPRO's products and highlight their advantages.
- ❖ **Purchase**: To facilitate a smooth and convenient purchasing process.
- ❖ **Engagement**: To improve customer satisfaction through exceptional customer service.
- ❖ **Renewal**: To retain consumer loyalty by implementing subscription services for recurring purchases and delivering tailored promotions.



NESPRO Digital Action Plan: Marketing Mix

Product: NESPRO's capsules offer a blend of high-quality coffee flavour with protein benefits, catering to those who prioritize their well-being.

Price: NESPRO is using a premium pricing approach by supplying each original capsule for a price of €0.70 per capsule ; a pack of 10 capsules for €7.00.

Place: NESPRO employs many distribution channels to ensure extensive customer outreach.

Promotion: NESPRO employs a comprehensive advertising strategy to establish brand recognition, highlight the unique benefits of its coffee-protein capsules & boost sales.



NESPRO Marketing Funnel

Awareness: Producing high-quality and relevant material to allure and educate prospective clients about NESPRO's coffee-protein capsules.

Interest: Conducting educational workshops to enlighten prospective clients about the advantages of coffee-protein capsules.

Consideration: Displaying favourable evaluations and testimonials from contented customers in order to establish trustworthiness.

Purchase: Ensuring a seamless and protected online buying experience on NESPRESSO/ NESPRO's website.

Loyalty: NESPRESSO/NESPRO loyalty programme that incentivise frequent purchases via the accumulation of points & unique offers.



NESPRO's Social Media Marketing and Performance Measurement Strategy

Month of May 2024

Total Monthly Budget: €20,000.00

Month Spend: €17,000.00.

Primary Platforms: Instagram, Facebook, Twitter, LinkedIn, Pinterest & YouTube.

Highest Spend: Facebook (€3,500.00) and Instagram (€2,500.00).

Metrics Tracked: Spend, Clicks, Impressions, Acquisitions, CPC, CPM, CPA, Revenue, ROAS.

Goal: Increase Brand Awareness through Targeted Social Media Campaigns.

Paid Media Monthly Budget Planning and Reporting		May 2024									
Business Goal	Increase brand awareness										
Monthly Budget	€20,000.00										
Total Spent	€17,000.00										
Remaining Budget	€3,000.00										
Date Range	Name of Platform, Site, or Publication	Description	Spend	Clicks	Impressions	Acquisitions	CPC	CPM	CPA	Revenue	ROAS
1/5/24 - 18/5/24	Instagram	Carousel Ads: Engaging posts and customer testimonials	€2,500.00	5,500.00	70,000.00	80.00	€1.50	€13.00	€50.00	€6,000.00	1.00
3/5/24 - 24/5/24	Instagram	Stories Ads: Customer experience features and Nespro	€3,000.00								
1/5/24 - 18/5/24	Facebook	Video Ads: Brand history and recycling initiative guides	€3,500.00	5,500.00	80,000.00	90.00	€1.00	€12.00	€55.00	€5,000.00	1.50
4/5/24 - 22/5/24	Facebook	Collection Ads: Creative upcycling projects	€2,000.00								
2/5/24 - 25/5/24	Twitter	Poll Ads: Fun facts & engaging quizzes	€1,500.00	1,500.00	25,000.00	70.00	€1.00	€13.00	€45.00	€1,500.00	1.00
2/5/24 - 26/5/24	LinkedIn	Sponsored Content: Sustainability efforts & engagement	€2,000.00	2,000.00	15,000.00	15.00	€1.50	€13.00	€55.00	€3,000.00	1.20
3/5/24 - 24/5/24	Pinterest	Promoted Pins: Product variety showcases & artistic	€1,000.00	1,000.00	10,000.00	15.00	€0.80	€11.00	€45.00	€800.00	1.30
7/5/24-28/5/24	Youtube	Variety of video types	€1,500.00	1,500.00	25,000.00	70.00	€1.50	€13.00	€50.00	€1,000.00	0.80

NESPRO Campaigns



World Environment Day



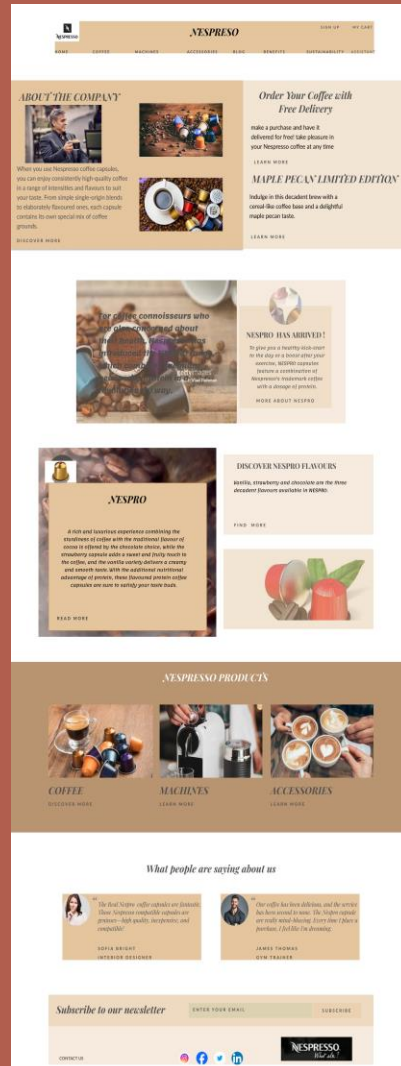
Global Wellness Day



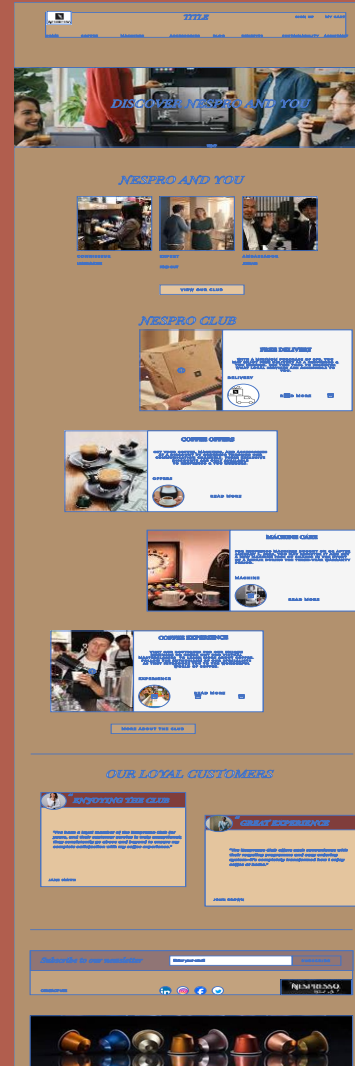
International Coffee Day



NESPRESSO Website/App Design and Functionality



Home page



Landing Page 1



Landing Page 2

❖ **Main Contents:** The headings: Menus, Buttons, Footer, Call to Action & A/B Testing.

❖ **Key Features:**

- Internal Search, Shopping Cart & Checkout process.
- User Registration & Mobile Adaptability.

❖ **SEO/Performance/Content Management System (CMS):**

- Incorporate Keywords Integration, Meta tags, Mobile friendliness.

Relational and Loyalty Strategy

Channel	NESPRO Action Plan	KPIs
Facebook	Initiate Focused Advertising Campaign to Promote Nespro.	Engagement Rate (likes, comments shares).
Instagram	Posts & Stories to Initiate a Countdown for the Launch of Nespro.	User Engagement Rate on both Posts & Stories.
LinkedIn	Introduction of Nespro by Highlighting its Specific Advantages	Tracking Interactions & Shares
Twitter	Advertise Exclusive Promotions Available on the Day of the Product Launch.	Engagement Rate & Hashtags
YouTube	Broadcasting Nespro Introduction Video that Highlights the Company's Various Goods & Benefits	Video Views & Engagement (likes ,comments)

Loyalty Program

“NESPRESSO/NESPRO & You”



Connoisseur

Attained upon Placing the Initial Purchase

- ❖ Free Delivery
- ❖ Coffee Offers
- ❖ Machine Care
- ❖ Coffee Experiences
- ❖ Product Sampling of NESPRO
- ❖ Special Promotions of NESPRO

Expert

Attained after a Duration of 5yrs with the Company (or by Making a Purchase of Between 600 and 1,200 Capsules within a Year)

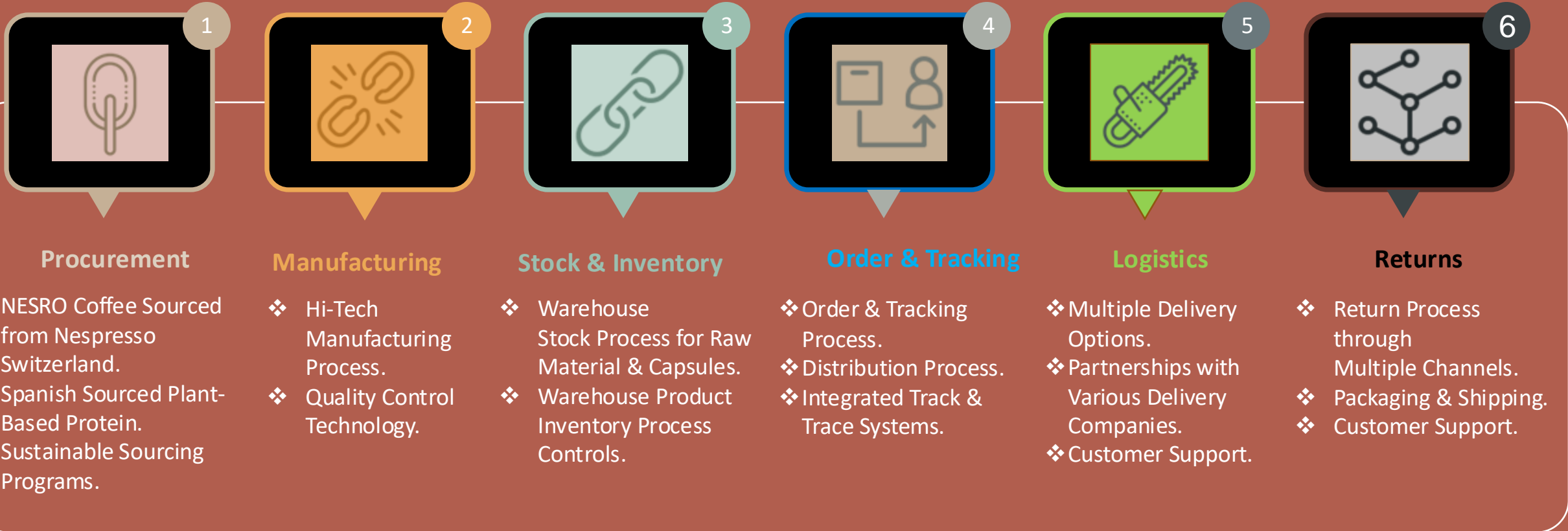
- ❖ Free Delivery
- ❖ Coffee Offers
- ❖ Machine Care
- ❖ Coffee Experiences
- ❖ 50% Discount off Descaling Kit
- ❖ 20% Discount off Accessories
- ❖ Product Sampling of NESPRO
- ❖ Special Promotions of NESPRO

Ambassador

Attained after 10yrs of Loyalty to the Company (or by Purchasing 1,200 or More Capsules in a year).

- ❖ Free Delivery
- ❖ Coffee Offers
- ❖ Machine Care
- ❖ Coffee Experiences
- ❖ 50% Discount off Descaling Kit
- ❖ 20% Discount off Accessories
- ❖ Product Sampling of NESPRO
- ❖ Special Promotions of NESPRO

NESPRO Supply Chain



NESPRO Analytics

Social Media Dashboard

CPA € 50

CPC €1.5

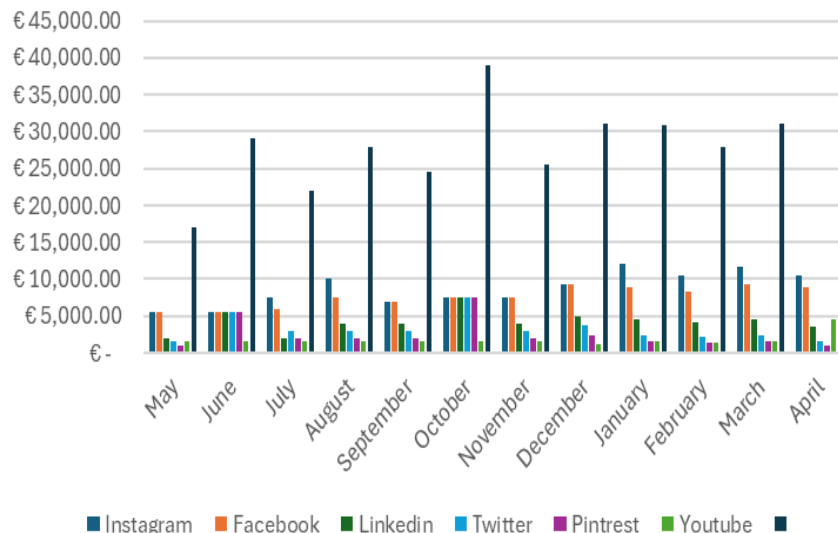
CPM €13

ROAS 2

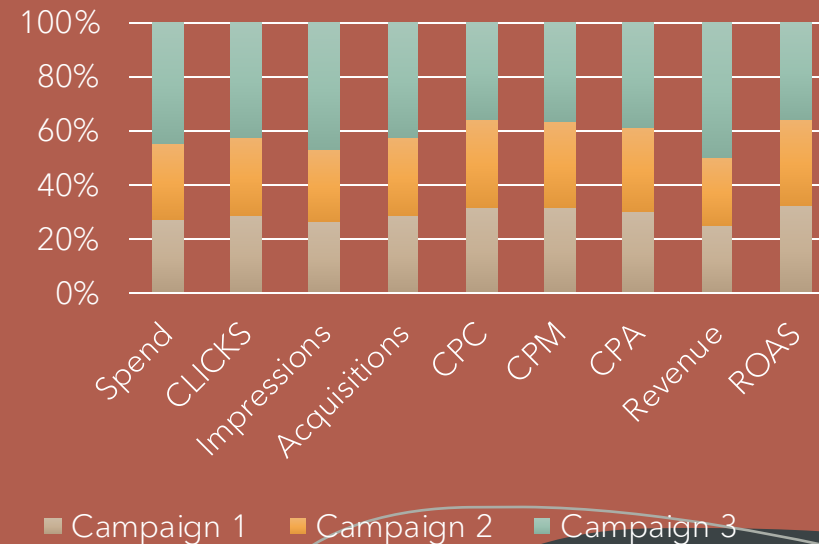
CTR 1.5%

Conversion Rate 1%

Monthly Cost Paid Media Channels



NESPRO Campaigns



NESPRO Analytics

Digital Marketing Budget Dashboard (Year 1)

CPA €47.97

CPC €1.2

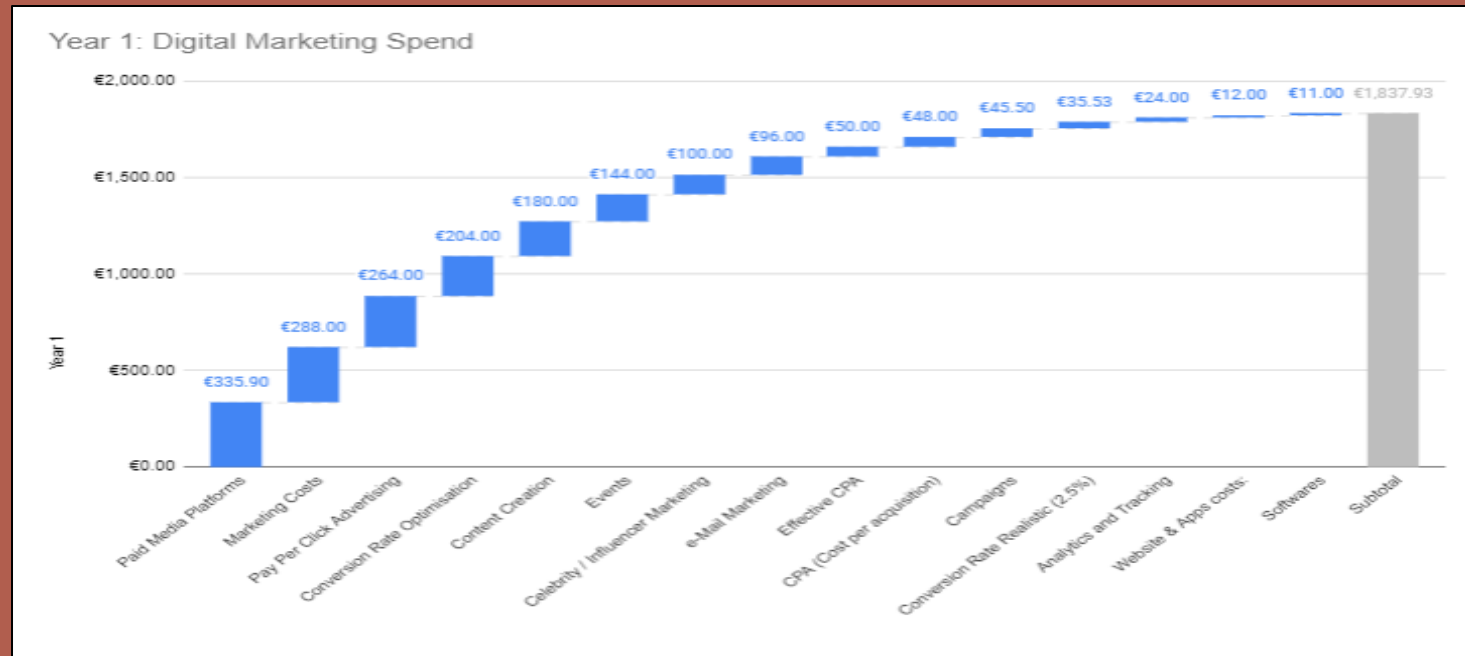
CPM €18

ROAS 0.42

CTR 1.5%

Conversion
Rate 2.5%

ROI -58.31%



NESPRO Digital Marketing Budget (1-5Year)

Criteria \ Time	Year 1 TOTALS	Year 2 TOTALS	Year 3 TOTALS	Year 4 TOTALS	Year5 TOTALS
Average Order Value	€ 20	20,13	20,53	20,94	21,36
Web Traffic (15% annual inc.)	1.421.280	1.634.472	1.879.643	2.161.589	2.485.828
Conversion Rate Realistic (2.5%)	35.532	40862	46991	54040	62146
CPA (Cost per acquisition)	€ 48	€ 40	€ 35	€ 30	€ 26
Conversion Rate Optimisation	€ 204.000	€ 214.200	€ 224.910	€ 236.156	€ 247.963
Website & Apps costs:	€ 12.000	€ 12.276	€ 12.552	€ 12.828	€ 13.104
Softwares	€ 11.000	€ 11.253	€ 11.512	€ 11.777	€ 12.047
Content Creation	€ 180.000	€ 180.000	€ 180.000	€ 180.000	€ 180.000
Celebrity / Influencer Marketing	€ 100.000	€ 100.000	€ 100.000	€ 100.000	€ 100.000
Campaigns	€ 45.500	€ 46.556	€ 47.633	€ 48.732	€ 49.853
Marketing Costs	€ 288.000	€ 288.000	€ 288.000	€ 288.000	€ 288.000
Events	€ 144.000	€ 134.000	€ 134.000	€ 134.000	€ 134.000
Paid Media Platforms:	€ 335.900	€ 325.900	€ 325.900	€ 325.900	€ 325.900
Pay Per Click Advertising	€ 264.000	€ 254.000	€ 254.000	€ 254.000	€ 254.000
e-Mail Marketing	€ 96.000	€ 26.000	€ 26.000	€ 26.000	€ 26.000
Analytics and Tracking	€ 24.000	€ 24.000	€ 24.000	€ 24.000	€ 24.000
Effective CPA	€ 50	€ 41	€ 36	€ 32	€ 27
Total Marketing Expenses (GA)	€ 1.704.450	€ 1.616.226	€ 1.628.543	€ 1.641.425	€ 1.654.894
Sales/Retail Budget	€ 1.000.000				
Projected Total Sales income	€ 700.000	€ 1.470.000	€ 1.579.309	€ 1.696.747	€ 1.822.917

❖ **Significant Initial Marketing Investment:** In Year 1, total marketing expenses (€1,704,450) significantly exceed projected sales income (€700,000), A substantial investment in marketing to drive rapid growth and customer acquisition.

❖ **Largest Marketing Expense Categories:** The largest recurring marketing expenses are paid media platforms, PPC advertising, content creation and events.

❖ **Marketing Expenses:** Total marketing expenses remain relatively stable, ranging from €1,704,450 in Year 1 to €1,654,894 in Year 5 (2.9% decrease over 5 years),

❖ **Improving Marketing Efficiency Over Time:** The Cost per Acquisition (CPA) decreases from €48 in Year 1 to €26 in Year 5 (45.8% reduction) and the Effective CPA (including marketing expenses) decreases from €50 to €27 (46% reduction). Thus, marketing efforts become more efficient and deliver better returns.

❖ **Increasing Conversion Rate Optimization Costs:** Conversion rate optimization costs increase from €204,000 in Year 1 to to €247,963 in Year 5 (21.5% increase). Hence improving conversion rate over time.

NESPRO Profit and Loss 5Year Budget

<i>Criteria \ Time</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
Sales	700,000	1,470,000	1,579,309	1,696,747	1,822,917
- cost of sales	24,000	24,000	24,000	24,000	24,000
MARGIN	676,000	1,446,000	1,555,309	1,672,747	1,798,917
- Marketing expenses	1704450	1,616,226	1,628,543	1,641,425	1,654,894
- Staff expenses	2,392,000	2,392,000	2,392,000	1,757,000	1,757,000
- Logistics	300,000	306,900	313,959	321,180	328,567
- Other general expenses	1,018,000	868,000	868,000	348,000	348,000
EBITDA	-4,738,450	-3,737,126	-3,647,193	-2,394,858	-2,289,544
- Amortiz and depr expense FA	178,571	178,571	178,571	178,571	178,571
EBIT	-4,917,021	-3,915,697	-3,825,764	-2,573,429	-2,468,115
+ Financial revenues	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
- Financial expenses loan	0	0	0	0	0
- Financial expenses leasing	3,030,784	3,030,784	3,030,784	3,030,784	3,030,784
EBT	-947,805	53,519	143,453	1,395,787	1,501,101
- taxes (25%)	0	13,380	35,863	348,947	375,275
NET PROFIT	-947,805	40,140	107,590	1,046,840	1,125,826

- ❖ **Consistent Sales Growth:** Sales increase from €700,000 in Year 1 to €1,822,917 in Year 5, indicating a strong upward trend in revenue generation.
- ❖ **High Marketing Expenses:** It is recognized that marketing expenses are significantly, starting at €1,704,450 in Year 1 and remaining above €1.6 million annually- This major area of expenditure is aimed at driving sales.
- ❖ **Reduction in Staff Expenses:** Staff expenses drop from €2,392,000 in the first three years to €1,757,000 in the last two years through restructuring measures.
- ❖ **Negative EBITDA and EBIT:** Despite revenue growth, the company reports negative EBITDA and EBIT throughout the period. However, the losses decrease over time.
- ❖ **Financial Revenues:** The Nepro division is subsidised by Nespresso to the tune of €7,000,000 offsetting the operating losses.



Next Steps and Trends

Geofencing Technology

- ❖ Establishes virtual perimeters using GPS, RFID, or Wifi Includes alerts and data gathering
- ❖ Deliver geographically targeted marketing to prospective clients in-proximity to Nespresso boutiques or affiliated retail locations.
- ❖ Notify consumers about in-store events or exclusive promotions while they are near a shop.

Augmented Reality(AR)

- ❖ AR technology enhances user understanding of reality by superimposing digital material like 3D models into the physical environment using devices like smartphones or AR glasses.
- ❖ Enable consumers to visually perceive NESPRO coffee capsules & equipment within their own surroundings.
- ❖ Develop captivating & interactive encounters that captivate consumers & enhance their commitment to the brand.

Artificial Intelligence(AI)

- ❖ AI involves the creation of systems that can perform tasks traditionally requiring human intellect, such as learning & reasoning.
- ❖ AI to provide personalised product recommendations by analysing individual client preferences & previous purchase history.
- ❖ AI -powered predictive analytics to enhance supply chain management efficiency & save operating expenses.

Conclusion

- ❖ NESPRO will effectively establish itself as a premium, innovative brand in the Spanish market by capitalising on the established coffee culture and meeting the increasing demand for health-conscious products.
- ❖ The commitment of NESPRO to sustainability, as evidenced by its eco-friendly packaging and comprehensive recycling programmes, resonates with environmentally conscious consumers, thereby increasing brand loyalty and market appeal.
- ❖ Strategic marketing initiatives, such as personalised email marketing, targeted advertising campaigns and social media engagement will effectively increase brand visibility, consumer interaction and sales.
- ❖ The budget analysis shows a large rise in income, with sales rising by more than 150% between Years 1 and 5. Despite negative EBITDA in the first four years owing to high operating costs, integration into the Nespresso group will improve resource utilisation and lower expenditures, opening the road for profitability and long-term development.
- ❖ NESPRO will capitalise on emerging trends in AI, AR, and geofencing to improve its marketing strategies and consumer experiences. Thus, can drive further engagement and innovation.





Thank You!

**Welcome to Your
Questions 😊**