



Gostoso Coffee Industry Report

Prepared for

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Introduction



Significant in the coffee market, Gostoso Coffee is distinguished by its dedication to **ethical** business practice, **high-quality** goods, and worldwide distribution. Gostoso was established with the intention of continuously becoming a positive influence on the world by providing the highest quality coffee products. This industry analysis explores the complexities of Gostoso's operations, providing a thorough examination of its business model, vision, and competitive landscape along with insights from a factory tour and potential improvements.

As an provider of **100% Arabica beans**, Gostoso Coffee stands out in the market with pride, demonstrating its everlasting commitment to providing a quality coffee experience.

Furthermore, Gostoso's standing as a notable player in the coffee business is further validated by the **Specialty Coffee Association's (SCA)** designation. The SCA is a prestigious organization known for its exacting quality standards, and this distinction from them attests to Gostoso's persistent dedication to excellence and adherence to the highest standards in the specialty coffee industry.



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Background of Gostoso



Established in **2021**, Gostoso Coffee has swiftly emerged as a notable player in the global coffee industry with its headquarters situated in Dubai, United Arab Emirates. Founded by **Colin Francis**, the journey of Gostoso began with a visionary quest to promote the finest Brazilian coffee worldwide. Francis embarked on extensive travels across Asia, the Middle East, and Europe in 2017, immersing himself in the rich tapestry of coffee cultures and learning from local experts.



Gostoso sets itself apart by cutting away with **intermediaries**, allowing for competitive prices. Gostoso, which costs AED 25 for 250 grams yet costs AED 60 for competitors like Costa Coffee, is a prime example of affordability without sacrificing quality. Gostoso handles the challenges of a **three-tier supply chain**—importer, distributor, and retailer—by strategically selecting Dubai as its distribution base.

Ethical Behavior and Farmer Support

Gostoso's ethical direction is evident in its direct assistance to farmers, tackling the widespread issue of underpayment. The **"Force For Good"** campaign is a manifestation of Gostoso's dedication to social responsibility. In sharp contrast to past practices, which saw farmers receive only 10% of cocoa income, Gostoso supports **corporate social responsibility** (CSR) ideas like **carbon credits** and fights climate change. Gostoso distinguishes itself in the market for its commitment to sustainable environmental practices and moral business practices by endorsing the **BCSA**.



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Background of Gostoso



Product Range

Coffee Specialty

Coffee Reserve

Coffee Gourmet

Coffee Signature

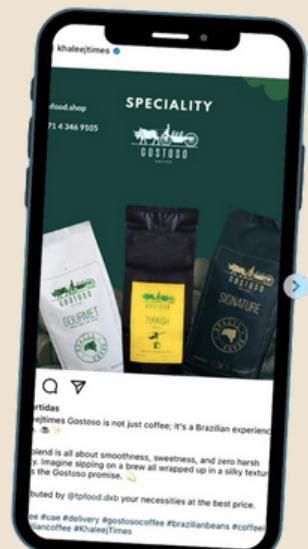
Gold & Classic Coffee

Turkish coffee

Dubai Coffee

Passport Drip

Passport Capsules



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SWOT Analysis

Strenghts

1. **High-quality Coffee Products:** Gostoso Coffee takes great satisfaction in providing coffee products that highlight the deep, genuine flavors of Brazilian coffee.
2. **Fair Trade Practices:** The company's dedication to fair trade principles and ethical sourcing sets it apart and enhances its reputation.
3. **Global Reach:** Gostoso has positioned itself to service clients worldwide by utilizing its advantageous location in Dubai and expanding into a variety of markets around Europe, Asia, and the Middle East.
4. **Brand Recognition:** Gostoso has quickly established a unique brand identity thanks to its dedication to quality and social responsibility.

Weaknesses

1. **Dependency on Dubai Location:** Although Dubai is a strategic hub, a reliance on this location too much could be risky from a market dependence standpoint.
2. **Competition:** To distinguish apart from the many rivals in the cutthroat coffee market, Gostoso must constantly innovate.
3. **Dependency on Specialty Market:** Gostoso's concentration on specialty coffee may put a ceiling on its market share because some customers might prefer less specialized or mainstream options.



SWOT Analysis

Opportunities

1. **Market Expansion:** Gostoso can investigate and grow into unexplored markets, which will broaden its customer base.
2. **Diversification of Product Line:** By introducing additional coffee blends or related items, a brand can expand its offers to accommodate a wider range of consumer tastes. For example, ready grounded coffee.
3. **Collaborations and Partnerships:** Gostoso's market presence and visibility could be improved by strategic collaborations or partnerships with other companies.
4. **Innovation in Service Offerings:** Brand distinction can be achieved by investigating novel approaches to customer engagement, such as special brewing techniques or subscription services.

Threats

1. **Economic Instability:** Changes in the economy, particularly in the areas served, may have an effect on consumer expenditure on specialty coffee goods.
2. **Disruptions to the Supply Chain:** Any problems pertaining to sourcing or transportation that arise in the supply chain may have an impact on the availability of products.
3. **Competitive Pressure:** Gostoso constantly has to set itself apart from both established and up-and-coming rivals in the fiercely competitive coffee market.

Market Analysis

Market Size and Growth

A growing number of coffee shops, shifting consumer habits, and an increasing **culture of coffee** appreciation have all contributed to the steady rise of the global coffee business. With billions of coffee cups used per day worldwide, the industry is huge. After entering the market in 2020, Gostoso has successfully capitalized on this large sector of the economy by matching the growing customer demand for specialty coffee that is supplied responsibly.

Consumer Trends and Preferences

Consumers in the modern era show a greater **knowledge of the ethics** and provenance of the goods they purchase. This trend is supported by Gostoso's emphasis on ethical sourcing and assistance for farmers. Additionally, there is a growing market for special and expensive coffee experiences, which gives Gostoso a chance to highlight its distinctive products.

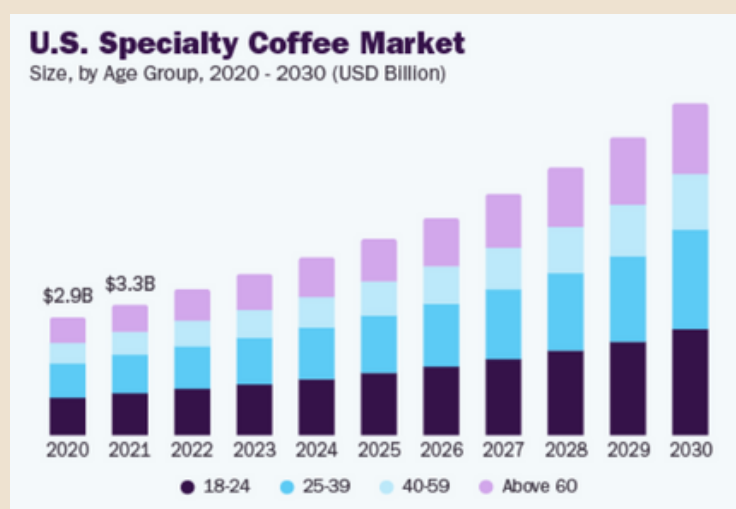


Figure 1: Growing Trends of U.S Coffee Market

Market Analysis

Geographical Considerations

Gostoso's headquarters are located in Dubai, which offers strategic advantages. Dubai provides Gostoso's international operations with a primary distribution base, acting as a link between Europe and Asia. The corporation uses Dubai's logistical advantages to expand its global reach into Europe, Asia, and the Middle East.

Regulatory Environment

Gostoso's market positioning and reputation are improved by following to international trade norms, quality standards, and ethical sourcing certifications, such those issued by the **Specialty Coffee Association (SCA)**.

Opportunities and Challenges

There are several avenues for growth, including product diversification, market expansion, and strategic alliances. Potential disruptions in the supply chain, changes in the economy that affect customer purchasing, and fierce rivalry from well-established firms are some of the difficulties.

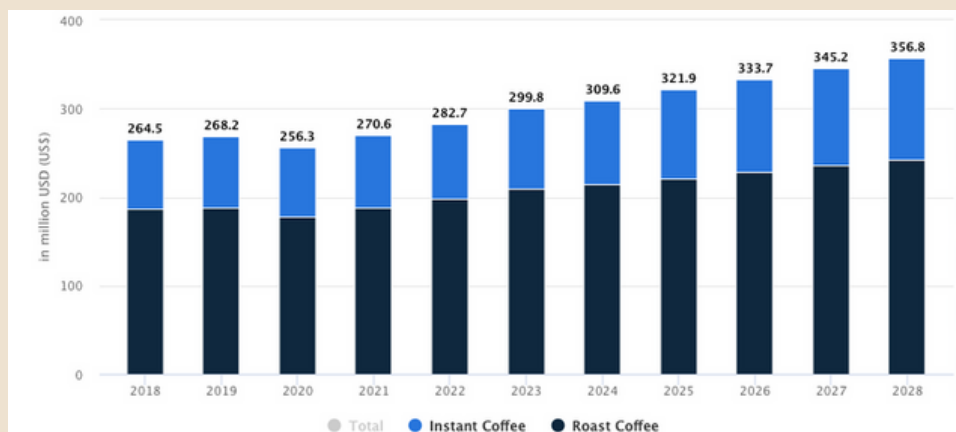


Figure 2: Revenue Growth of UAE's Coffee Market

Competitors Analysis

1. Juan Valdez



Colombian coffee company Juan Valdez is famous for its dedication to authenticity and using **traditional manufacturing** techniques, which embodies Colombia's rich coffee culture. They recently opened a branch in Dubai, Jumeirah. The brand provides a genuine taste and has a competitive advantage stemming from its connection with Colombian coffee customs. Juan Valdez is known for having a great **brand image** and the potential to grow its market. Notably, the company actively promotes **Colombian coffee farmers** around the world, improving the welfare of the community.

2. Starbucks



Starbucks was founded in 1971 and is regarded as a **pioneer** in the coffee market, giving a lifestyle and **cultural experience** in addition to standard coffee offerings. Starbucks stands out from other coffee companies because of its **distinctive** strategy, which helps to explain its broad brand identification and transform it from a simple coffee supplier into a worldwide cultural phenomenon.

3. Illy



Renowned Italian coffee company Illy is well-known for its dedication to providing a fine and reliable cup of coffee. The brand's commitment to quality and proficiency in blending just Arabica beans give them a competitive edge. The **"Illy Blend"** a special and exclusive blend that Illy offers, is what sets it apart from the competition. It is a blend of **nine Arabica coffee beans** that are sourced from various parts of the world.



Competitors Analysis

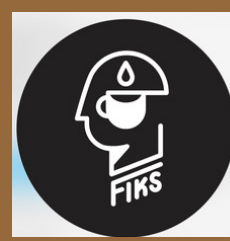
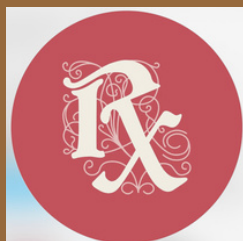
4. Global Franchises

Tim Hortons, Caribou, Costa Coffee, and Dunkin' Donuts all have a competitive edge due to their standardized products and global presence. Due to their extensive reach, these franchises guarantee customers all around the world a reliable and comfortable cup of coffee. Their capacity to appeal to a wide audience wanting dependability and a taste of home, no matter where they are, is the source of their competitive edge. This is made possible by the smooth integration of their operational models.



5. Local Coffee Players

The competitive coffee market in the United Arab Emirates is dynamic, with local players such as Orto, RX, and FIKS. Some players distinguish themselves by providing distinctive blends and highlighting sustainability, wellness, and cultural richness in response to the growing desire for a variety of coffee experiences. Their presence adds depth to the local coffee industry by highlighting the growing diversity of consumer preferences.



Operational Insights from CEO

Affordable Quality: Eliminating Intermediaries

The CEO Colin Francis's innovative strategy is the driving force behind Gostoso Coffee's success. Mr. Colin gave insightful remarks during a lecture about how Gostoso was able to succeed by **eliminating middlemen**, providing a 250-gram coffee for AED 25, compared to Costa Coffee that sells the same amount of coffee for double price.

In the usual coffee supply chain, a convoluted route involves 200,000 farmers, logistical handlers, cooperatives for cleaning, traders, and exporters, each claiming a share. Gostoso, however, streamlines this process, maintaining a **direct path** from bean to cup. By bypassing excessive intermediaries, the brand ensures **fair compensation for farmers**.

Operational Dynamics: Finance, Break-through, and B2B

The complex structures of Gostoso's operations also encompass **partnerships with merchants** such as Carrefour and Grandiose, based on a model of square meter rental, listing fees, SKU payments, and customized marketing strategies. Retail, HRC (Hotel, Restaurants, Catering), and franchising stores are among the B2B expansion opportunities; 300 are anticipated in Dubai. With the support of a Singaporean company, Gostoso will reach **break-even** in August or September after three years of business.



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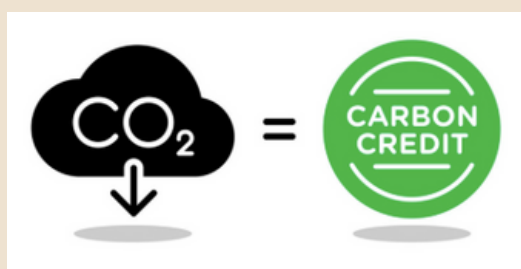
Operational Insights from CEO

Sustainable Initiatives: A Force for Good

Under the direction of its CEO, Mr. Colin James Francis, Gostoso Coffee not only excels in offering a great coffee experience, but also leads the way in important, sustainable initiatives. With pride, Mr. Francis advises the **board of climainvest.org** and has developed relationships at major gatherings such as COP28 in the United Arab Emirates. Through this partnership, Gostoso's "Force for Good" initiative to aid Brazilian and African governments and farmers is expanded. In line with ITC - UN accords, Gostoso launched carbon credit generation projects including several African nations during the World of Coffee exhibition in Dubai.



Through a collaboration with the Ituxi Group and Mr. Ricardo Stopper, a well-known carbon credit specialist, the brand has further demonstrated its commitment to **planting Arabica** and **Robusta** varietals in the Amazon. This calculated action is to help exploited farmers in Africa and develop a robust Arabica variety that can withstand temperature variations in addition to responding to the problems that coffee plantations face on a worldwide scale. With Gostoso, sustainability is more than just great coffee—it's about transforming the world one cup at a time.



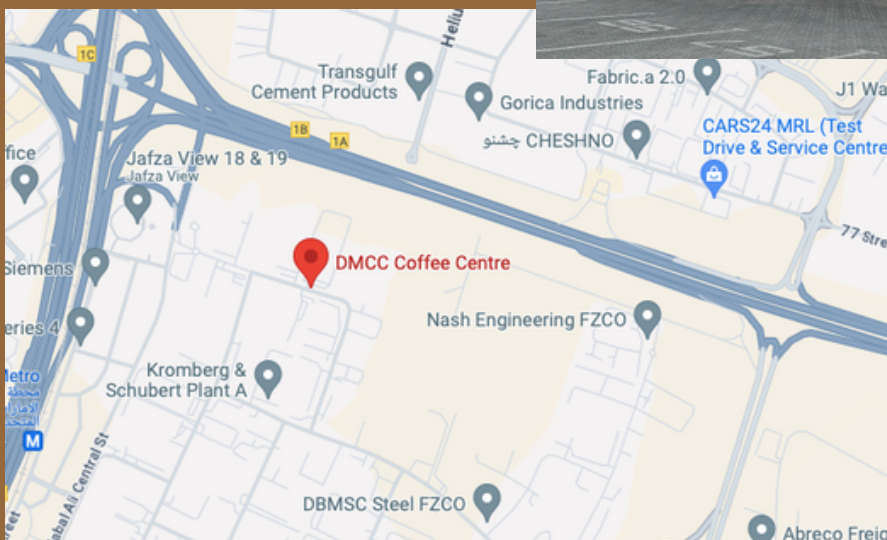
Day of Factory Observation

Factory Location

The Gostoso coffee factory finds its home in the vibrant **Jebel Ali Free Zone**, a thriving hub within the Dubai Multi Commodities Centre (DMCC). Renowned as the largest free-trade zone, the DMCC plays a pivotal role, contributing to 17% of all foreign direct investment in the emirate (DMCC, 2024). Noteworthy is the commendable commitment of **Ahmed Sultan Bin Sulayem**, CEO of DMCC, towards sustainability and ethical practices. His visionary efforts include the creation of various segments within the DMCC, with the recently established DMCC coffee center standing out as a testament to these values. Mr. Colin Francis has acknowledged and praised these significant strides in promoting sustainability within the DMCC.



Ahmed Sultan Bin Sulayem, CEO of DMCC



Day of Factory Observation

Coffee Bar Entrance

A delightful coffee bar arrangement greets guests before they begin their tour of Gostoso's complex operational tour. We had the chance to taste the Gostoso Coffee at this early stage, which included the standout flavors, **filtered coffee** and **expresso**, both of which offered a distinctive flavor that highlighted the brand's adaptability. The espresso, while strong and intense, surprised with its lighter taste, letting the intricate flavors dance elegantly on the palate. On the other side, the filtered coffee, unfolded an unexpectedly lighter flavor profile.

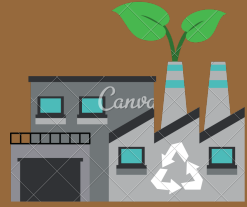


Room #1: Origin Showcase

The first area is a vibrant display of the variety of coffee bean bags that Gostoso and other coffee companies offers. These bags showcase a **wide range** of materials, **colors**, and **price ranges** and represent many nations of origin. An eye-catching picture is produced by the large number of bags that are carefully organized on racks. The bags' distinct color representation of each nation is noteworthy as it offers a compelling overview of Gostoso's dedication to finding superior beans worldwide.



Day of Factory Observation



Room #2: Coffee Bean Cleaning



As we enter the second room, we come across the **advanced bean-cleaning equipment**. This essential step in the coffee-making process highlights Gostoso's commitment to quality assurance. The brand's dedication to providing a fresh and unadulterated coffee experience is furthered by the machine's efficient operation and careful bean cleaning method, that is connected to room #3.

Room #3: Automated Roasting Machine & Packaging Room

The automated roasting process, which is at the center of Gostoso's activities, is revealed during the tour in the third room. This space, which seamlessly combines **human supervision with technology**, represents the brand's dedication to accuracy and productivity. Even though automated roasting embraces modernity, it preserves the art of workmanship, guaranteeing that every bean is perfectly toasted. Not only is this the center of the roasting process, but it also functions as the **packaging area**, where meticulous attention to detail is required.



Day of Factory Observation



Room #4: Quality Testing Room

A small testing area marked by a unique red light represents Gostoso's commitment to objective quality assessment. This area acts as a **checkpoint** to guarantee that each batch satisfies the exacting criteria for quality established by the brand.



Room #5: Temperature Regulated Storage Room

The last room, the temperature-controlled storage area, is an essential component of Gostoso's dedication to freshness. This area is essential for preserving the **quality of the beans** before they are shipped to shops, especially during the hot summer months in Dubai. They are stored in bulk, with each box including minimum 20 pieces of Gostoso Coffee Bags.



Recommendations

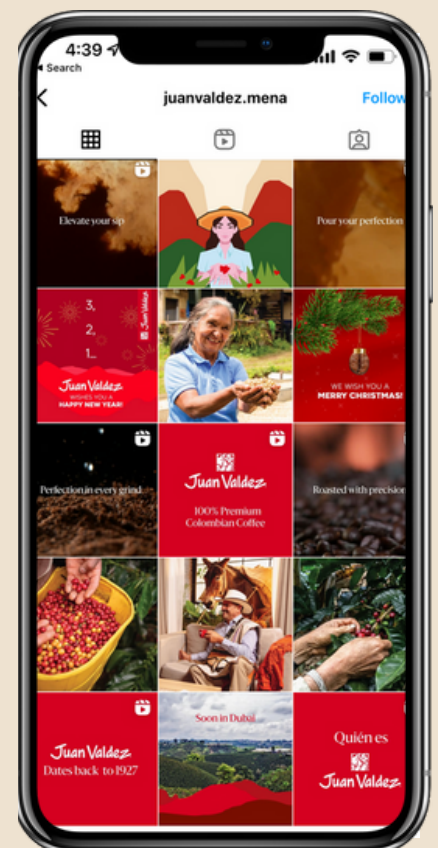
1. Ethical Sourcing Emphasis:

Gostoso Coffee's dedication to ethical sourcing and farmer assistance gives it a competitive edge. By incorporating these ideas into the central theme of the brand's story, they may strengthen this advantage. Gostoso could **create content** that highlights the benefits to farmers and the community while offering **transparent insights** into Gostoso's sourcing process. This can be accomplished by highlighting the moral journey from farm to cup in compelling storytelling across a variety of media, along with emphasizing on the #GostosoForceForGood. An example of Starbucks, a competitor, that creates content to focus on that aspect, can be seen below.



2. Social Media Dominance:

Gostoso can make the most of social media channels as an active instrument for **raising brand awareness**. For example, they can build **influencer relationships** to spread the word about superior quality and ethical sourcing. They can create a visually appealing and **consistent** social media feed that reflects the brand's messaging, along with captivating campaigns, giveaways, and interactive materials to cultivate a devoted virtual community. In order to further integrate the online and offline experiences, they can consider setting up **real stands** in busy areas where customers may sample Gostoso Coffee.



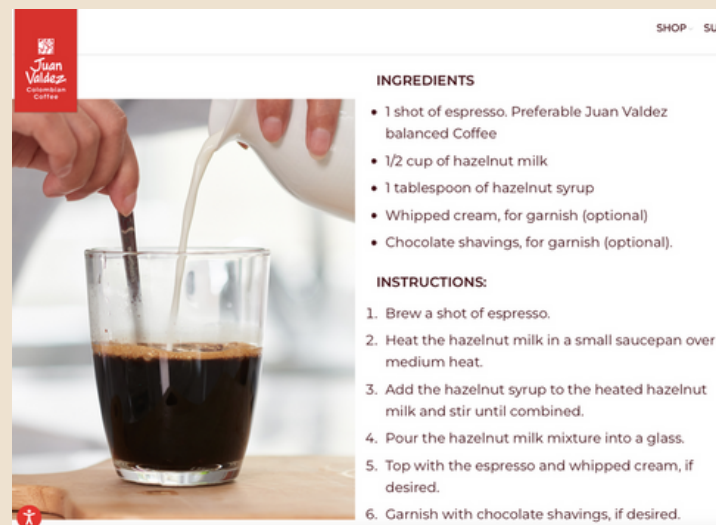
Recommendations

3. Unforgettable Branding:

Gostoso can make their brand identifiable by coming up with a distinctive **jingle** or sound branding, along with a tagline that is memorable. Customers' brand memory and awareness of Gostoso will both be improved by the audio component, along with the visual aspect too. The **brand image** can be strengthened by incorporating this unique auditory trigger into marketing materials, films, and commercials. With the rise of AI platforms, SUNO AI could be used to create a jingle.

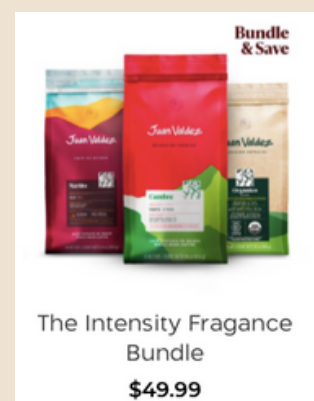
4. Coffee Discovery Series

Gostoso could create a collection of videos that explore coffee to diversify their content, that could be used for social media content and ads. For example, **detailed instructions** on special recipes, brewing methods, and the art of appreciating coffee. For beginners, they could describe the **problem of grinding coffee** without a grinder and offer workable solutions. An example of a competitor, Juan Valdez, that does recipes can be seen below.

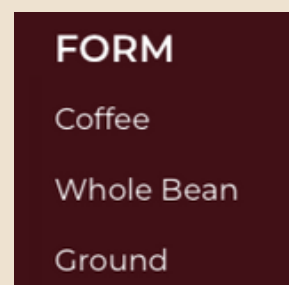


5. Expanding Coffee Forms and Bundling Products

Ready-ground coffee is a convenient way for Gostoso Coffee to improve its offers. Gostoso can **curate bundles**, like the "Diverse Delights" package that includes three of the best-selling blends, to improve the shopping experience. This strategy offers tasty selections in manageable packages, appealing to a broader range of consumers.



The Intensity Fragrance Bundle
\$49.99

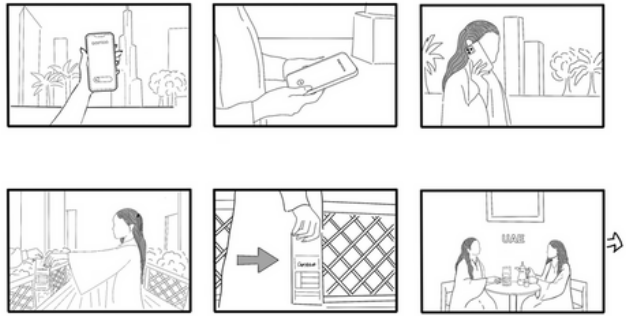


Campaign Improvements

The original advertising concept showcased Gostoso Coffee's different products from places including Turkey, Kenya, Brazil, Ethiopia, and the United Arab Emirates, with the goal of celebrating **cultural fusion** and **connectedness**.

In the ad, **two friends** were seen **tasting several coffee kinds** and making coffee according to custom. The idea, while encouraging tolerance and cross-cultural understanding, did not fully mesh with Mr. Colin Francis's top aims for Gostoso. Below are improvements of the potential campaign.

Gostoso Ad Storyboard



Gostoso Ad Storyboard



Improvement #1: Emotional Storytelling:

In crafting the campaign, I would shift the narrative focus towards emotional storytelling that vividly portrays Gostoso's unwavering commitment to **ethical practices**. My approach would commence with a powerful story, shedding light on the **challenges faced by farmers** and the environmental repercussions of coffee production. Through a gradual unveiling, viewers would witness how Gostoso Coffee emerges as a transformative solution, empowering them to make a **positive impact** by choosing Gostoso. This narrative style creates a profound emotional connection, compelling consumers to embrace Gostoso for its exquisite taste and socially responsible values.

Campaign Improvements

Improvement #2: Unified Ethical Message

My plan would focus on emphasizing the unique and powerful message that Gostoso is a socially conscious Brazilian company, rather than showcasing a variety of cultural representations. I would highlight the brand's steadfast commitment to ethical business methods, environmental sustainability, and the unique flavors that come from **Brazil**. The goal of this focused strategy is to strengthen the brand narrative so that the intended audience finds it more memorable and engaging.

Improvement #3: Enhanced Auditory Elements

The campaign's sensory experience would be improved by adding a **calming musical soundtrack** and a **distinct voiceover narration**. The narration should highlight Gostoso's commitment to premium Arabica beans and moral business procedures, while the background music should reflect the peaceful and peaceful features of coffee growing. An experience that is more engaging and unforgettable is produced by this audio-visual synergy.

Improvement #4: Emphasis of Coffee Bean Production

Taking on the viewpoint of a **Gostoso coffee bean**, the video advertisement could transports viewers on a fascinating journey from the bean's birth in Brazilian plantations to the revolutionary roasting process and, finally, to the varied cultural experiences it provides around the world. This distinct point of view improves the narrative and helps the audience remember and find it **interesting**.





Conclusion

To conclude, this thorough industry analysis explores the complex nature of Gostoso Coffee and uncovers a brand that surpasses the traditional limits of the coffee business. Founded in 2020, Gostoso quickly distinguished itself as a **responsible** player in a constantly changing sector, in addition to being a supplier of coffee. By eliminating middlemen, supporting **fair trade**, and adopting **ethical sourcing**, Gostoso establishes itself as a disruptor dedicated to offering great quality at a reasonable price. CEO Colin Francis' operational insights reveal a strategic tapestry in which every choice; from selecting Dubai as a point of distribution to carefully managing a convoluted supply chain with 200,000 farmers, this aligns with a vision for a **sustainable** and socially conscious future. This study captures not just the details of Gostoso's operations, but also the **essence of the brand**: a well-balanced combination of heritage, innovation, and a passionate commitment to creating the ideal cup of coffee. With its extensive worldwide distribution and ethically conscious base, Gostoso Coffee is well-positioned to not only delight tastes but also make a lasting impression on the history of the coffee industry.



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