

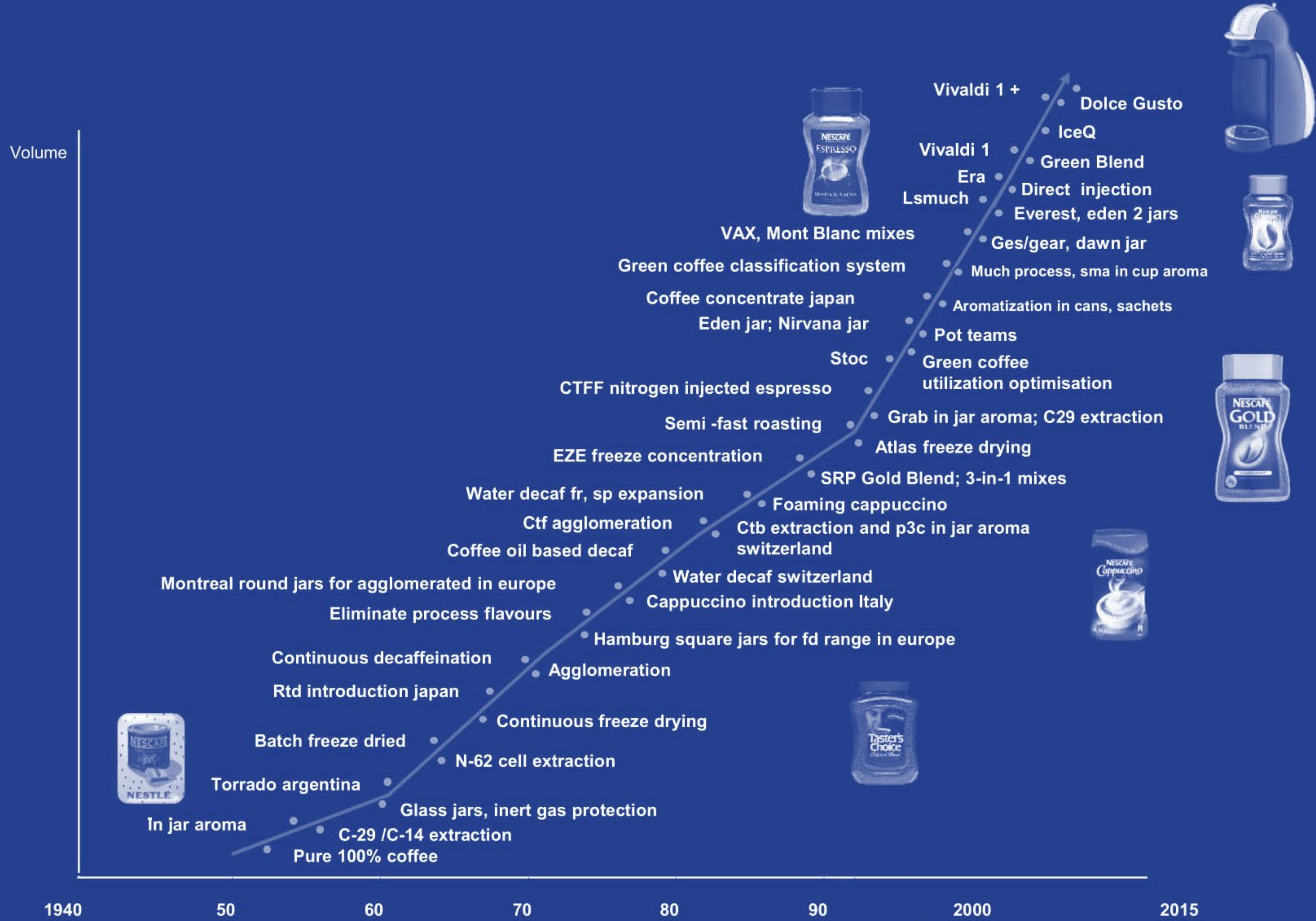
# A Cup of Entrepreneurship

Nespresso & Sudden Coffee  
case analysis



|                       |        |
|-----------------------|--------|
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# NESCAFÉ: 77 years of innovation-driven profitable







**Nespresso**



**Sudden Coffee**

# Agenda

- Overview of **Nespresso** and **Sudden Coffee**
- Effectuation Approach
- Design Thinking
- The Future Perspective



# Company Intro



**NESPRESSO**



**SUDDEN**  
COFFEE

# Effectuation Approach

# Effectual Cycle



**Eric Favre** on his own mission to prove that great espresso can be made at home.



**Kalle Freese** on a mission to create delicious instant coffee to everyone.

# View of the Future



Moving from the office to the consumer market.



Moving from coffee snobs to everyday coffee drinkers.



# Stakeholder Acquisition



Hiring Jean-Paul Gaillard in 1988 to bring the company alive.



Suggestions and support from the coffee scientist Chahan Yeretzian shaped the company.

# Design Thinking

# Empathizing & Co-creation with customers

- **Nespresso Club:** Brand community that generates useful user information. Everyday dialogue with users in order to meet their expectations.
- Users give new suggestions & product ideas
- Includes users in advertising activities



- **Facebook group:** Sudden Coffee Club, a private community for Sudden drinkers and encourages members to give feedback, report issues and share thoughts and ideas



# Prototyping & Testing

- 3D inhouse printer since 2003
- In store testing to get feedback from users



- Beta customers
- Pop-up shops





# Future Perspective

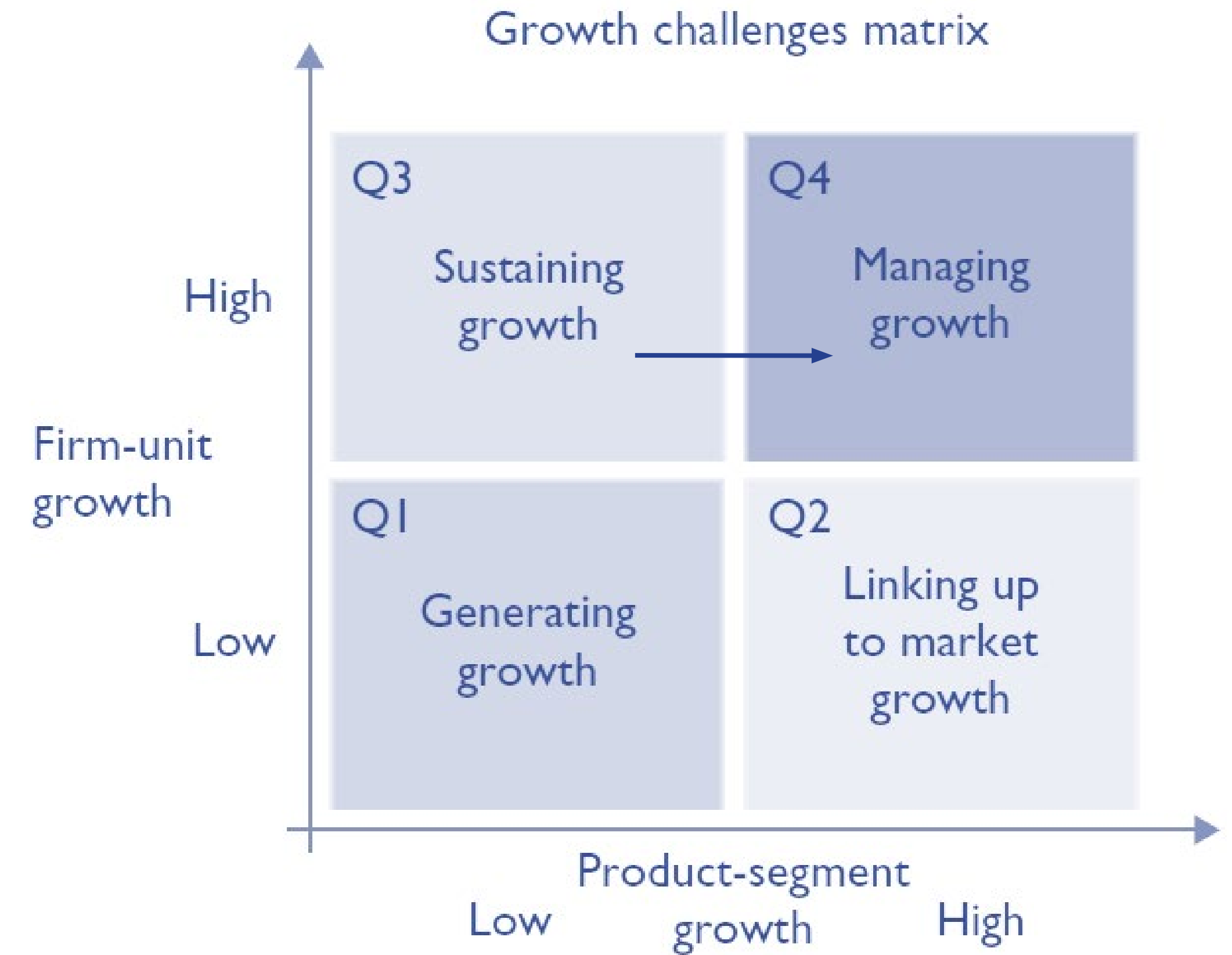
## Why Innovate?

**“Big doesn’t  
mean you’re  
going to be  
relevant to the  
consumer of the  
future”**

Nestle executive vice president  
in charge of coffee

# Challenges

- Over-confidence
- Aggressively entering competitors (expiring patents)
- Risk of weak company culture



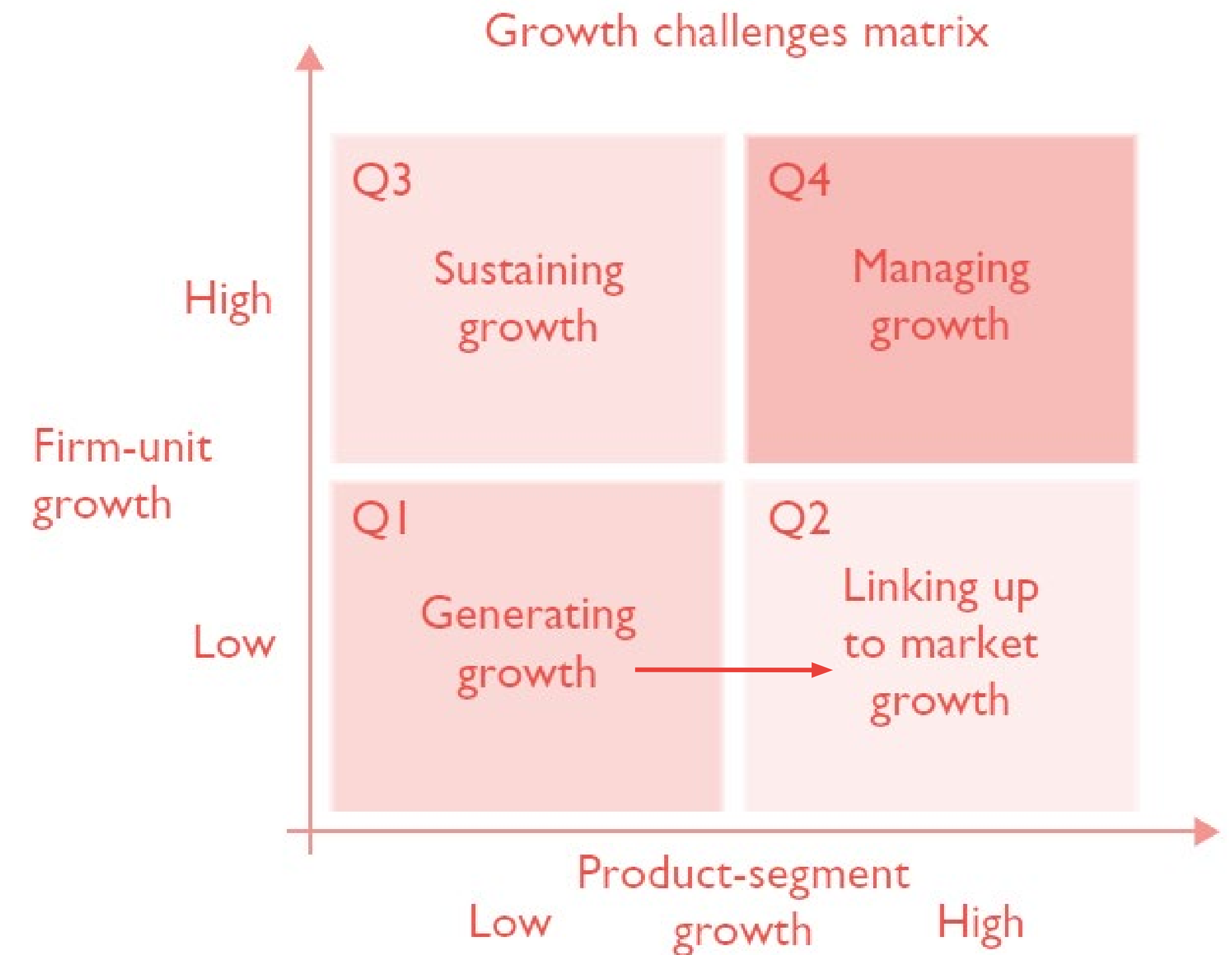
The Growth Challenges Matrix, Prats et. al, 2012



NESPRESSO

# Challenges

- Weak strategic partnerships
- Increasing direct competition
- Relatively high price
- Keeping up high quality while scaling up
- Implementing sustainability actions
- Insufficient marketing



The Growth Challenges Matrix, Prats et. al, 2012





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