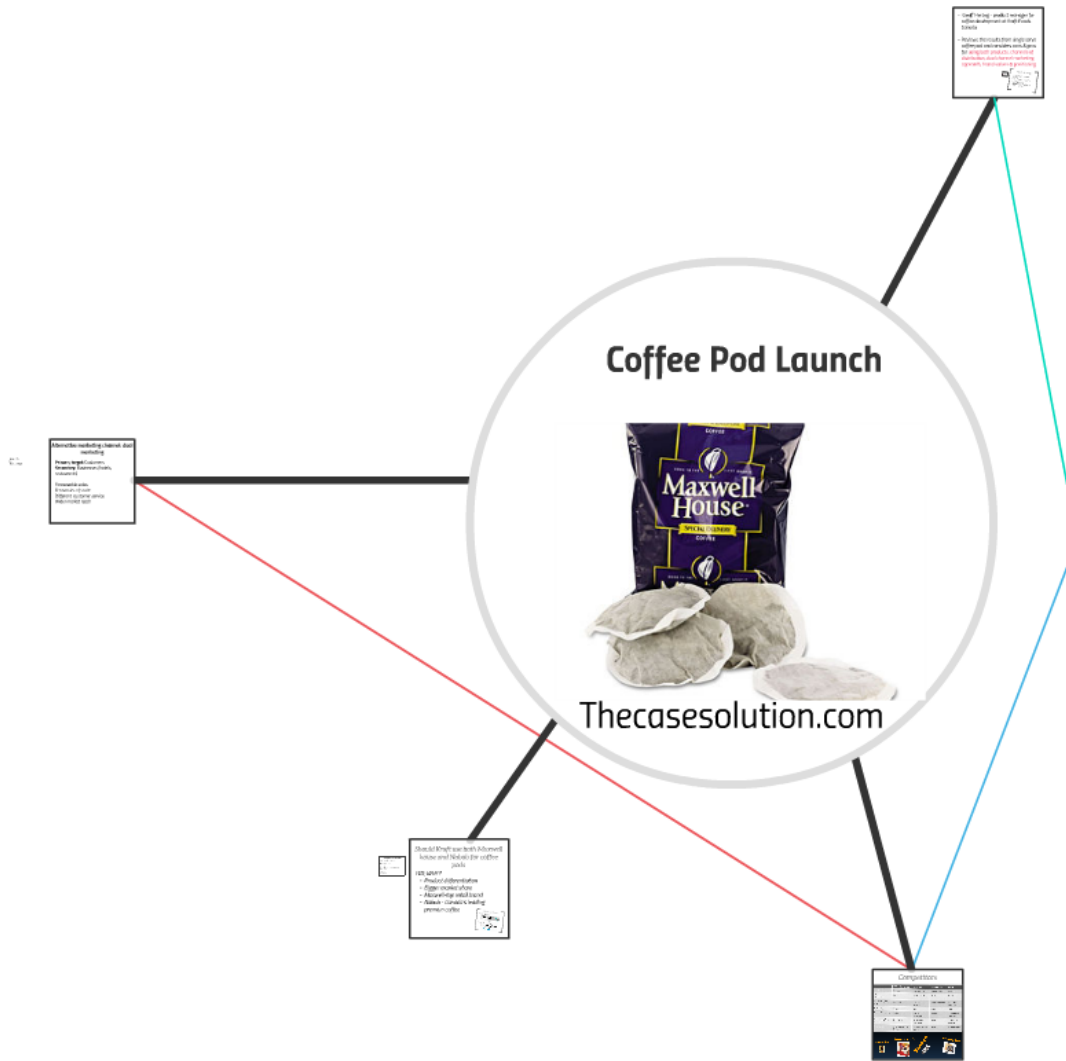


KRAFT FOODS

Coffee Pod Launch

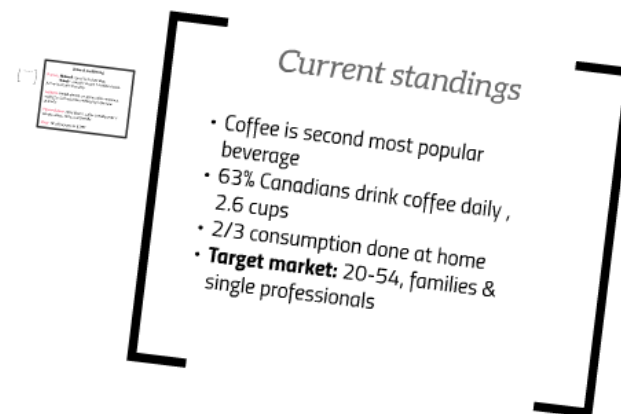


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- Geoff Herzog - product manager for coffee development at Kraft Foods Canada
- Reviews the results from single serve coffee pod and considers cons & pros for using both products, channels of distribution, dual channel marketing approach, brand values & positioning



Current standings

- Coffee is second most popular beverage
- 63% Canadians drink coffee daily , 2.6 cups
- 2/3 consumption done at home
- **Target market:** 20-54, families & single professionals

Value & positioning

Promise: **Maxwell** - good to the last drop

Nabob - carefully chosen Colombian beans
for the best taste & quality

Audience: People already using the coffee machines,
hoping for 60% retention and loyalty to the new
products

Differentiation: many flavors, coffee is ready under a
minute, unique taste, user friendly

Price: 18 coffee pods for \$3.99

Competitors

	Melitta One-to-One	Home Café	Bunn My Café	Senseo
Launch Date	In-Market	September 2004	November 2004	Early 2005
Machine Manufacturer	Salton	Black & Decker	Bunn	Philips
Retail Selling Price for Machine	\$60 – \$75	\$75 – \$89 (expected)	\$150+ (expected)	\$85 – \$99 (expected)
System Type	Closed	Open	Open	Open
Primary Pod Supplier	Melitta	Folgers & Millstone (P&G)	Various	Douwe Egberts (Sara Lee)
Retail Selling Price for Pods	\$4.99 for 16	\$4.99 for 16 (expected)	Varies	\$4.99 for 18 (expected)
Beans Used	100% Arabica, 100% Colombian	60% Arabica, 40% Robusta	Varies	To be confirmed

-One-to-One



Home Cafe



Senseo

Senseo
GOURMET COFFEE
BY THE MACHINE

Bunn My Cafe



Coffee Pod Mental Map

