



# UNIVERSITÀ TRIESTE

28 Marzo 2017

live  
happilly

# Evaluation criteria for companies seeking a listing in the stock exchange



Weight %
1. Growth rate % ( 3Y ) : 18
2. EBITDA % AVG ( triennale): 18
3. NOTORIETA' DEL MARCHIO: 16
4. DIMENSIONE: 13
5. EXPORT: 13
6. FORZA DISTRIBUTIVA (negozi diretti): 9
7. INDEBITAMENTO: 8
8. FASCIA DI MERCATO (Lusso, Medio/Alta, Media): 5
Totale 100

# % Export Top Brands Italiani



Dolce & Gabbana: 80%

Diesel: 89%

Luxottica: 90%

Armani: 87%

Zegna: 72%

Barilla: 70%

il.lycaffè: 68%

Eataly: 50%

THE COMPANY

**.01**

illy was founded in 1933 by Francesco Illy in Trieste, Italy. He had a simple idea: to produce the best coffee in the world.

Our mission, passion and obsession is to delight all those who cherish the quality of life, through our search for the best coffee nature can provide, enhanced by the best available technologies and by our search for beauty in everything we do.



# The company



6,000,000+

Coffees per day, away from home, at home, in the office, and *on the go*



100,000+

Clients among the best bars, hotels, restaurants and shops



140+

Countries



TRIESTE  
1933, Italy



GRUPPO illy S.p.A.  
Ownership



800

Employees worldwide

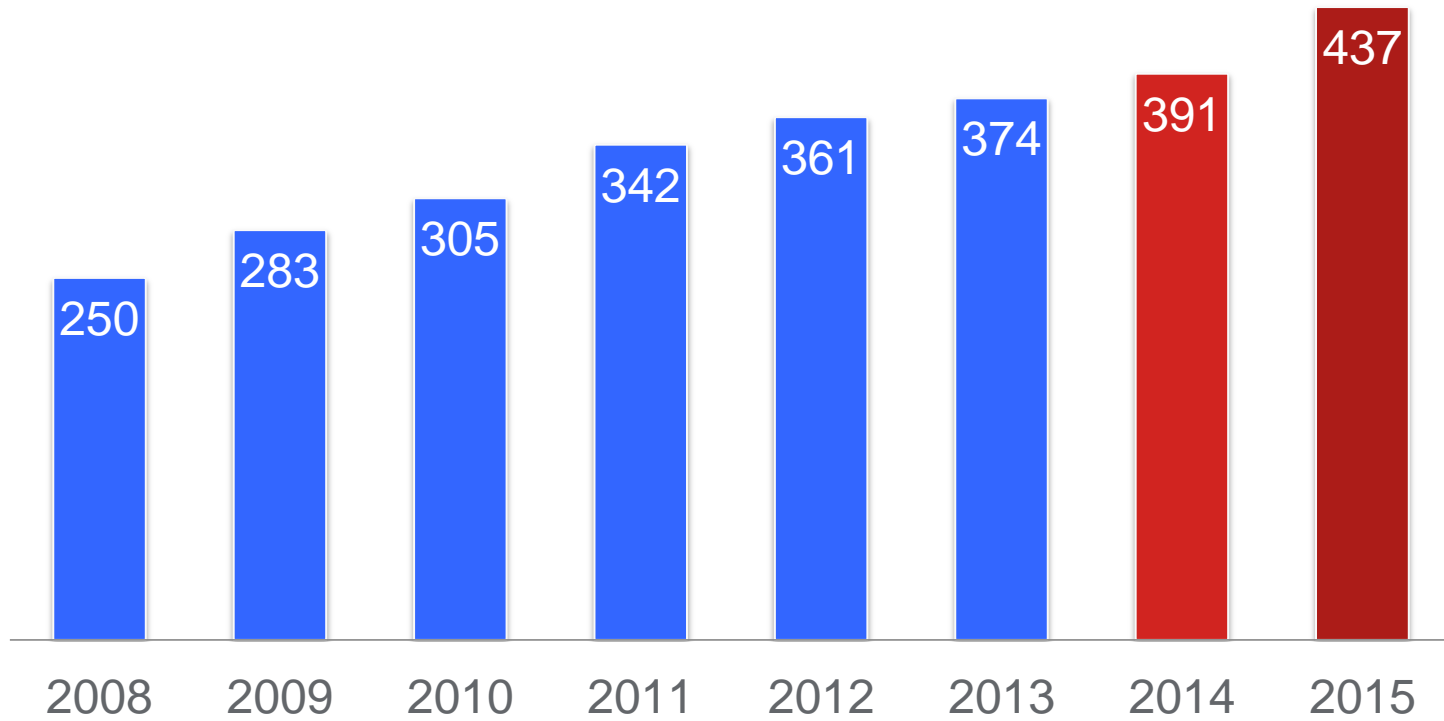
Gruppo illy SpA was founded in 2004 and comprises the subsidiaries illycaffè, Domori, Mastrojanni, Dammann Frères, the partially owned Agrimontana, and a minority participation in Grom.

It pursues a strategic objective with special attention to the origins, the company added tea, chocolate, wine and preserved fruit to its coffee products.



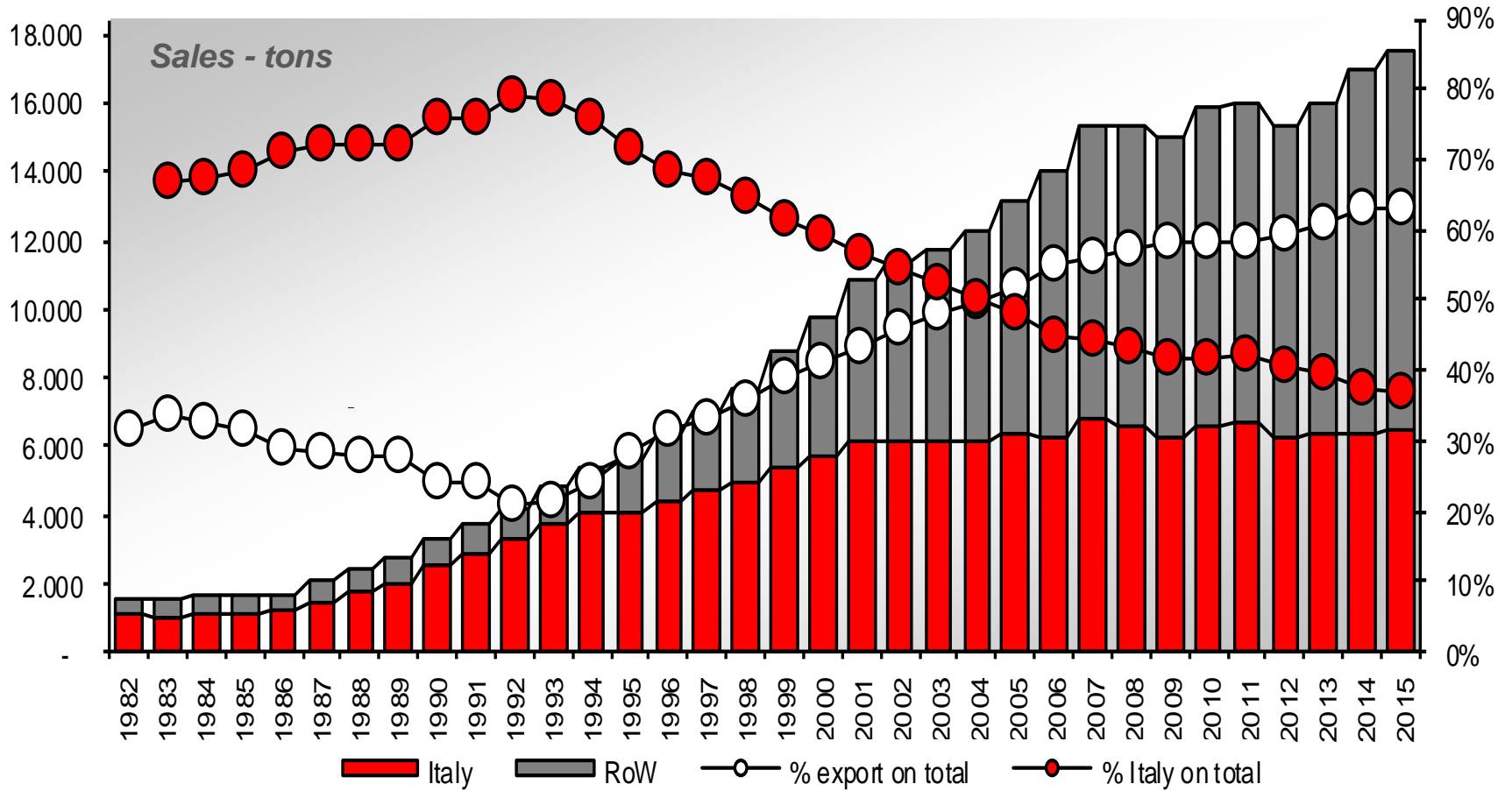
# Consolidated Turnover

(million Euros)





# CONSOLIDATE TREND SALES - TONS



**Ethics.** We create and share superior stakeholder value over time through our commitment to improvement, transparency, sustainability, and people development.

**Excellence.** We aim to inspire throughout all illy touch points in our value chain from bean to cup by creating extraordinarily good and beautiful experiences and products as well as by working efficiently and with a sense of urgency in our quest to always satisfy our customers' needs and wishes.



# Strategy and Strategic scope



To offer consumers a **multi-sensorial experience**.

To provide our clients with the **best solutions to grow** and delight their customers

## Focus

- Espresso
- Excellence

## Differentiation

- Unique blend
- Training
- Premium price
- Inspirational communication



# Business areas and the approach to markets



## B to B

### Horeca

Prestigious hotels and restaurants, bars and coffee shops.

### Home

Connoisseurs and coffee lovers

### OCS and Vending

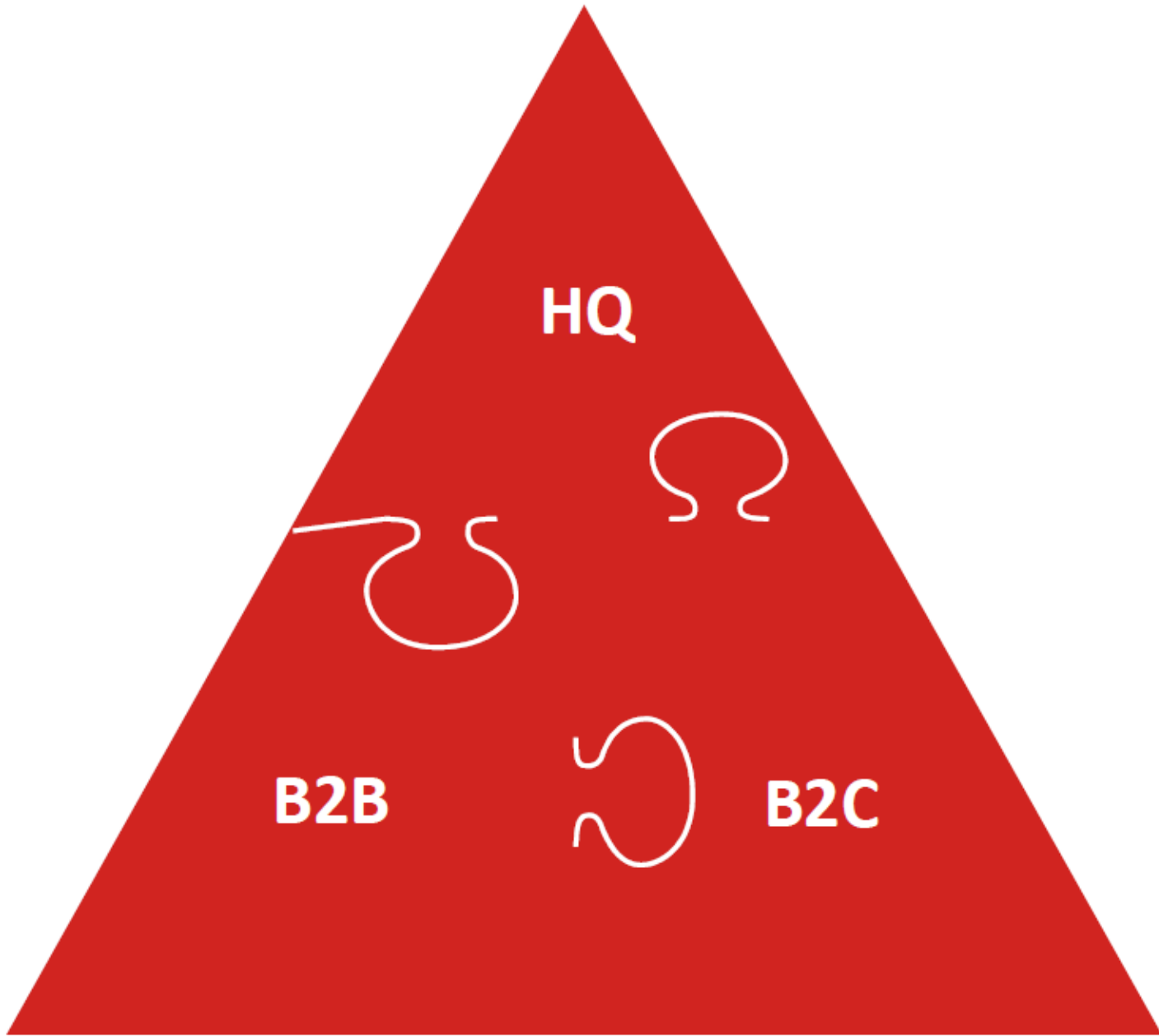
## B to C

### illy bar

### illy boutique

### E-commerce





Technology is becoming more pervasive from highly-connected homes and cars, to wearable technology. The shopping journey is continuous, because the touch points consumers are exposed to are “always on.”

## MEGA TRENDS

### CONTINUOUS INNOVATION



### OMNI CHANNEL EXPERIENCE



## TRENDS

*Technology gets embedded into everyday objects.*

### THE INTERNET OF EVERYTHING

- Although this trend has been around for at least 3 past years, we will see a growing consumer demand for **smart devices**: from personal wearable tech like glasses or wristwatches, to smart housing tools like app-controlled appliances. Smart devices save our time, promise convenience, control, self-tracking and deeper self-analysis. It's a health tech revolution.

### SMARTER EVERYTHING

- **Mobile payment** platforms become commonplace as well as **new app** (Tesco Google Glass shopping APP. More than 50% of all payments made in Europe are predicted to be done through a phone by 2020).
- **Virtual reality** to provide real-time, immersive experiences (Marriott's 4D Travel Experience and VR-Powered Audi Showroom Experience, to cooking lesson).

### NEW MATERIALS

- Lightweight composites, sustainably sourced materials (from bio-plastic, to non-toxic synthetic rubber) new flexible resins

### INTELLIGENT DESIGN

- Like ethical behavior and sustainability, consumers increasingly take **good design** as a given, particularly Millennials.

*The line between purely online and physical shopping blurs.*

### ENDLESS SHOPPING

- **Decentralized marketplace**, where the possibility of purchasing can come from any angle. Apps that allow consumers to shop 24/7, concepts that create a fluid, **integrated** and **personalized shopping experience**.

- **Virtual walls** and media-integrated buildings are allowing brands to overlay shopping experiences (accessible with a mobile device) into bricks-and-mortar spaces. Click-and-collect (C&C) services are expected to become even more sophisticated.

### E-COMMERCE SITES Set up SHOP OFFLINE

- **Social networks** will serve as shopping platforms.
- A slew of online retailers have opened physical spaces, like Amazon: while consumers increasingly shop online and via mobile, they also seek **compelling in-store experiences**.

# Brick & Click



# The illy consumer



- Connoisseurs and coffee lovers
- Gourmets
- Cosmopolitan citizen
- International travelers
- Art and culture fans
- Lovers of the finest quality of life





# *COFFEE MARKET TRENDS*



**Mature Market**

**Ipercompetition**

**Microroaster**

**Portionated coffee**

**Preparations**

## Il mercato globale e i competitor

Il fatturato caffè dei principali player business retail. **Dati in miliardi di euro**



Fonte: Bain&Company

# Microroasters: the benchmark (what coffee stands for) has changed in all the world



Kaffeine - London



Stomptown - NY



Coutume - Paris

**Fourth wave has overcome third wave : preparation (IV) and not roasting (III)**

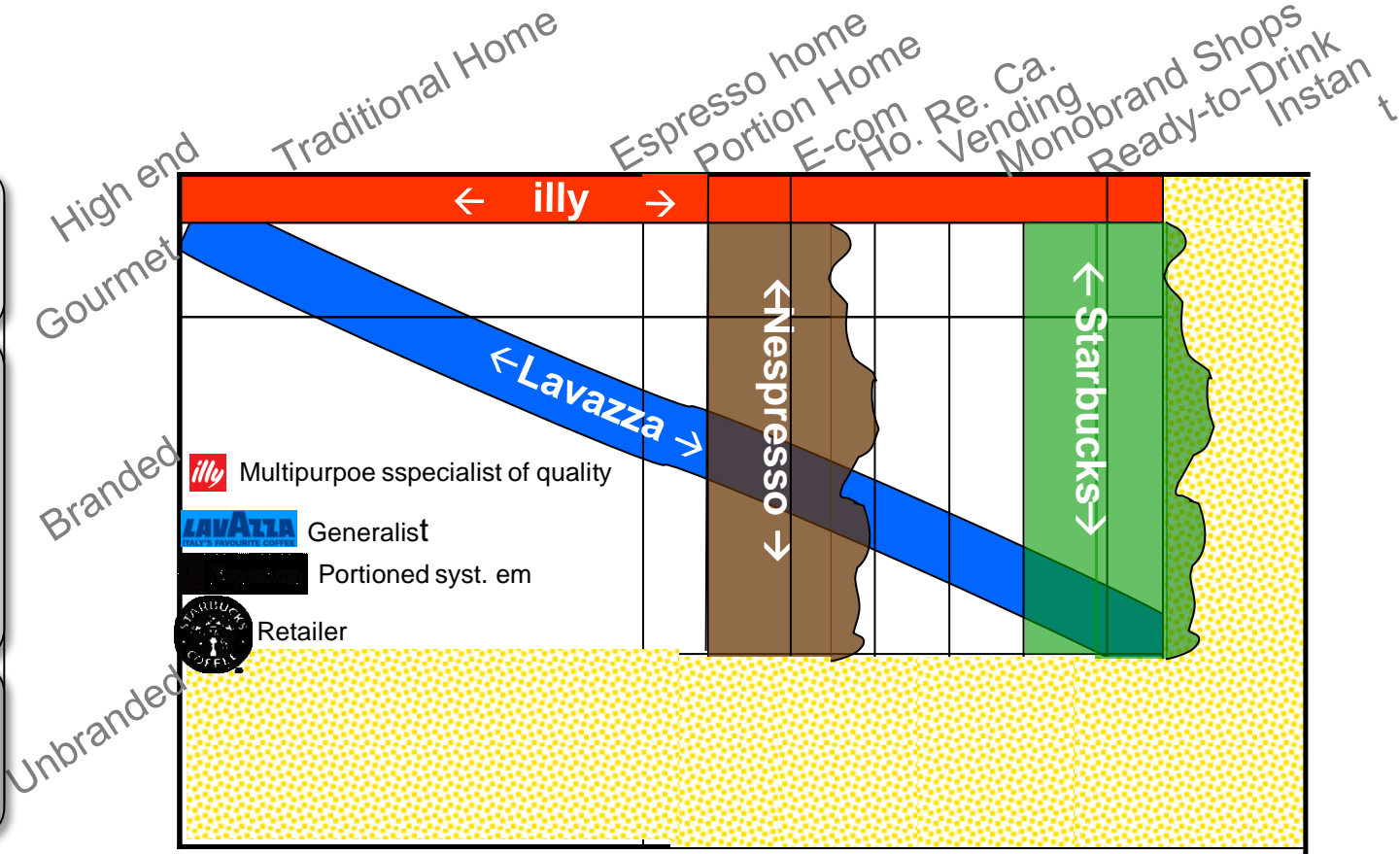
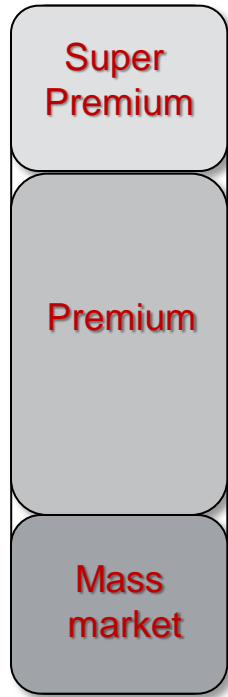


Long preparation and new ways of drinking the coffee: coffee is far away from being perceived as a commodity

# Our strategy is complex and unique: illy is positioned at the top of each segment of the coffee market



S  
e  
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m  
e  
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t  
s



## Focus

- Espresso
- High-end segment

## Uniqueness

- A single brand, a **single blend**
- Tools and solutions for the perfect **preparation and service**
- Excellence in quality, **style and design**

## Universality

- **Global brand** and marketing
- Presence in all places of consumption (4 SBA)
- Consistent marketing mix

PRODUCTS & SYSTEMS

.03

# Our offer



## **A single blend**

made up 100% of the finest Arabica coffee selected and purchased directly from our partner growers.

## **Machines and preparation systems**

for a perfect, easy-to-prepare cup of coffee.

## **Training**

dedicated to spreading the culture of coffee among growers, hospitality professionals and consumers worldwide

## **espressamente illy**

a chain of contemporary coffee bars to enhance and innovate the Italian tradition.



# The illy blend

A **blend** of **9 qualities** of **Arabica** coffee, of exclusive higher-than-market standards.

**Double selection of beans:** at the source and before roasting by electronic sorting.

**Traditional roasting** in rotating drums after blending, followed by air-cooling.

**Beans, ground** or single **portioned**, produced in different versions: **medium** or **dark** roast and **decaffeinated**.

The blend is **aged** in exclusive pressurized inert gas packaging, produced in formats for all the different consumption occasions.

**ONE BLEND ONE BRAND**



# Quality controls and certifications

## 125 quality controls

2 dedicated laboratories

## Double quality certification

Qualité France (product conformity) since 1992  
ISO 9001 (quality system) since 1996

## Environmental Certification

ISO 14001  
EMAS

## Supply chain process

DNV





# Espresso



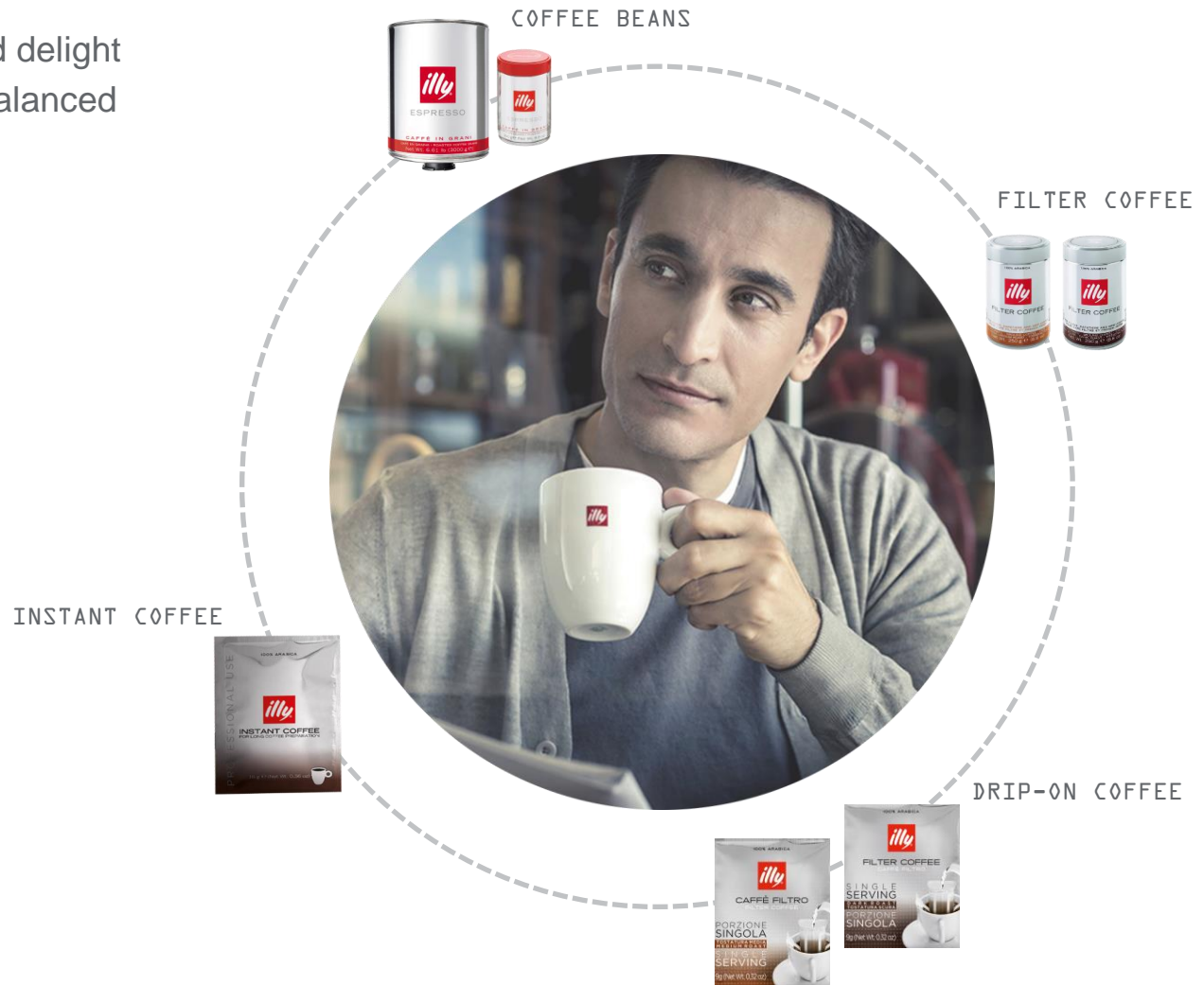
illy offers various ways to prepare the classic illy espresso to be able to satisfy different tastes and preferences.



# Filter coffee



Discover illy as filter coffee and delight your guests with its perfectly balanced and aromatic blend.



## ILLY CREMA

A summer classic, the frozen coffee cream blends illy high quality espresso with a delightful, fresh and creamy sensation.

## ISSIMO

The unique Ready To Drink coffee made of illy's 100% Arabica blend, delivering the pure coffee pleasure on-the-go. It's based on the legendary illy blend and available in five flavors.

ILLYCREMA



ISSIMO



# Monoarabica



The single-origin Arabica beans that comprise the illy blend

## Brazil

**Intense flavor**, notes of chocolate.

## Guatemala

**Complex flavor**, notes of chocolate, caramel and honey

## Ethiopia

**Delicate flavor**, floral jasmine notes

## Costa Rica

**Enduring flavor**, notes of chocolate and fruit

## India

**Bold flavor**, notes of cocoa and toasted bread

## Colombia

**Rich flavor**, notes of caramel and dried fruit



# Pre-portioned coffee systems

For Horeca, homes and offices



**Metodo Iperespresso:** an innovative capsule for the Horeca and home channel which revolutionizes the espresso extraction process giving it an exceptionally velvety and long lasting crema

**Easy Serving Espresso (E.S.E.)** a standard for the home evolving from the first patented pod industrialized by illy. A consortium assembles coffee roasters and machine manufacturers

**I Espresso System:** for offices, it offers a perfect extraction plus the fine quality of illy coffee



# Iperespresso Home

Up to 30 coffees/day



X1



X7.1



Y1.1



Y3



Y5



# Iperespresso Professional

Up to 100 coffees/day



X7.1



X2.1



Y2



SPINEL



# Mitaca Professional System

Up to 40 coffees/day



M1



M3



M6



M4



M5



PERLA C6



WINNING





COFFEE CULTURE

.03

# The University of coffee



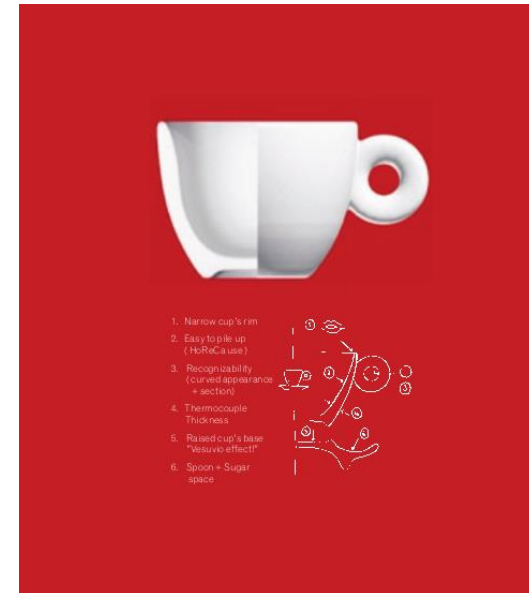
Created to spread the authentic Italian coffee culture around the world.

Courses and publications on the **theory and practice** of the **coffee production** and **business**.

**More than 20 branches worldwide:** Italy, United Kingdom, France, Germany, United States, China, Brazil, India, Colombia, Malaysia, South Africa, Indonesia, Thailand, Greece, Turkey, Mexico...



The best coffee requests the perfect cup: in 1992 the architect Mattheo Thun designed a cup that had important effects on the quality of coffee. Like a great wine glass, the illy cup protects the essence of coffee. It preserves heat and concentrates the crema, sealing in flavor.



illy logo painted by James Rosenquist in 1996.



# ILLY CAFFE' IN PIAZZA GAE AULENTI, MILANO



ILLY STORES  
AMBIANCE





## ILLY STORES AMBIANCE



# ILLY SHOP ALLA RINASCENTE, MILANO



LOOK & FEEL





**illycaffè SpA**, illycaffè North America Inc, illycaffè Nederland B.V., illycaffè Niederlassung Deutschland, illycaffè Österreich, illycaffè FraBeLux S.A.S., illycaffè Iberica, illycaffè Shanghai Co Ltd, Illycaffè Sud America Ltda, illy bar concepts SpA, Experimental Agricola do Brasil Ltda, illy bar concepts SpA, illycaffè Asia Pacific Ltd, ilko coffee international srl

**Europe:**

Andorra, Armenia, Austria, Belgium, Bosnia Herzegovina, Bulgaria, Byelorussia, Vatican City, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Azerbaijan, Georgia, Macedonia, Serbia, Albania, Finland, France, Germany, Great Britain, Greece, Holland, Hungary, Iceland, Ireland, Italy, Kazakhstan, Latvia, Lithuania, Luxembourg, Malta, Moldavia, Monte Carlo, Montenegro, Norway, Poland, Portugal, Kyrgyzstan, Tajikistan, Romania, Russia, Rep. of San Marino, Slovenia, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine, Slovakia, Kosovo, Monaco

**Africa:**

Congo, Egypt, Libya, Gambia, Israel, Ivory Coast, Tunisia, Kuwait, Lebanon, Morocco, Madagascar, Nigeria, Ghana, South Africa, Togo, Senegal

**Asia and Oceania:**

Australia, Bahrain, Saudi Arabia, Hong Kong and Macao, India, Indonesia, Myanmar (ex Burma), Benin, Malaysia, Maldives, Mauritius, New Zealand, People's Republic of China, Philippines, Qatar, Bhutan, British Virgin Islands, Singapore, Sri Lanka, Taiwan, Thailand, Turkey, United Arab Emirates, Mali, Réunion

**The Americas:**

Antigua, Brazil, Canada, Chile, Colombia, Costa Rica, El Salvador, Argentina, Antigua, Guam, Guatemala, Honduras, Barbados, Cayman Islands, Dominican Republic, Jamaica, Saint Lucia, Paraguay, Mexico, Panama, Peru, Fiji, Tobago, Togo, Trinidad, United States of America, Uruguay, Polynesia, Martinique, Guadalupe, French Guiana, Mali, Réunion



Italy: 3 dedicated selling lines:

- Cafes                      AM> Multifirm agents/CT                      Quality and service control
- Supermarkets                      AM > Multifirm agents                      Pricing/Rotation/Positioning
- Offices                      Authorised retailers                      Service

Abroad: 2 distribution options

- Branches commercialization/service/marketing
- Distributors (also with minority shareholding) presence of Sub-distributors (Greece, France, USA, Australia, Russia)

## Pro

Low operative cost level  
Credit management  
Lower capital investments  
Risk sharing

## Contro

Low level of control of the local market  
Delayed Feedbacks  
Different priorities  
Higher distance to trade and consumers

**For these reasons the activity of  
export management is fundamental**

- PARTNERSHIP
- First refusal right
- Coherence in strategic decisions
- Transparency
- Reporting system
- Higher supports through consultancy from HQ and profit reinvestment
- Higher control of the market with limited costs
- Steering committee and governance agreements

- Monitoring and supporting distributors in the sales
- Ensuring an efficient communication with illycaffè
- Giving technical advice
- Offering assistance to importers in terms of marketing, organisational and financial management decisions
- Developing new business areas
- Supervising the pricing and the drawing up of marketing plans
- Negotiating the distribution contract and ensuring that the distributor's activities are fully in line with this agreement
- Having direct contact with customers
- Training of clients and distributors in the company's premises

## Key success factors:

- Strategic approach with a medium/long-term vision
- S.W.O.T. analysis aimed at developing successful strategies (Country plans)
- Supporting growth also by adapting the company's internal organisation
- Integrating commercial and marketing services
- Defining and differentiating business and marketing strategies according to the channel (S.B.A.) and the client, suggesting “ad hoc” solutions
- Segmentation of clients based on an analysis of the volumes purchased, profitability and visibility.
- Detailed control of competitors' activities in order to be able to anticipate them or react promptly

The export customer service carries out the following activities:

- Placing and managing Export orders
- Preparing all the supporting documents for shipments
- Interfacing with other internal departments (operational marketing, logistics, administration, production)
- Customer Service
- Offering assistance to Export Managers and to the Sales Director
- Drawing up business reports, organising international clients' visits to the company

- It is drawn up by the distributor at the start of the contract and then on an annual basis
- It includes two parts: a final balance (Country Plan) and forecasts (Marketing Plan)
- It is a useful tool for:
  1. analysing new markets
  2. selecting distributors by evaluating their commitment, their analytical skills and their level of culture
  3. creating a database with coherent and standardised information
  4. monitoring the importer's activities

# Market attractiveness ranking: methodology



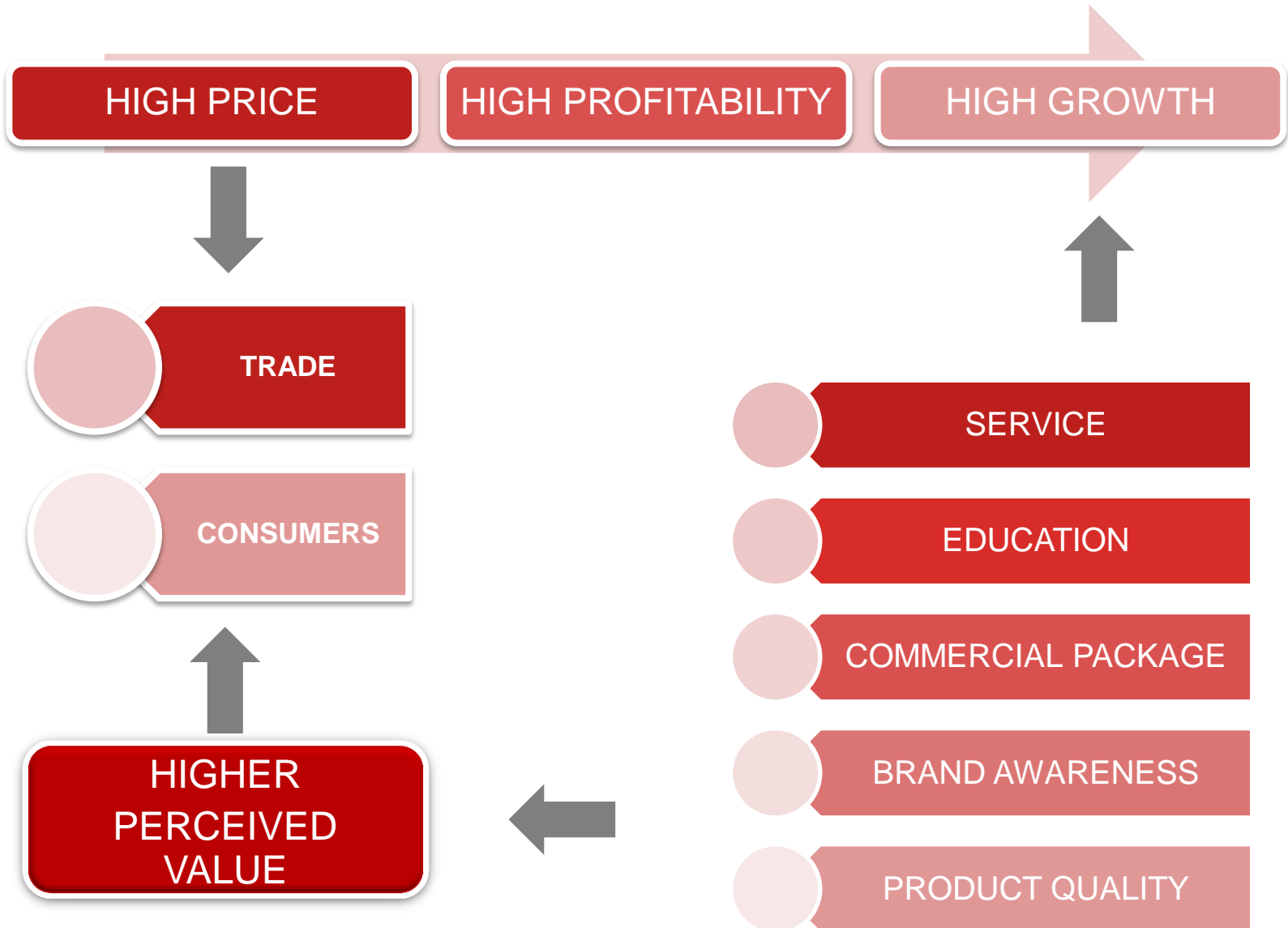
Score	<b>Market Size</b> (weight 25%) • Size of Retail R&G coffee Market in Volume terms (tons)	<b>Market Growth</b> (weight 25%) • R&G coffee Market trend in Volume terms over the past 3 years (cagr %)	<b>Market Profitability</b> (weight 30%) • Average retail market Price of R&G coffee(€/Kg)	<b>Coffee consumption</b> (weight 20%) • Average retail R&G coffee consumption (Kg/Inhabitant)
1	• <10.000 Tons	• <-2%	• <2 €/Kg	• <0,2 €/Kg
2	• From 10.000 to 30.000 Tons	• From -2% to 2%	• From 2 to 5 €/Kg	• From 0,2 to 0,5 €/Kg
3	• From 30.000 to 50.000 Tons	• From 2% to 6%	• From 5 to 10 €/Kg	• From 0,5 to 1 €/Kg
4	• From 50.000 to 100.000 Tons	• From 6% to 10%	• From 10 to 15 €/Kg	• From 1 to 3 €/Kg
5	• >100.000 Tons	• >10%	• >15 €/Kg	• >3 €/Kg

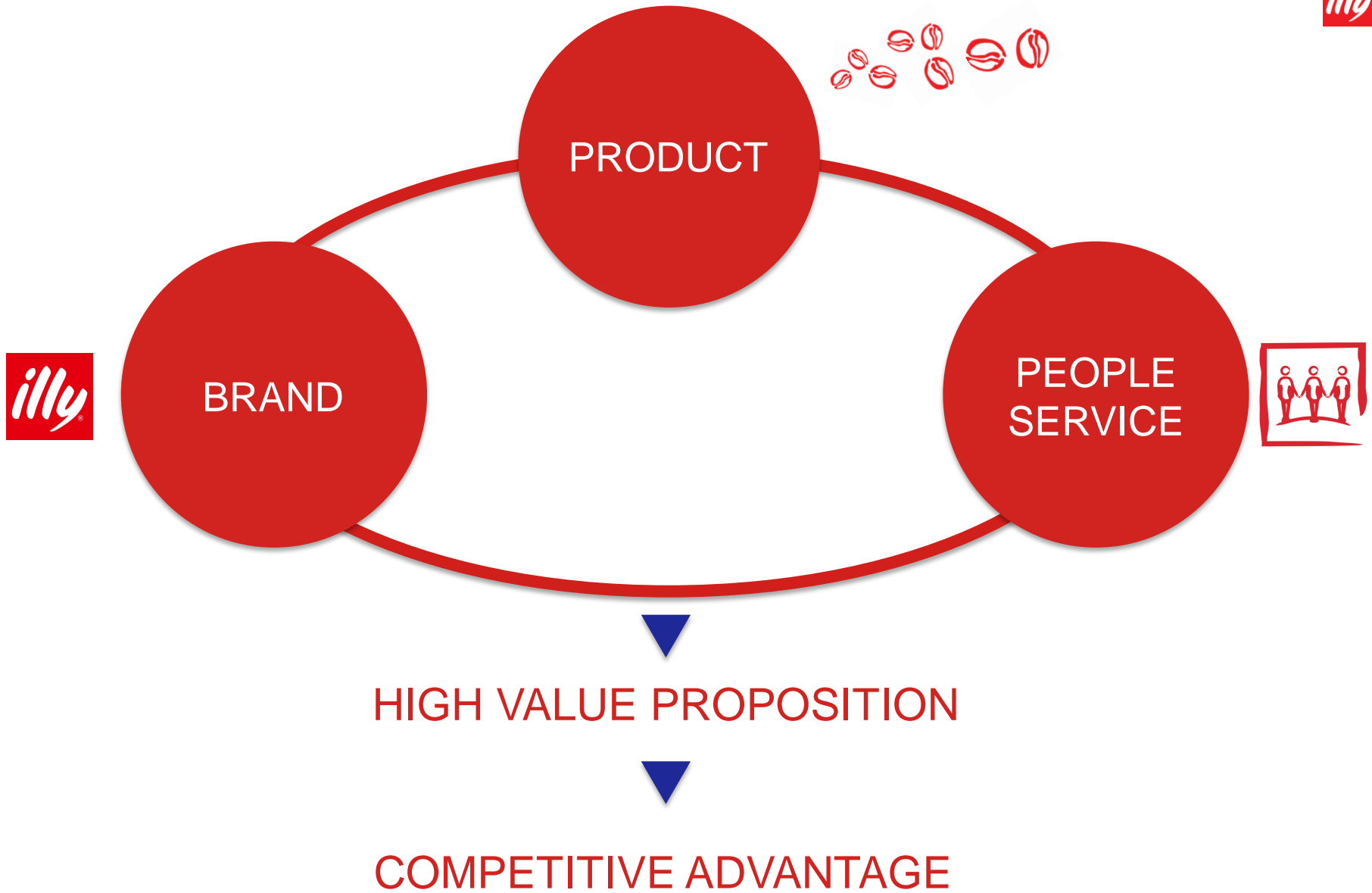


L'export customer service svolge le seguenti attività:

- Immissione e gestione ordini Export
- Predisposizione della documentazione a supporto delle spedizioni
- Interfaccia con le altre funzioni interne (Marketing operativo, logistica, amministrazione, produzione)
- Servizio clienti
- Assistenza agli Export Manager e al Direttore Commerciale
- Reportistica commerciale, gestione in sede delle visite dei clienti esteri

# How to manage pricing







1

REPUTATION

2

TRADE  
MARKETING

3

BRAND  
MANAGER

**PR  
ACTIVITIES**

**BTL  
MATERIALS**



**ARE KEY FACTORS FOR SUCCESS**



# LET'S USE OUR CLIENTS TO TALK ABOUT OUR PRODUCTS





1

**REDUCE DISTRIBUTION  
CHANNEL LENGTH**

2

**IMPROVE SKILLS  
OF COMMERCIAL TEAM**

3

**CONTINUE TO UPGRADE  
THE ORGANIZATION**

- Technical commercial
- Education
- illy strategy

## WHO?

- GET CLOSER TO THE CUSTOMERS BOTH TRADE AND CONSUMERS
- DEEPLY UNDERSTANDING THEM AND MATCHING THEIR EXPECTATIONS

## WHAT?

- BE ABLE TO CHOOSE, AMONG OUR LARGE PRODUCTS/SERVICE OFFER, THE MOST EFFECTIVE ONES FOR EACH MARKET
- GLOCAL OFFER

## HOW?

- CARE THE CORE BUSINESS BY ADDING VALUE THROUGH AN OUTSTANDING PACKAGE OF SERVICES
- CONTINUE EXPERIMENTING THE NEW BUSINESS MODEL IN PARTICULAR THE DIRECT RETAIL AND DIRECT CHANNEL
- KEEP COHERENCE ALONG THE BUSINESS – BRAND – BEHAVIOUR MODEL IN ORDER TO REACH THE CONSUMER WITH THE MAXIMUM CONSISTENCE AND DELIVER A CLEARLY PERCEIVED VALUE
- KEEP ON CHANGING THE BUSINESS MODEL AND FRAME IT. INTERNALISE AND REPLICATE THE BEST EXPERIENCES. AVOID





TODAY  
WE WIN  
WITH QUALITY  
AND SERVICE



DEALERS HAVE TO MAKE CHOISES AND DO SOLID EXECUTIONS

	Actual	Budget
Turnover - Total		
Cost of Good Sold		
<b>Industrial Margin</b>		
Commission & Direct Sales Costs		
Logistic & Distribution		
<b>Product Margin</b>		
Sales People Expenses		
Product & Trade Mktg		
Depreciation - Channel		
<b>Channel Margin</b>		
Salary costs		
Depreciation & Amortization		
G&A Expenses		
Marketing & Communication		
Insolvencies & Allowancies		
Cost of Governance		
<b>EBIT (Earning Before Interest and Taxes)</b>		
Accessory Area		
Financial Area		
Extraordinary Area		
<b>PBT (Profit Before Tax)</b>		
Taxes		
<b>Net Profit</b>		
<b>EBITDA (Earning Before Interest Taxes Depreciation and Amortization)</b>		

## COUNTRY PLAN 2014



COUNTRY:  
COMPANY:  
PREPARED BY:

DATE:

live  
happily

1

### 1. General Country Information

Population	
GDP per capita	
GDP trends	
Inflation (%)	

### 2. Analysis of Coffee Sector from 2011 to 2013

#### 2.1. Imports of coffee in the country and import duties

	Kilos of coffee imported in your country			Import duties in %
	2011	2012	2013	
Green coffee				
Roasted coffee				
Instant coffee				
<b>TOTAL</b>				

#### 2.2. Other taxations

	Coffee		Machines	<u>Eqs.</u>
	Retail	Ho.re.ca./office		
VAT (in %)				
Other (specify)				

#### 2.3. The coffee market in the country

	Quantity consumed in kg		Market share on the tot. Mkt.	Leading brand
	2012	2013		
Arabic greek/turkish				
Filter				
Instant				
Espresso/Cappuccino				
Others				
<b>TOTAL</b>			100%	

2

## 2.4. Average yearly per-capita coffee consumption in the country

	2011	2012
Kg of coffee per person		
% Population that drinks coffee		

## 2.5. Roasters in the market

	Number
Local roasters	
Foreign roasters	

Leading roasters				
	Roaster 1	Roaster 2	Roaster 3	Roaster 4
Brand				
Quality (pls indicate low/med/high)				
Volume in kg (estimate)				

Leading Roasters (quantity)	
Leading Roasters (quality)	

## 3. Analysis of illycaffè Situation in 2013

### 3.1. illycaffè products ordered for the market (sell in):

- Coffee stock/reserve that you have at your disposal

Coffee products	Stock quantity in kg. 2012	Stock quantity in kg. 2011
3 Kg Tin		
250 gr. Can		
125 gr. Can		
Metodo <u>ilcappuccino</u> home		
Metodo <u>ilcappuccino</u> horeca		
Servings 125 gr.		
Servings 250 gr.		
TOTAL QUANTITY (Kg.)		

3

### 3.2. illycaffè products sold in the market (sell out):

Coffee Products	Price (VAT excluded) in local currency	Sold Quantity in Kg	Average Discount %
3 Kg Tin	per kg		
250 gr. Can	per can		
125 gr. Can	per can		
Metodo <u>ilcappuccino</u>			
Servings 125 gr.	per can		
Servings 250 gr.	per can		
TOTAL QUANTITY SOLD (Kg.)			

- Please state the average price (local currency) to the final consumer for an:

illy espresso	
illy cappuccino	

### 3.3. illycaffè clients

	Horeca			Retail		Office	TOTAL
	Hotel	Cafes/ Coffee chains	Restaurants	Espresso points	Department stores (illypoint)		
Number of clients in the last 12 months (from 1 <sup>st</sup> October 2011 to 30 <sup>th</sup> September 2012)							
Number of clients acquired in the same period							
Number of clients lost in the same period							

4

# Country plan



Please indicate what you think are the 3 most important:

- Market opportunities in your country:

1	
2	
3	

- Market threats in your country:

1	
2	
3	

- Illycaffè's point of strength in your country:

1	
2	
3	

- Illycaffè points of weakness in your country:

1	
2	
3	

### 3.4 Competitive Environment By Product Category

PROFESSIONALLY ROASTED BEANS					
BRAND	SKU DESCRIPTION (please indicate net weight)	Market share %	Importer name	Blend	RETAIL SALE PRICE (in local currency)
illy	3 Kg			100% Arabica	



GROUND COFFEE RETAIL					
BRAND	SKU DESCRIPTION (please indicate net weight)	Market share %	Importer name	Blend	RETAIL SALE PRICE (in local currency)
illy	250g			100% Arabica	



DRIP					
BRAND	SKU DESCRIPTION (please indicate net weight)	Market share %	Importer name	Blend	RETAIL SALE PRICE (in local currency)
illy				100% Arabica	



HOME CAPSULES					
BRAND	SKU DESCRIPTION (please indicate net weight)	Market share %	Importer name	Blend	RETAIL SALE PRICE (in local currency)
illy	21 capsules			100% Arabica	



HORECA CAPSULES					
BRAND	SKU DESCRIPTION (please indicate net weight)	Market share %	Importer name	Blend	RETAIL SALE PRICE (in local currency)
illy				100% Arabica	



## 4. Analysis of the business areas in which we operate

### 4.1. Analysis of horeca (hotel – restaurant – cafeteria)

- Competition (Italian, local and foreign).

Brand	Product name	Importer name	Blends	Price per kg (in local currency)	Sales in Kg	Number of customers	Market share %

- illycaffè market share (%kg)

	Total kg sold	Market share %
illy		

- Sterling weight of distribution (coverage of the market in %):

Competitor	Percentage %
illy	
1)	
2)	
3)	

- Distribution channels

Number of sales people	Type of sales people					TOTAL
	Employees	Independent agents	Sub-distributors	Mix	Others	
In RETAIL:						
In OFFICE:						
In HORECA:						

- Customers

Indicate the main chains of Bar/Coffee Shops, Restaurants and Hotels and the number of outlets:

Bar/Coffee Shop	No. Of outlets	Restaurant	No. Of outlets	Hotels	No. Of outlets
1)		1)		1)	
2)		2)		2)	
3)		3)		3)	
4)		4)		4)	
5)		5)		5)	

7

- List critical success factors in S.B.A. Horeca:

1	
2	
3	
4	

### 4.2. Analysis "home"/"retail"

- Competition (Italian, local and foreign)

Brand	Format	Type of product (ground, filter, beans, ...)	Product name	Importer name	Blends	Price per kg (in local currency)	Sales in Kg	Number of customers	Market share %

- illycaffè market share (% kg)

	Total kg sold	Market share %
illy		

- Sterling weight of distribution (coverage of the market in %):

Competitor	Percentage %
illy	
1)	
2)	
3)	

- Retail Chains: indicate the main retail chains you served, the max discount applied and the contributions for marketing activities if given.

Chain	Max Chain Discount (%)	% Contribution for marketing activities (if given)	*IC products bought		
			250 gr.	125 gr.	Servings

\*Indicate with a cross (tick) the product that is sold mostly in each retail chain

8

## 5. Analysis of the Machines for Portioned Systems

### 5.1. Home

#### 5.1.1. Machines installed in 2012

Brand	Type	Quantity	Price (in local currency)	Using illy servings	Using other servings

#### 5.1.2. illy machines purchased and stocks

illy machines			
Model	Machines purchased	Stock on 31 <sup>st</sup> december 2012	Retail sale price in your market (in local currency)
X1	Ground		
	E.S.E. <del>Espresso</del>		
X7			
X7.1			
Y1			
Y1.1			

#### 5.1.3. illy machines placed on the market

illy: number of machines placed					
Model	Hotels	Cafes/coffee chains	Espresso	Department stores/shopping centre (illypoint)	E-commerce
X1	Ground				
	E.S.E. <del>Espresso</del>				
X7					
X7.1					
Y1					
Y1.1					

#### 5.1.4. Competitive Environment by Brand and Model

illy vs competitors			
Model	Competitor 1	Competitor's model	Retail sale price (in local currency)
X1	Ground		
	E.S.E. <del>Espresso</del>		
X7			
X7.1			
Y1			
Y1.1			



Model	Competitor 2	Competitor's model	Retail sale price (in local currency)
X1	Ground		
	E.S.E. <del>Espresso</del>		
X7			
X7.1			
Y1			
Y1.1			

Model	Competitor 3	Competitor's model	Retail sale price (in local currency)
X1	Ground		
	E.S.E. <del>Espresso</del>		
X7			
X7.1			
Y1			
Y1.1			

- Indicate the quantity of coffee serving sold in the following segments:

	HO.RE.CA.	Office	Retail	TOTAL
<del>Espresso</del>				
Kg. servings				

### 5.2. Professional



## 5.2.1. Machines installed in 2012

Brand	Type	Quantity	Price (in local currency)	Using illy servings	Using other servings

## 5.2.2. illy machines purchased and stocks

illy machines			
Model	Machines purchased	Stock on 31 <sup>st</sup> december 2012	Retail sale price in your market (in local currency)
X2.1			
Spinel			
X7.1			

## 5.2.3. illy machines placed on the market

illy: number of machines placed					
illy model	Hotels	Cafes/coffee chains	Espressamente	Department stores/shopping centre (illypoint)	E-commerce
X2.1					
Spinel					
X7.1					

## 5.2.4. Competitive Environment by Brand and Model

illy vs competitors			
illy model	Competitor 1	Competitor's model	Retail sale price (in local currency)
X2.1			
Spinel			
X7.1			

illy model	Competitor 2	Competitor's model	Retail sale price (in local currency)
X2.1			
Spinel			
X7.1			

illy model	Competitor 3	Competitor's model	Retail sale price (in local currency)
X2.1			
Spinel			
X7.1			

## 5.3 Hotel

### 5.3.1. illy machines distribution in the hotel channel

Hotel chain	In-room machine model	No. Of machines	
		Sold (price in local currency)	On extended loan

### 5.3.2. Competitors' machines distribution in the hotel channel

Competitors	Hotel chain	In-room machine model	No. Of machines	
			Sold (price in local currency)	On extended loan

## MARKETING PLAN 2014



COUNTRY:  
COMPANY:  
PREPARED BY:

DATE:

live  
happilly

## OBJECTIVES 2014

Please indicate the quantity of coffee you forecast to purchase throughout 2013:

COFFEE PRODUCT	BUYING QUANTITY IN KG	FORECAST SELL OUT
3 kg Tin		
250 gr. can		
125 gr. can		
125 gr. Single serving		
Servings 125 gr.		
Servings 250 gr.		
iperesspresso Capsules home		
iperesspresso Capsules professional		

Please indicate the selling price in your market and the average discount you are going to apply:

COFFEE PRODUCT	SELLING PRICE IN EUR	AVERAGE DISCOUNT	DIFFERENT PRICE 2013 VS 2012
3 kg Tin			
250 gr. Can			
125 gr. Can			
125 gr. Single serving			
Servings 125 gr.			
Servings 250 gr.			
iperesspresso Capsules home			
iperesspresso Capsules professional			

Please indicate the market share (% in volume) of *illycaffè* and the forecasted number of customers for the year 2013 in your market:

	HO.RE.CA.	HOME/RETAIL	OFFICE	TOTAL
Market share (% in volume)				
Number of customers				

## MARKETING OPERATIONS 2013

### HORECA BUSINESS

Please describe each goal, actions and the relative budget:

GOALS	ACTIONS	BUDGET
TOTAL EUR		

### RETAIL BUSINESS

Please describe each goal, actions and the relative budget:

GOALS	ACTIONS	BUDGET
TOTAL EUR		

### OFFICE BUSINESS

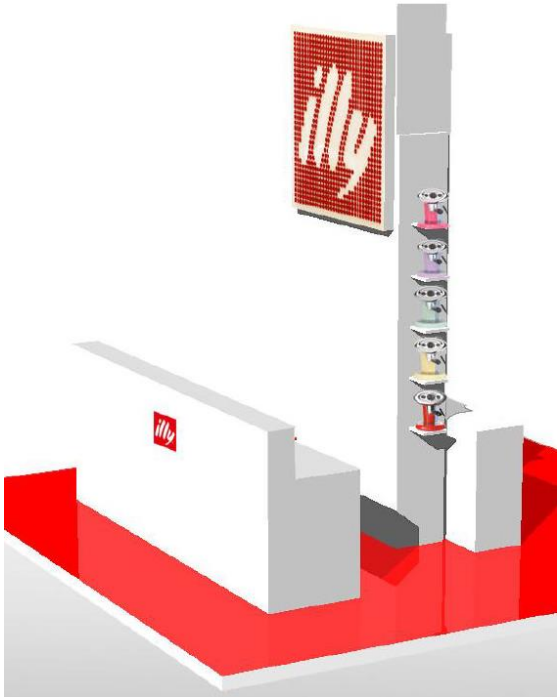
Please describe each goal, actions and the relative budget:

GOALS	ACTIONS	BUDGET
TOTAL EUR		

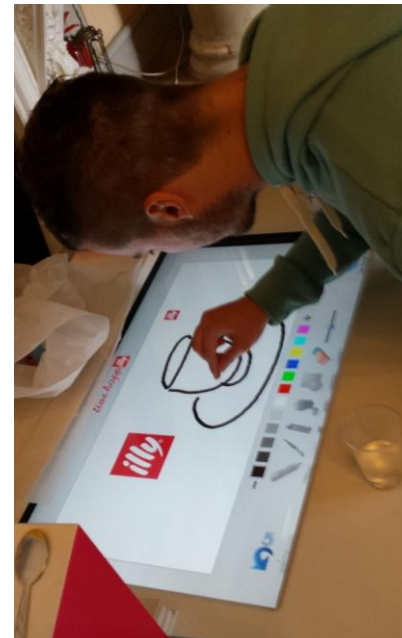
INTERNATIONAL TRADE MARKETING

.05

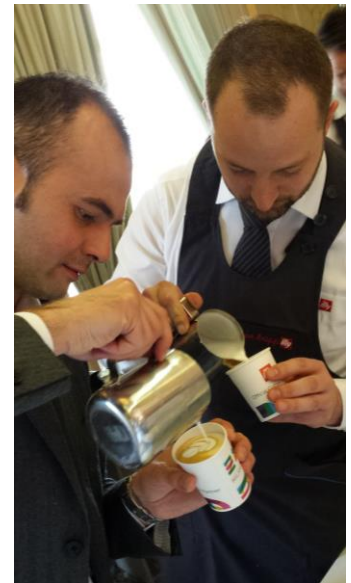




# Opatija Coffee Festival



# Opatija Coffee Festival





# PR and blogger event with chef Bine Volčič



# PR and blogger event with chef Bine Volčič



SAVE THE DATE  
WHEN ILLY SEDUCES BINE



Discover it on May 21<sup>st</sup>  
Trgovina Espresso  
Nakupovalna Galerija  
Kristalne Palače  
Ljubljana

At the presence of  
Bine Volčič  
and Espresso d.o.o.

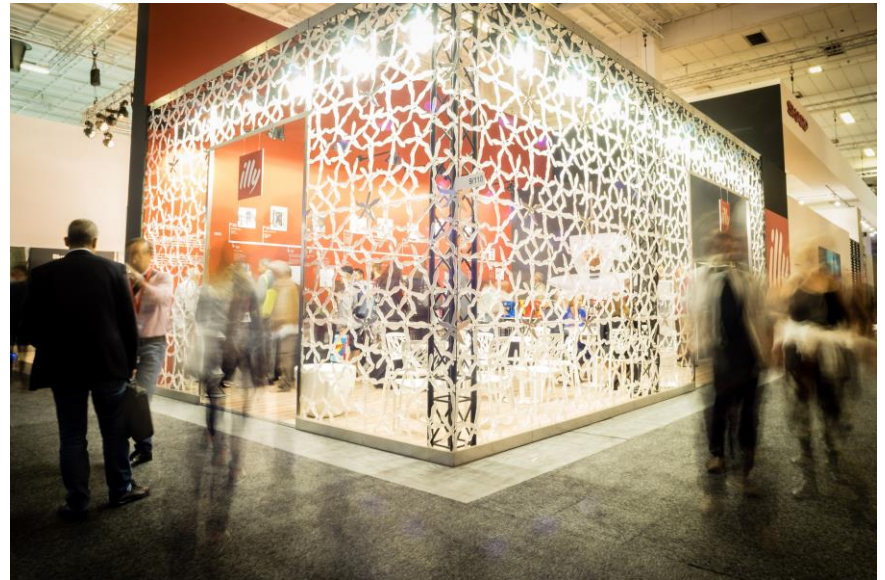
live  
happilly





# Surrounding coffee with art





# Yoko Ono illy art collection presentation



ILLY EVENT @ HILTON AMSTERDAM

Vanaf 14 oktober vindt u de nieuwe Yoko Ono Collection én een geschiedenis aan kopjes in de lobby van Hilton Amsterdam.



# Alles für den Gast



# Airbnb open event





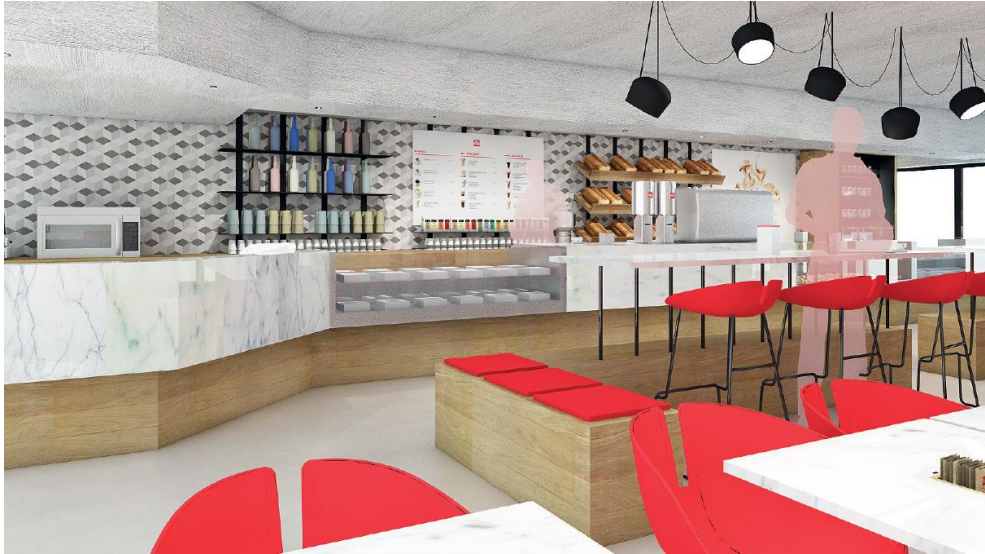
# Coffee counter

Doha, JW Marquis



# Marriott bakery

Cairo, Marriott Cairo



# Grand Millenium

Abu Dhabi, revamping of the location



# Atlantis, revamping of the Poseidon Café

Dubai



SITTING AREA AND COUNTER

# Display guidelines for clients such as Saturn



# Capsules' holder



Developing of an holder for Iperespresso professional, Mitaca capsules



# Iperespresso tray for in room service



Developing of this tool for in room service



# Menu Premium



Developing of a menu containing all illy recipes, destined to premium clients.





**Marocchino caldo**

A shot glass with a layer of hot chocolate, then illy espresso dusted with cocoa, all topped with hot frothed milk.



**Onda al cioccolato**

A shot glass with layers of hot chocolate, illy espresso and cold frothed milk. Let yourself be seduced by its charms.



**Bianco liquorizia**

A shot glass with layers of liquorice-flavoured white chocolate, illy espresso and sweetened frothed milk: a genuine taste adventure.





**Coccola al caffè**

A drop of warm coconut milk in a glass of illy espresso, topped with spiced whipped cream.



**Caffè Viennese**

Illy espresso and hot frothed milk, topped with superb whipped cream. Served in a large cup like in Vienna.



**Cappuccino Viennese**

Enjoy an illy double espresso beneath hot frothed milk and a mountain of whipped cream, dusted with cocoa.






**Espresso**

The illy blend featuring nine of the finest Coffea arabica: balance and perfection.



**Decaffeinato**

The unmistakable taste and aroma of illy espresso, with less than 0.05% caffeine.



**Ristretto**

Your illy espresso, slightly shorter. Everything is focused on a single spool: pure, decisive pleasure.



**Lungo**

Unique and delicious: a longer illy espresso served in an espresso cup.



**Corretto**

A shot glass of your favourite liqueur and a cup of illy espresso. To "correct" it as you wish.



**Doppio**

Together in a single cup, two illy espresso combine their invigorating virtues and multiply the pleasure.



# Branding proposals



50  
branding  
proposals



**lobby bar @ Marriott Hotel – Doha**  
*Enhancing the presence of the brand  
and the overall look*



**Coffee Line cafeteria - Belgium**  
*Visual branding*

BEST EXPERIENCES

.06

GREECE



FOCUS ON HORECA



TONS 2014  1.000 TONS



**FOCUS ON MODERN TRADE**

**TESCO**  
**Waitrose**



AUSTRIA



FOCUS ON:

IN AND OUT ACTIVITIES IN MODERN TRADE



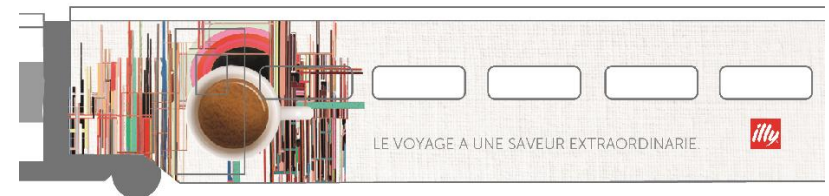
FRANCE, BELGIUM, LUXEMBOURG



FOCUS ON:

GREAT MARKET OF OCS

DEAL WITH TGV TRAINS



SPAIN



## FOCUS ON:

A dept store becomes a strategic client with cafeterias outlets and retail touch point.

El Corte Inglés

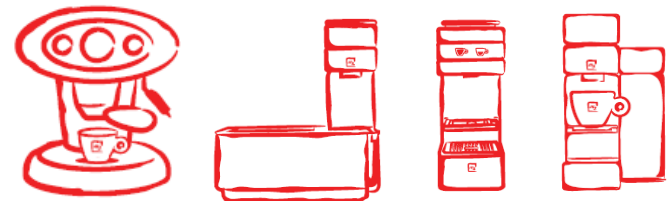


**FOCUS ON:**

**DEAL WITH BAKERY CHAINS  
WITH IPERESPRESSO PROF.:  
4 TONS**



**POTENTIAL DEAL  
WITH MEDIA MARKT  
WITH IPERESPRESSO HOME**





BRAZIL



**FOCUS ON:**

**IPERESPRESSO PROFESSIONAL IS THE WINNING OFFER FOR RESTAURANTS**

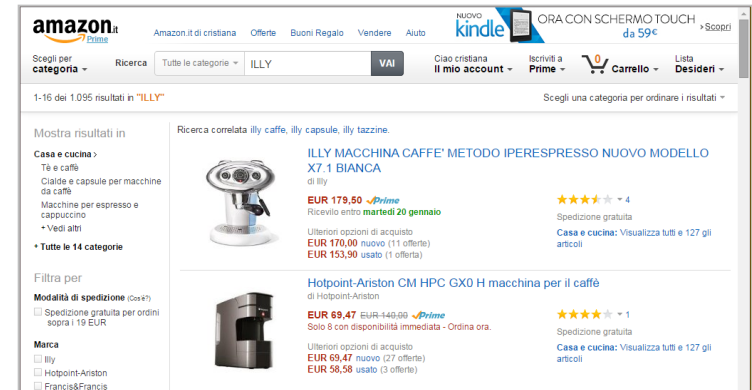




## FOCUS ON:

**MATURE MARKET**  
**MONOARABICA BEANS IN HORECA**  
**TO COMPETE WITH MICRO**  
**ROASTER TREND**

## E-TAILERS BUSINESS





**FOCUS ON:**

**HIGH QUALITY IN HORECA BUSINESS**

**TOP PREMIUM CLIENTS**



# SLOVENIA



## COUNTRY WITH 2 MIL INHABITANTS!





**FOCUS ON:**

**KEY ACCOUNT CLIENTS**

**ATLANTIS THE PALM IN DUBAI**

19 illy outlets

20 tons in 2014

biggest key account client in the world



# International K- Accounts



# Airlines



The illy offer for airline companies will delight travellers with a unique opportunity of consumption with high quality products and a brand noted for its style and excellence.

illy works with:

**easyJet**



**Alitalia**



thank you.