



UNIVERSITA' DI TRIESTE

19-4-2016

live
happilly

SCENARIO

.01

- L'**internazionalizzazione** in economia, è il processo di adattamento di una impresa, un prodotto, un marchio, pensato e progettato per un mercato o un ambiente definito, ad altri mercati o ambienti internazionali, in modo particolare altre nazioni e culture.
- Gli elementi che possono essere l'oggetto di tali processi sono vari: dai prodotti stessi, alla pubblicità e le campagne di comunicazione (televisiva, editoriale) , ai packaging dei prodotti venduti sul mercato internazionale alle reti distributive (tradizionali ed e-commerce) ed ai prezzi.
- L'internazionalizzazione è applicata già durante la fase di progettazione del prodotto.
- Tutte le funzioni aziendali devono condividere una cultura di internazionalizzazione e lavorare in sinergia su questo obiettivo.

Elementi per la valutazione delle imprese ai fini della quotabilità in Borsa



Fattori	Peso %
1. CRESCITA % (triennale)	18
2. EBITDA % MEDIO (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

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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

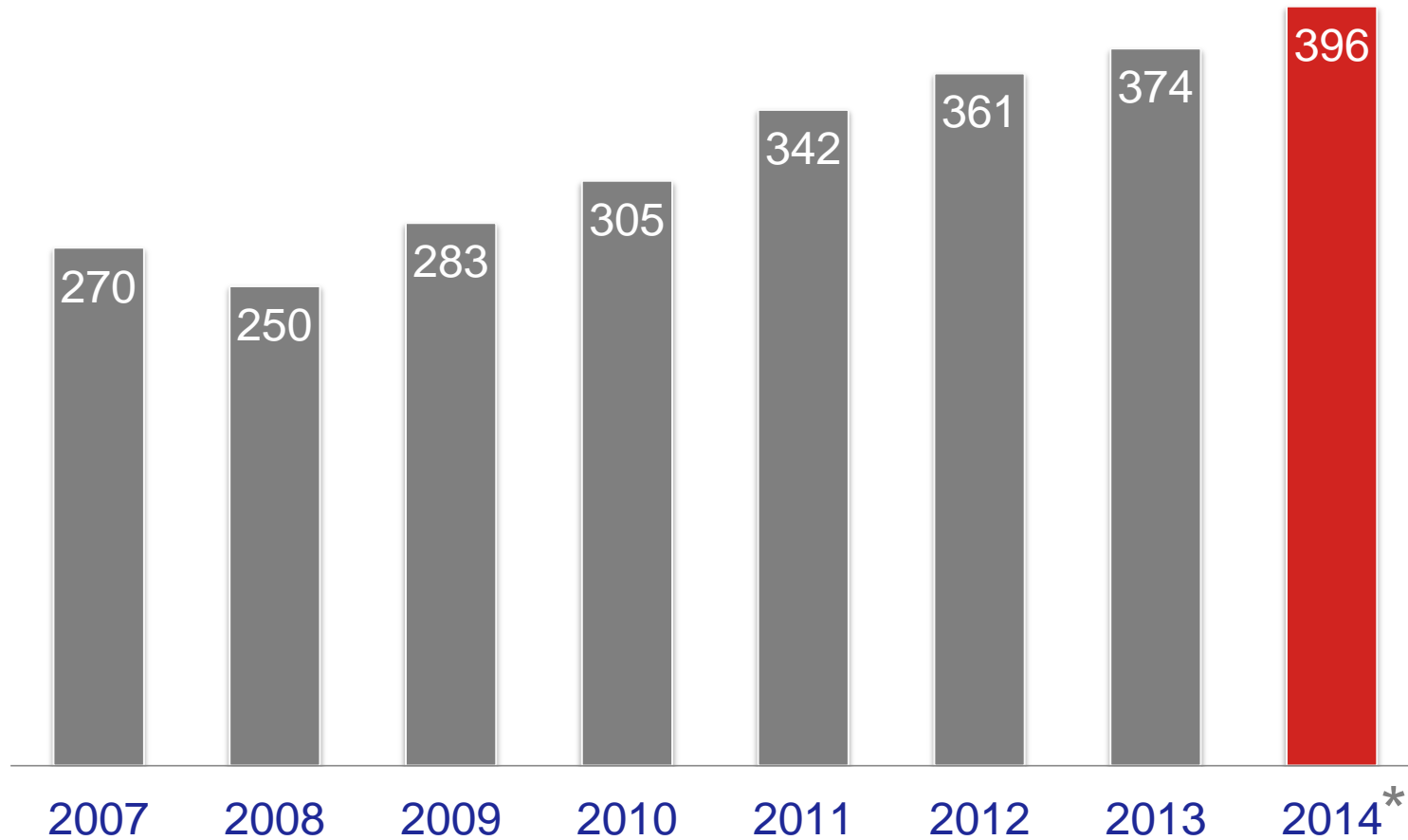
Gruppo illy SpA was founded in 2004 and comprises the subsidiaries illycaffè, Domori, Mastrojanni, Dammann Frères, the partially owned Agrimontana, and a minority participation in Grom.

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



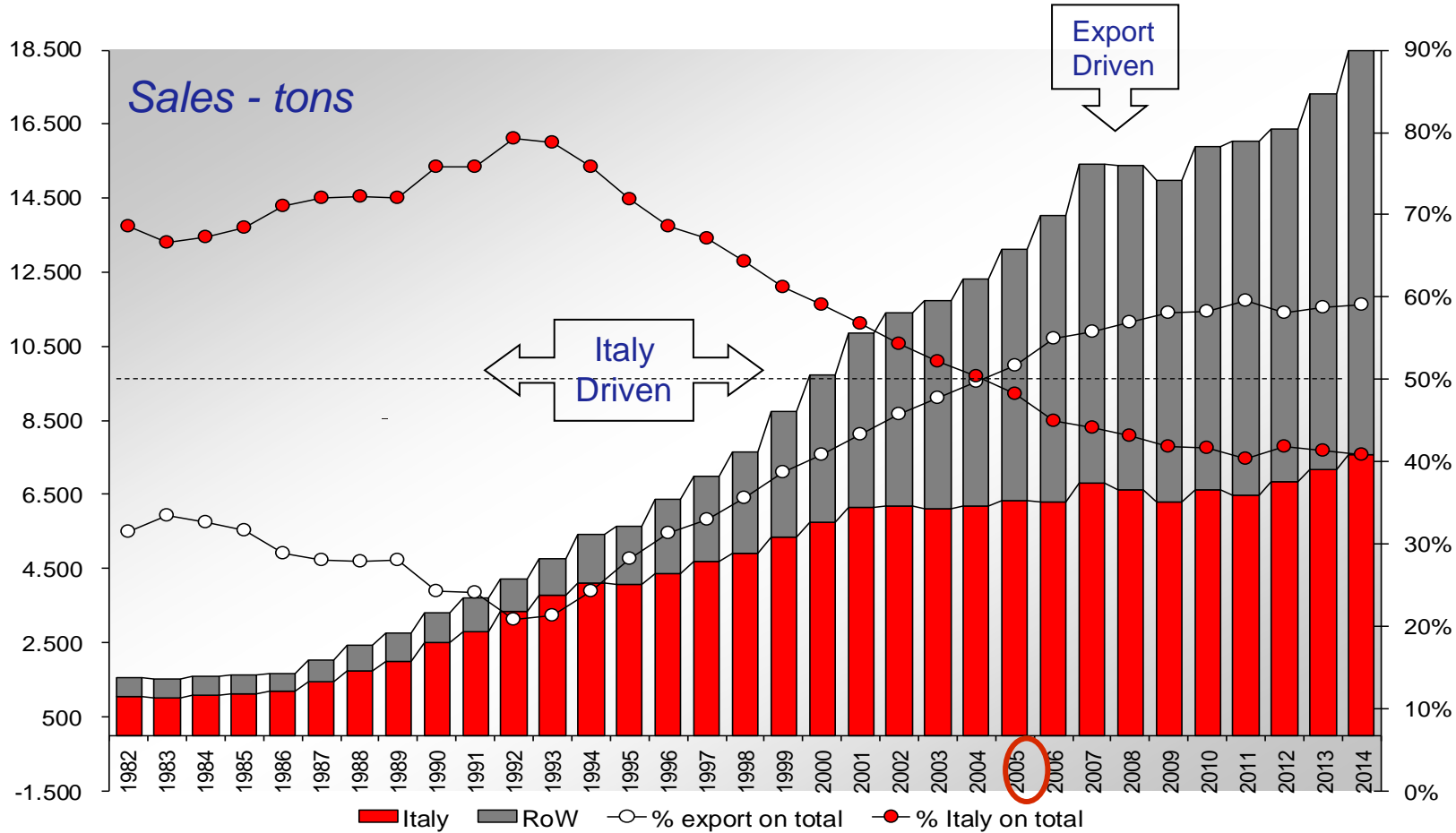
CONSOLIDATED TURNOVER

(MILLION EUROS)



* This is not the consolidated data

A further cycle of growth could only be assured by internationalization + product innovation



FUTURE

Phase 5
Exploit new range / Innovation / Focus on key markets

Phase 1

Local Horeca company beginning to export

Phase 2

Growth of distribution in export and Italy Home

Phase 3

Flattening Italy home / continue increase export distribution

Phase 4

Distribution reaches its limits: Flat both Italy export

Sources: internal (tons) (1982-2011 9+3)

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

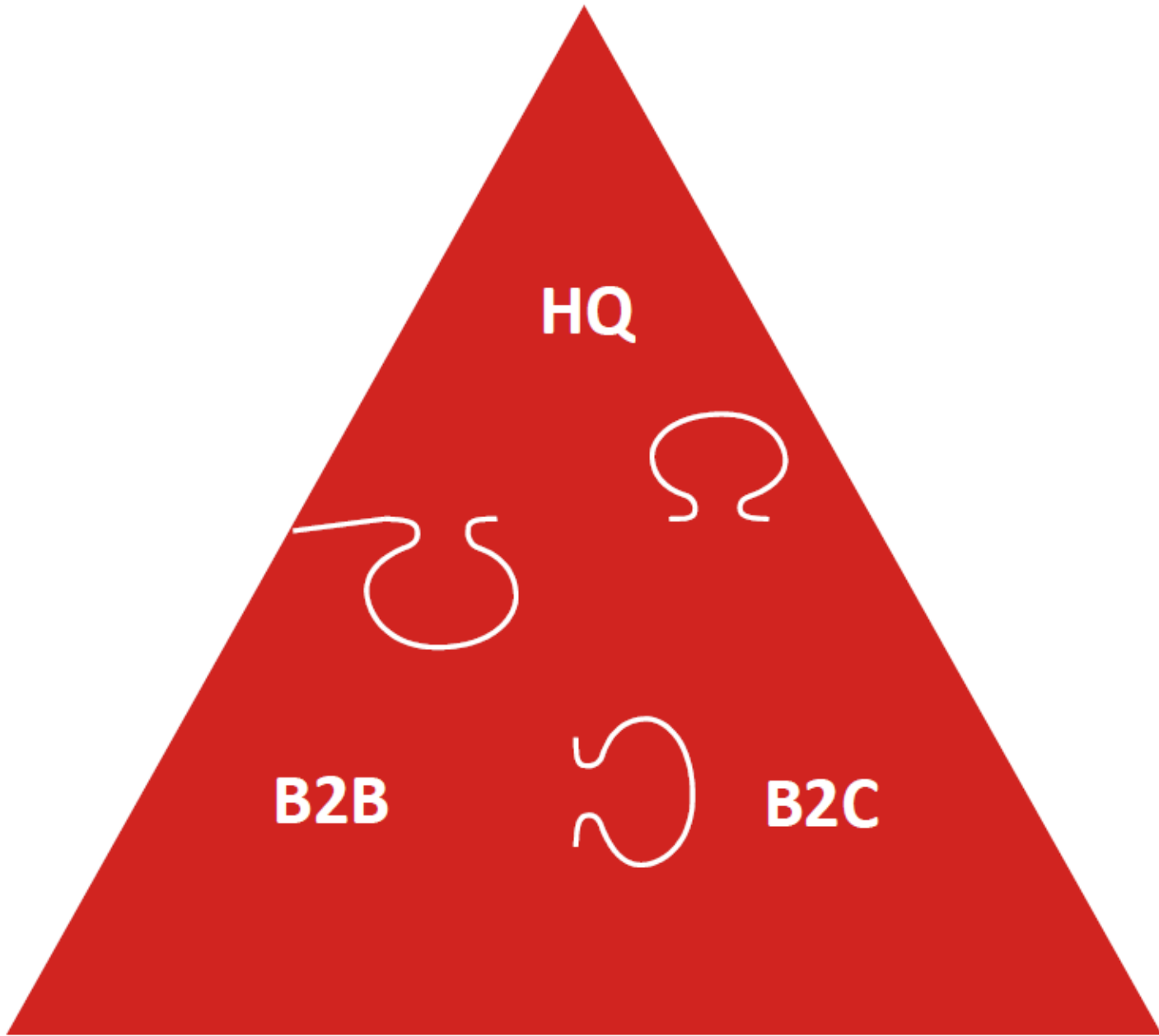
B to C

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

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



Kaffeine - London



Stomptown - NY



Coutume - Paris

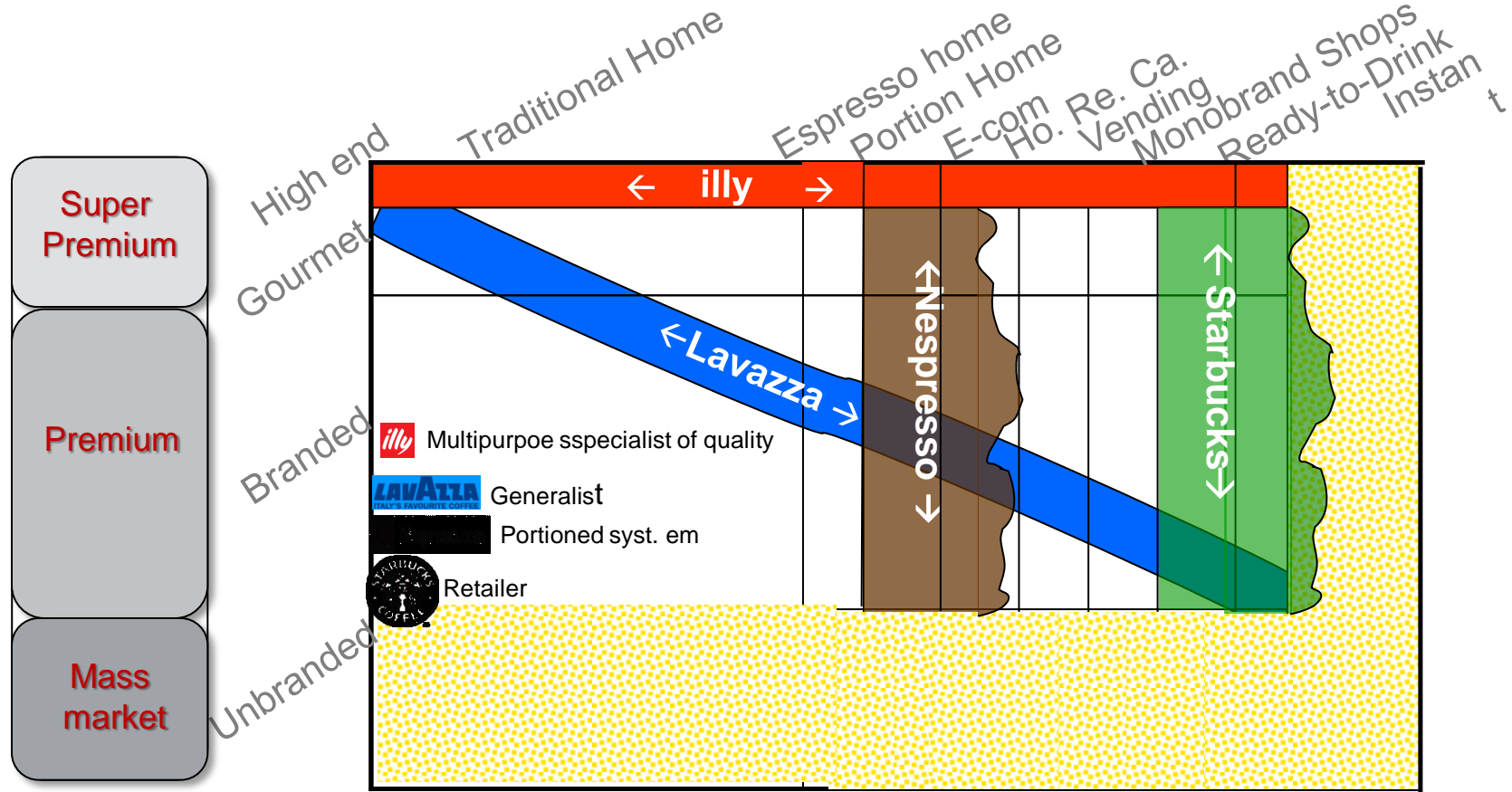
Fourth wave has overcome third wave : preparation (IV) and not roasting (III)



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

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Focus

- Espresso
- High-end segment

Uniqueness

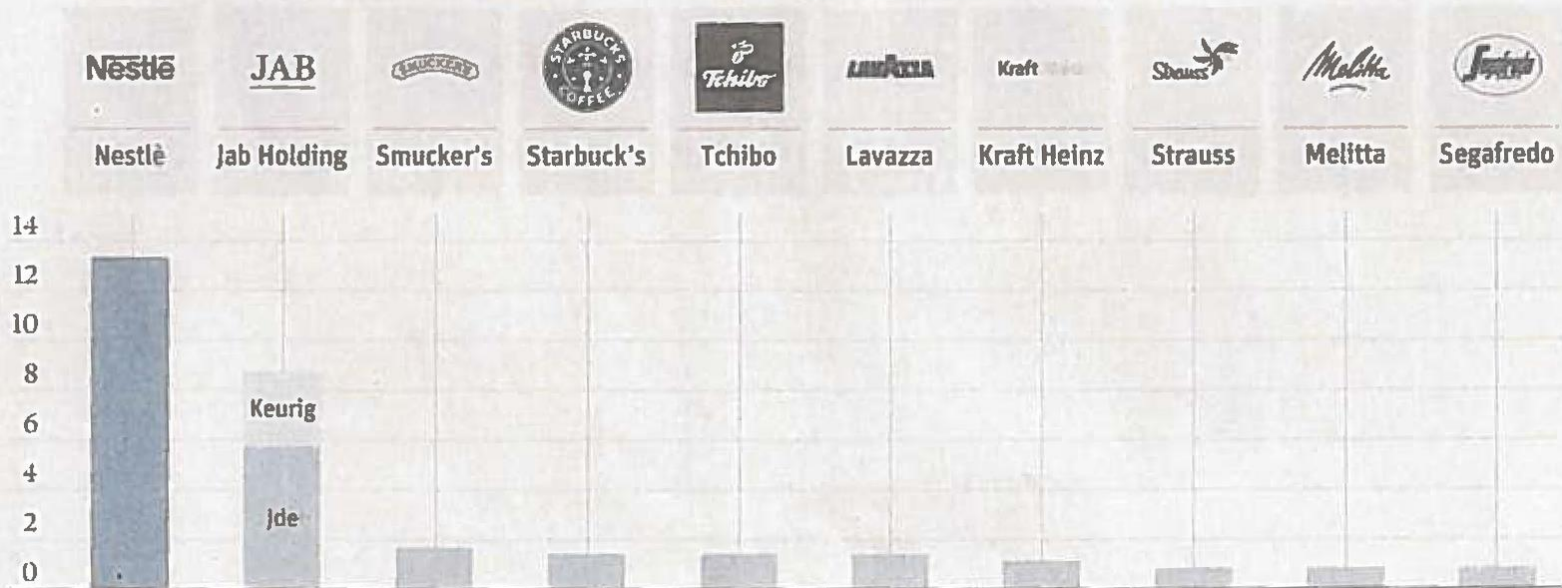
- A single brand, a **single blend**
- Tools and solutions for the perfect **preparation and service**
- Excellence in quality, **style and design**

Universality

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

Il mercato globale e i competitor

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



Fonte: Bain&Company

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



The Integrated Supply chain



A unique approach in four steps

Select and motivate the growers

by rewarding their endeavors to produce excellent quality coffee.

Knowledge transfer via the Università del Caffè and regular visits to the coffee plantations.

Direct purchase in order to pay a higher-than-market price and build an enduring relation.

Build the illy club community.



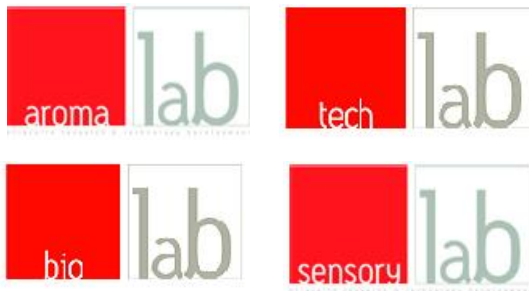
Research from the bean to the cup



A **multi-disciplinary scientific approach** in our research (chemistry, agronomy, engineering ...)

Partnerships with leading universities

Research centers: Aromalab, Sensorylab, Biolab, Techlab and Quality Assurance laboratories



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



A certified approach



The first company to be certified by DNV "Responsible Supply Chain Process",
Certifying the sustainability of the organization at 360 °, in all its practices, strategies, relationships.

Valid for any type of supply chain and open to companies from all sectors.

It is the company to be certified, not the farmers.; they are an integral part of the process and are called to share principles and values



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.

ILLYCREMA



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.



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 system



Iperespresso is the capsule system that guarantees a perfect espresso every time, with no chance of error.

Coffee is delivered directly into the cup; there is no contact with the machine, which allows brewing pure coffee.

The result is a fragrance, velvety espresso ground with a dense, long-lasting crema that forms in, and not on, the 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



I-Espresso System

Up to 40 coffees/day



I1



I1 XL



I2 MINI



I3



I4



I5



I6



Mitaca Professional System



Up to 40 coffees/day



M1



M3



M6



M4



M5



PERLA C6



WINNING



ILLY SHOP ALLA RINASCENTE, MILANO



ORGANIZZAZIONE ILLYCAFFE'

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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

Italia: 3 linee di vendita dedicate:

- B.A.R. AM > Agenti plurim / CT ctrl qual/servizio
- Alimentari AM > Agenti plurim Prezzo/Rotaz./ Posiz.
- Uffici Concessionari Servizio

Estero: varie forme distributive

- Filiali /Branch commercializzazione/ servizio / marketing
- Distributori (anche partecipati)
- Presenza di sub-distributori (Grecia, Francia, USA)
- Representative Office (Dubai)

thank you.