



Nespresso Market Research Proposal

Name: Rakhshaan Hussain

Student Number: 210500000

Word Count:2981

Executive Summary:

Nespresso, the Swiss food and beverages company - Nestle's - best known brand, was established in 1986. Innovation has been at the heart of Nespresso's business strategy - being the first to introduce to the world the concept of coffee pods and single-serve coffee machines. As coffee consumers' tastes evolved and newer coffee brewing techniques developed, Nespresso has retained its leadership position in the premium coffee market through continuous innovation and commitment to sustainability.

The primary objective of the research study proposed in this report is to help Nespresso find new avenues for innovation in product varieties and design as well as focus its efforts on enhancing customer satisfaction through improved customer service, newer coffee blends and brewing systems and greater visibility of its sustainability initiatives.

As the first step, research aims, questions and objectives were defined in order to address Nespresso's business objectives. For each research aim and its related objectives, appropriate research methodologies were determined. Qualitative techniques such as Focus Groups are proposed, to understand preferences in flavor profiles and brewing techniques; perception of sustainability initiatives; and factors influencing brand loyalty. Quantitative techniques such as online questionnaires will be used to determine demographic profiles, thus helping with segmentation and targeting of marketing efforts in the future. Analysis of secondary data from Nespresso's consumer behavior databases will further enrich the research. The sampling design considers region, age groups and Nespresso customers and non-customers. As a final step, the research timeline and budget have been determined.

The outcome of this research study aims to provide insights into market trends and consumer preferences that will support Nespresso's innovation strategy; strengthen its brand perception and loyalty, and consequently retain its leadership position in the premium coffee market.

Table of Contents:

Research Overview:	4
Background:	4
Problem Definition and Organizational Objectives:	5
Research Aims, Questions and Objectives:	5
Research Aim 1:	5
Research Aim 2:	6
Research Aim 3:	6
Methodology:	7
Research Design:	7
Qualitative Research:	8
Quantitative Research:	8
Sampling Design:	8
Sample Size Determination:	9
1. Nespresso Customers:	9
2. Competitor Customers and Regular Coffee Drinkers:	10
Data Collected:	10
Summary of Statistical Tests:	11
Research Objectives:	13
RO 1.1:	13
RO 1.2:	14
RO 1.3:	15
RO 1.4:	16
RO 2.1:	18
RO 2.2:	19
RO 2.3:	20
RO 2.4:	20
RO 3.1:	22
RO 3.2:	23
RO 3.3:	24
Additional Analysis:	25
Timeline:	26
Budget:	26
Questionnaire:	27

Research Overview:

Background:

Nespresso, founded in 1986, is a subsidiary of Nestle Group, based in Switzerland. Nespresso transformed the coffee industry by pioneering the world's first portioned coffee systems. These systems delivered different varieties of coffee through their machines that resembled 'mini-espresso machines', that were aimed at the office coffee market. [1]

Nespresso has since moved from office machines to a luxury brand that is now available to the public. Nespresso has cemented its position as a leader in the premium coffee market thanks to its pods/capsules system which contains pre-portioned amounts of coffee grounds which allow for seamless use with their coffee machines, with reported revenue exceeding 7 Billion USD in 2022. [2]

Problem Definition and Organizational Objectives:

Historically, Nespresso has aimed to maintain its competitive advantage through continuous innovation. [3] However, the current premium coffee market is becoming increasingly crowded with emerging entrants and continuous advancements in technology. Nespresso has emphasized the importance of consolidating its position as the leader in the premium coffee market. The client brief describes the following as the objectives that Nespresso would like to achieve through the means of this research:

- Explore opportunities for innovation
- Enhancing products/service quality
- Continued commitment to sustainability

Research Aims, Questions and Objectives:

The following research aims have been defined in order to meet Nespresso's objectives:

Research Aim 1:

Understand how Nespresso can continue to innovate by introducing new products such as new blends, seasonal varieties and brewing techniques by understanding market demand and consumer preferences.

- **Research Question 1.1:** What specific flavor profiles are coffee drinkers looking for in new blends?
 - **Research Objective 1.1:** Assess the preference of coffee drinkers across different combinations of flavor profiles, specifically 'Bitterness', 'Roast Level' and 'Acidity'
- **Research Question 1.2:** What innovations in brewing technology are coffee drinkers showing interest in, and how does their level of interest vary by demographics?
 - **Research Objective 1.2:** Determine the most popular brewing techniques amongst coffee drinkers
 - **Research Objective 1.3:** Determine whether the likelihood to purchase these brewing techniques varies by age group and region
- **Research Question 1.3:** What improvements can be made to seasonal varieties in the future?
 - **Research Objective 1.4:** Understand key factors that influence satisfaction levels from past seasonal varieties

Research Aim 2:

Help Nespresso enhance their customer experience and outperform their competitors by understanding customer pain points and quality of their products, packaging and customer service

- **Research Question 2.1:** What is the current perception of the quality of Nespresso's products amongst its customers?
 - **Research Objective 2.1:** Determine the current perception of the product quality
 - **Research Objective 2.2:** Assess if the perception of quality differs across demographic groups

- **Research Question 2.2:** What improvements can be made to Nespresso's offerings and how will they impact coffee drinkers' decision to buy them?
 - **Research Objective 2.3:** Identify recurring issues reported by customers and find potential features from non-customers which can improve Nespresso's current offerings
 - **Research Objective 2.4:** Assess how these improvements will affect the coffee drinkers' decision to buy Nespresso products

Research Aim 3:

Help Nespresso fulfill their commitments to sustainability by evaluating effectiveness of past campaigns and exploring opportunities for improvement in the future.

- **Research Question 3.1:** What is the current perception of Nespresso's sustainability initiatives?
 - **Research Objective 3.1:** Understanding if the public is aware of Nespresso's sustainability efforts, and if so what is the level of perception

- **Research Question 3.2:** What are the improvements that can be made to Nespresso's sustainability campaigns/ initiatives?
 - **Research Objective 3.2:** Discover what sustainability initiatives consumers are looking for from their brands of choice
 - **Research Objective 3.3:** Evaluate if the new sustainability campaigns have altered Nespresso's brand perception amongst consumers.

Methodology:

Research Design:

This research is structured to incorporate exploratory, descriptive and causal research designs. While exploratory research allows us to understand market trends and customer preferences, descriptive research then helps analyze these insights, measuring how various factors influence consumer responses. This approach results in effective segmentation, targeting and formulation of marketing strategies. Lastly, the impact of these marketing strategies can be evaluated through the use of causal research.

The market research aims to draw insights from customers of Nespresso and non customers. This will be achieved both through qualitative and quantitative research methods.

Qualitative Research:

Online focus group discussion is the qualitative method of choice for addressing research objectives RO1.2, RO2.3 and RO3.2. Despite the available budget, the focus group discussions will be conducted online as it is convenient but also allows for participation from different regions. The focus groups will be conducted over Zoom in hour long sessions. 25 focus groups will be conducted, each with 8 participants, allowing for different views while ensuring all participants are heard. The focus groups will each have two moderators that will ensure smooth-flow of the session and thorough coverage of all relevant issues.

The focus groups will be of 3 types:

1. 15 Focus Groups consisting of Nespresso Customers
2. 5 Focus groups consisting of customers of competitor brands including Keurig, Tassimo and Lavazza
3. 5 Focus Groups consisting of Coffee drinkers who currently do not own a coffee machine

The focus group participants will be given incentives to encourage participation. Customers will be given \$75 vouchers to spend on Nespresso pods. Larger Incentives will be provided to non-customers in order to encourage participation: \$100 discount vouchers on Nespresso Brewing Machines.[6]

[6] - Nespresso's Brewing machines are loss leaders, encouraging non customers to purchase machines at a discount will lead to profit in the long run

Quantitative Research:

Quantitative inputs will be focused on the objectives that require the use of statistical methods. The tests will be performed on a combination of primary data (via the questionnaire) and secondary data (Nespresso's customer database). The questionnaire will be administered online in order to easily allow participation across different regions. It will target Nespresso customers and non-customers (customers of competitor brands and regular coffee drinkers). Respondents will be given incentives to increase participation. Nespresso customers will receive \$10 discount vouchers on their next purchase of pods. Non-customers will get \$20 vouchers which can be used at Nespresso Boutiques.

Sampling Design:

Primary Research:

The focus groups and questionnaire will be aimed at deriving insights from 3 groups of consumers -customers of Nespresso, customers of competitor brands and coffee drinkers who do not own a coffee machine. The majority of the premium coffee market's sales come from corporate customers (offices, restaurants and cafes). However, in these cases, the purchasing decision is made by a small group on behalf of numerous users. Therefore individual coffee drinkers in the corporate setting will be chosen.

Samples obtained from the three consumer groups will be distributed based on the market share proportions identified in a 2023 study of the coffee market[5]:

- Europe - 36%
- North America - 23%
- Asia - 18%
- Others -22%

Secondary Research:

Secondary data from the customer database will be chosen from 01/03/2023 to 29/02/2024 and will be used as the sampling frame for Nespresso Customers.

Sample Size Determination:

1. Nespresso Customers:

The client brief mentions that Nespresso would like a sample size of 5,000 Nespresso customers. Using the formula 1.1, at a 5% significance level and for a conservative proportion of 0.5, we can calculate the required sample size to be of at least 385 customers.

Formula 1.1 (Sample Size Formula) :

$$n \geq \frac{Z_{\alpha/2}^2 (\pi(1-\pi))}{e^2}$$

Therefore, Nespresso's estimate of 5000 is far greater than the sample size required, but with the available budget, additional data will provide increased accuracy of the results.

The sampling frame for Nespresso customers will come from the customer database that is made available to us. A two- stage stratified sampling approach will be taken. In the first stage stratified sampling will be used to identify customers from each of the regions. The second stage will use simple random sampling to choose customers according to the proportion of each region.

2. Competitor Customers and Regular Coffee Drinkers:

Using formula 1.1 we can calculate the required sample size for the remaining consumer groups at a 5% significance level and an even more conservative proportion of response at 0.4:

$$n \geq \frac{1.96^2 (0.4(1-0.4))}{0.05^2} \approx 370$$

While 370 is the minimum sample size required to ensure that the proportion of sample respondents remain within $\pm 5\%$ of population proportion, a sample of 1000 non-customers will be taken to increase the reliability of results. Since there is no sampling frame for these consumers, a simple non-probabilistic technique such as Quota Sampling will be used in order to ensure the correct proportion is sampled from each region.

Data Collected:

Variable	Type
Age Group	Categorical ordinal
Region of residence	Categorical Nominal
Gender	Categorical Nominal
Frequency of Coffee Drinking	Categorical Ordinal
Ratings for brewing techniques: <ul style="list-style-type: none"> French Press Cold brew 	<ul style="list-style-type: none"> 10 point Likert Scale 10 point Likert Scale
Factors for Conjoint Analysis: <ul style="list-style-type: none"> Level of Perception for different coffee blends 	<ul style="list-style-type: none"> 10 point Likert Scale
Analysis of Seasonal Varieties: <ul style="list-style-type: none"> Satisfaction Rating of Seasonal Variety <p>Factors affecting Satisfaction Rating:</p> <ul style="list-style-type: none"> Packaging Taste Aroma Price Value 	<ul style="list-style-type: none"> 5 point Likert Scale 5 point Likert Scale 5 point Likert Scale 5 point Likert Scale
Perception of Product Quality	7 point bipolar Likert Scale
Analysis of likelihood of purchase: <ul style="list-style-type: none"> Likelihood of purchase <p>Factors affecting purchase:</p> <ul style="list-style-type: none"> Loyalty Sustainability Variety Customer service 	<ul style="list-style-type: none"> categorical nominal 5 point Likert Scale 5 point Likert Scale 5 point Likert Scale 5 point Likert Scale
Analysis of Sustainability Initiatives:	<ul style="list-style-type: none"> Continuous

<ul style="list-style-type: none"> • Perception of Nespresso sustainability initiatives • Perception of competitor sustainability initiatives 	<ul style="list-style-type: none"> • Continuous
Analysis of Campaign Effectiveness: <ul style="list-style-type: none"> • Perception before campaign • Perception after campaign 	<ul style="list-style-type: none"> • Continuous • Continuous

Summary of Statistical Tests:

RO 1.1 - Conjoint Analysis

RO 1.2 - Qualitative - Online Focus Groups

RO 1.3 - 2 way ANOVA

RO 1.4 - Multiple Linear Regression

RO 2.1 - One Sample t-test

RO 2.2 - One way ANOVA

RO 2.3 - Qualitative - Online Focus Groups

RO 2.4 - 2 Group Discriminant Analysis

RO 3.1 - Independent Samples t-test

RO 3.2 - Qualitative - Online Focus Groups

RO 3.3 - Paired t-test

Research Objectives:

RO 1.1:

Conjoint analysis will be performed on consumers who drink coffee more than 5 times a week in order to understand the flavor profiles consumers are looking for in their coffee blends. Three attributes were chosen - acidity, bitterness and roast level and combinations of these attributes are compared at varying degrees.

Bitterness	Acidity	Roast Level
1. High 2. Medium 3. Low	1. High 2. Medium 3. Low	1. Dark 2. Medium 3. Light

An orthogonal array of 9 preferences will be given to survey respondents in order to assess which combinations of the three attributes are most preferred:

Flavor Profile	Bitterness Level	Acidity Level	Roast Level
F.P 1	1	1	1
F.P 2	1	2	3
F.P 3	1	3	3
F.P 4	2	3	2
F.P 5	2	1	1
F.P 6	2	1	2
F.P 7	3	3	2
F.P 8	3	2	3

F.P 9	3	3	1
-------	---	---	---

Attribute	Level	Utility
Bitterness	1 - High	
	2 - Medium	
	3 - Low	
Acidity	1 - High	
	2 - Medium	
	3 - Low	
Roast Level	1 - Dark	
	2 - Medium	
	3 - Light	
Constant		

The results will then be analyzed using SPSS in order to calculate the part-worth utilities of the attribute levels using the estimation set. The validation set will be used to assess the validity of the conjoint model created by using Pearson's R:

	Value	Sig.
Pearson's R		

Higher Pearson's R values (close to 1,-1) indicate good predictive quality of the model. The part-worth utilities can be analyzed to find which attributes are most desired amongst consumers, thereby informing Nespresso on what flavor profiles can be explored in future blends.

RO 1.2

Online focus groups will be used which include all 3 types of consumers, in order to identify the two most popular brewing techniques in the market currently. Participants will be exposed to various stimuli related to multiple brewing techniques in order to understand their feelings towards them.

RO 1.3:

To address this aim, a 2-way ANOVA will be conducted in order to test the the following hypothesis:

H ₀	Mean rating of each of the selected brewing techniques is the same across <ul style="list-style-type: none">• region• age group• Interaction between region and age group
H ₁	Mean rating of each of the selected brewing techniques is the different across <ul style="list-style-type: none">• region• age group• Interaction between region and age group
X	X ₁ = Region X ₂ = Age Group
Y	Y ₁ = Ratings of Cold Brew (assumption) Y ₂ = Ratings of French Press (assumption)

Assuming that the two most popular brewing methods from the focus group were found to be Cold Brew and French Press. The ratings of the selected brewing techniques can be assessed across different categories of Region and Age Groups:

Region	Age Group
<ul style="list-style-type: none">• Europe• North America• Asia• Others	<ul style="list-style-type: none">• 18-27• 28-40• 41-55• 55+

First, Lavene's test is conducted in order to ensure that the variances across groups are equal. If the test returns a p-value < 0.05, it suggests that variances are equal across groups, and we can proceed with the tests. 2 way ANOVA will be conducted for the ratings of Cold Brew and French Press brewing methods:

2 way ANOVA

Source of Variation	SS	df	MS	F	Sig.	Partial Eta Squared
Age Group						
Region						
Age Group * Region						
Error						
Total						

The results of the ANOVA tables will show us how the ratings of the brewing techniques differ across age groups, regions and the interaction between the independent variables. A p-value < 0.05 would suggest that H_0 can be rejected and we can conclude that the mean rating of the selected brewing technique is different across age groups and regions.

Partial Eta squared is used to measure the strength of the effect region and age group have on the ratings of the brewing techniques.

Thus through RO 1.2 and RO 1.3, Nespresso can identify the most popular brewing techniques in the market and understand how these techniques' ratings differ across region and age group, allowing for improved market segmentation.

RO 1.4:

Multiple linear regression will be used in order to analyze past purchases of seasonal varieties from Nespresso customers. The dependent variable will be the satisfaction rating of past seasonal varieties. The independent variables will be factors such as price value, packaging, aroma and taste. MLR will help to understand if the above factors are related to satisfaction scores and if so, the degree to which they are related.

H ₀	There is no relationship between satisfaction rating and the following factors: <ul style="list-style-type: none"> • Packaging • Taste • Aroma • Price value
H ₁	There is a relationship between satisfaction rating and the following factors: <ul style="list-style-type: none"> • Packaging • Taste • Aroma • Price value
X	X ₁ = Packaging X ₂ = Taste X ₃ = Aroma X ₄ = Price value
Y	Satisfaction Rating

The regression equation is as follows:

$$\hat{Y} = \hat{\beta}_0 + \hat{\beta}_1 X_1 + \hat{\beta}_2 X_2 + \hat{\beta}_3 X_3 + \hat{\beta}_4 X_4$$

First, adjusted R² will be used to assess how much variance the independent variables explain of the dependent variable. High value of adjusted R² will indicate that the combination of independent variables collectively provide strong predictions of satisfaction rating.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
1					

Global F-test will be used to first see if all independent variables are predictors of satisfaction rating.

If p-value < 0.05, we can reject the null hypothesis and conclude that there is sufficient evidence to

suggest that not all the independent variables have their coefficients equal to 0. Lastly, partial t-test will be used to test if each individual variable is a significant predictor of satisfaction score. A $p\text{-value} < 0.05$ will suggest that the variable is significant in predicting satisfaction score and therefore warrants inclusion in the model.

ANOVA

Model		SS	df	MS	F	Sig.
1	Regression					
	Residual					
	Total					

Coefficients

Model		Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	95% Confidence Interval for B	
							Lower Bound	Upper Bound
1	(Constant)							
	Packaging							
	Taste							
	Aroma							
	Price Value							

Doing so allows us to not only build an effective model which predicts satisfaction score, but more importantly shows us which of the four factors are most influential in determining the satisfaction score. Nespresso can then use this information to focus their efforts on the influential factors when introducing a new seasonal variety.

RO 2.1:

The rating of Nespresso's product quality will be captured on a 7-point bipolar Likert scale. The divisions are as follows:

- -3 → Extremely Negative
- -2 → Very Negative
- -1 → Somewhat Negative
- 0 → Neutral
- +1 → Somewhat Positive
- +2 → Very Positive
- +3 → Extremely Positive

Nespresso, being market leaders, has reason to believe that their current quality of products should garner a rating greater than 1 (indicating a somewhat positive perception) amongst brand loyalists. Therefore a 'one sample t-test' will test the following hypothesis:

H ₀	The Mean rating of Nespresso Product Quality is less than or equal to 1
H ₁	The Mean rating of Nespresso Product Quality is greater than 1
X	Rating of Nespresso Product Quality

One Sample t-test:

	t	df	Sig (2-tailed)	Test Value = 1	95% Confidence Interval of the Difference	
				Mean Difference	Lower	Upper
Rating of Quality						

The test will be conducted at a 5% significance level. Therefore, if p-value is < 0.05, we can reject the null hypothesis and conclude that the mean rating of Product Quality is greater than 1.

Assumptions made:

- The ratings of quality are independent of each other
- The ratings are approximately normally distributed

RO 2.2:

A one way ANOVA can be used in order to assess if the mean rating of product quality differs across different Household Income Groups:

H ₀	The Mean rating of Product Quality is the same across Household Income groups
H ₁	The Mean rating of Product Quality is different across Household Income Groups
X	Rating of Nespresso Product Quality

Levene's test is performed to test for equality of variances. If the p-value<0.05, the variances are assumed to be equal and we can proceed with one way ANOVA.

ANOVA

Source of Variation	SS	df	MS	F	Sig.
Between Groups					
Within Groups					
Total					

The results of the ANOVA can be assessed by looking at the F-statistic, at p-value<0.05 H₀ will be rejected and we can conclude there are significant differences in the mean ratings of product quality across the different regions.

By analyzing the results from the two above tests from RO 2.1 and RO 2.2, Nespresso can establish the current rating of its products and services amongst its customers. Additionally, Nespresso can determine if there are significant differences in these ratings across demographic factors such as household income groups. This insight allows Nespresso information on specific areas which can be targeted for improvements in product quality and customer service.

RO 2.3:

Online focus group discussion will be conducted in order to address the following two questions:

1. What are recurring problems faced in Nespresso products
 - *Focus groups containing Nespresso Customers*
2. What are features that attract you to your preferred Brand of choice
 - *Focus groups containing customers of competitor brands*

RO 2.4:

Assuming that the Online Focus Group Discussions from RO 2.3 revealed that variety, loyalty programs, environmental sustainability and availability are as key factors for improvement, we aim to measure the current consumers perceptions of these factors in Nespresso's offerings. Using these findings, we aim to understand how these factors affect the consumers decision to buy Nespresso products in the future using 2 Group Discriminant Analysis.

H ₀	There is no factor which influences the decision to buy
H ₁	There is at least one factor which influences the decision to buy
X	<i>Lty</i> = Rating of Loyalty Programs <i>Sus</i> = Rating of Sustainability efforts <i>Var</i> = Rating of Variety <i>Avail</i> = Rating of availability
D	Decision to Buy: <ul style="list-style-type: none">• D = 0 (Unlikely to purchase)• D = 1 (Likely to purchase)

The discriminant function is:

$$\hat{D} = \hat{\beta}_0 + \hat{\beta}_1 Lty + \hat{\beta}_2 Sus + \hat{\beta}_3 Var + \hat{\beta}_4 Avail$$

The canonical discriminant function coefficients can be analyzed to reveal the weight of the factors in the discriminant function. Larger the value of the coefficient, the stronger the role it has in discriminating.

Wilk's lambda can be used to assess the performance of the model. A p-value<0.05 would indicate that the function can effectively discriminate between the two classes.

First Levene's test for equality of variances is conducted. If p-value is found to be less than 0.05, equal variance is assumed, otherwise equal variance is not assumed. Based on the assumption made, the appropriate test statistic will be used to perform the Independent samples test. [7]

At a 5% significance level, if the test returns p-value < 0.05, H_0 can be rejected and we can conclude that there is a statistically significant difference in the perception of Nespresso's sustainability initiatives vs their competitors.

Additionally, the Confidence interval can be analyzed, if both the lower and upper bound are positive, it means that the mean perception of Nespresso's sustainability initiatives is higher than that of its competitors.

RO 3.2:

Online focus group discussion with consumers of all types in order to understand what sustainability initiatives they value in their brand of choice

RO 3.3:

Assuming that Nespresso made use of the factors identified in the previous focus group discussions, the new sustainability campaign's effect on consumer perception of their sustainability efforts can be analyzed using a paired samples t-test:

H_0	There is no change in the perception of Nespresso's sustainability efforts after the introduction of the campaign
H_1	There is a change in the perception of Nespresso's sustainability efforts after the introduction of the campaign
X	Difference in perception rating before and after the Introduction of the sustainability campaign

The test will be conducted using a One-Group Pretest-Posttest experimental design in order to assess the causal impact of the new campaign on perception.

Pre Experimental Design:

One-Group Pretest-Posttest design
$O_1 \times O_2$

The test will be conducted on both Customers and Non Customers separately in order to assess the effects of the campaign on each group of consumers

Participants will be presented with promotional material from the new sustainability campaign via the questionnaire. The perception before and after exposure will be recorded to be used in the paired samples t-test.

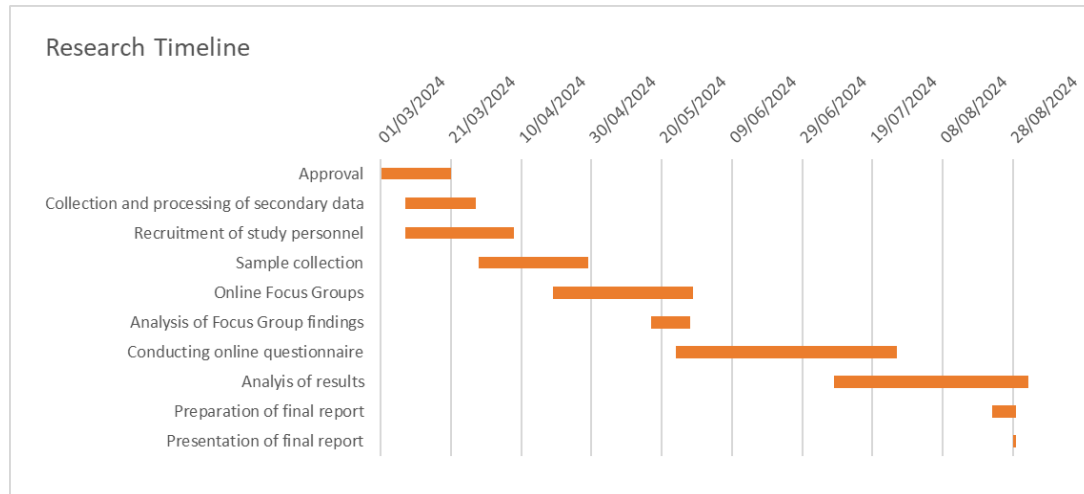
At a 5% significance level, if the tests return p-value < 0.05 , H_0 can be rejected and we can conclude that there is a statistically significant difference in the perception of Nespresso sustainability efforts after the deployment of the campaign for that particular group of consumers.

Additional Analysis:

- 1- If conjoint analysis is being performed only on regular coffee drinkers, a 'one sample t-test' could be performed to ensure that the new subset of the sample will still give relevant results. But considering the current sample size (6000) is quite large the assumption is already made.
- 2- While methods such as Cold Brew / French press that are identified and analyzed in RO 1.2 and RO 1.3 might be quite different to the espresso / single serve pods machines that Nespresso currently offers, additional analysis through Focus groups could reveal attributes of those brewing techniques that could be implemented in future blends as an alternatives to creating new equipment.
- 3- Although region was taken into consideration while sampling, [source] shows that there are other demographic factors that are also very important such as age group. More extensive sampling methods could be employed to properly account for other demographic variables in the future.

Timeline:

The client brief describes that a 6 month window is available for us to conduct the research. The following Gantt chart describes the timeline of the research:



Budget:

Nespresso will make a large budget available to us. The following chart describes the budget required in order to conduct the market research:

Task	Cost
Study Personnel	\$50,000
Incentives	\$90,000
Data Analysis	\$25,000
Data collection	\$30,000
Administrative Fees	\$15,000
Miscellaneous	\$10,000
Total	\$220,000


Questionnaire:



At Nespresso, our dedication is to better serving our customers and to create a sustainable world. We stride to continuously innovate while upholding our commitments to sustainability. Please spare some time to assist us in enhancing our service to you and to the world.

Please enter your Date of Birth *

Date

dd/mm/yyyy 

Please Enter you Gender

☐ Male

☐ Female

Are you a Nespresso customer?

☐ Yes

☐ No

Please enter you Average Household Income (USD)

- ☐ <30,000
- ☐ 30,000 - 75,000
- ☐ 75,000 - 120,000
- ☐ 120,000+

What is your perception rating of 'Cold Brew' Brewing Technique

- | | | | | | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

What is your perception rating of 'French Press' Brewing Technique

- | | | | | | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

How often do you drink coffee?

*

(if option 2 is chosen the following questions can be skipped)

- ☐ More than 5 times a week
- ☐ Less than 5 times a week

- High Roast
- Dark Acidity
- Light Roast

[illegible]

- Light Roast
- Light Acidity
- Light Roast

[illegible]

- Light Roast
- Medium Acidity
- Dark Roast

[illegible]

Rate your preference on the following attributes:

- Light Roast
- High Acidity
- Dark Roast

[illegible]

Rate your preference on the following attributes:

- Medium Roast
- High Acidity
- Medium Roast

[illegible]

Rate your preference on the following attributes:

- Medium Roast
- Low Acidity
- Light Roast

[illegible]

Rate your preference on the following attributes:

- Medium Roast
- Low Acidity
- Medium Roast

[illegible]

- High Roast
- High Acidity
- Medium Roast

○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○

- High Roast
- Medium Acidity
- Dark Roast

○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○

Questionnaire For Nespresso Customers:

Please indicate your satisfaction score for past seasonal varieties that you have tried

1	2	3	4	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate your perception of the Packaging of the season variety

1	2	3	4	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate your perception of the Taste of the season variety

1	2	3	4	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate your perception of the Aroma of the season variety

1	2	3	4	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate your perception of the Price Value of the season variety

1	2	3	4	5
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate your rating for the quality of Nespresso products

On a rating from -3 to +3. With -3 indicating Extremely Negative and +3 indicating extremely positive

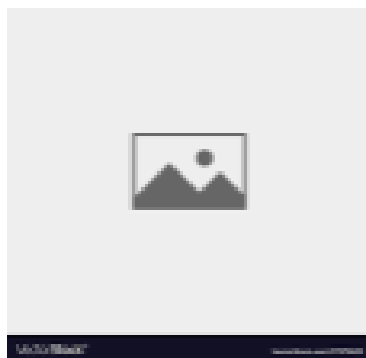
Your answer

What is your current perception of Nespresso's sustainability initiatives

1 2 3 4 5 6 7 8 9 10

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Please take a look at the following promotional material:



What is your perception of Nespresso's sustainability initiatives after having seen the promotional material?

1 2 3 4 5 6 7 8 9 10

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Please enter your email so we can send your \$10 Nespresso Gift Card to you

Your answer

Questionnaire for non-customers:

Please indicate if you are likely to buy Nespresso Products in the future

- ☐ Likely to Buy
- ☐ Unlikely to buy

Rate your current perception of Nespresso's sustainability initiatives

- | 1 | 2 | 3 | 4 | 5 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Rate your current perception of Nespresso's Loyalty programs

- | 1 | 2 | 3 | 4 | 5 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Rate your current perception of Nespresso's Variety

- | 1 | 2 | 3 | 4 | 5 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Rate your current perception of Nespresso's availability

- 1 2 3 4 5
- ☐ ☐ ☐ ☐ ☐

What is your current perception of your preferred brand's sustainability initiatives

- [illegible]

Please take a look at the following promotional material:



What is your perception of Nespresso's sustainability initiatives after having seen the promotional material?

1	2	3	4	5	6	7	8	9	10
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please enter your email so we can send your \$20 Nespresso Boutique Gift Card to you

Your answer

References

- [1] - <https://nestle-nespresso.com/our-history>
- [2] - <https://fourweekmba.com/nespresso-revenue/#:~:text=Nespresso%20is%20one%20of%20the.What%20is%20this%3F>
- [3] - <https://nestle-nespresso.com/news/our-goal-is-to-create-a-new-premium-coffee-segment-in-north-america>
- [4] - <https://www.grandviewresearch.com/industry-analysis/specialty-coffee-market-report>
- [5] - <https://www.coherentmarketinsights.com/market-insight/coffee-market-5615>
- [6] - <https://www.webprofits.com.au/blog/nespresso>