

Coda Coffee Case Analysis

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Executive Summary

Coda Coffee's collaboration with Bext360 in utilizing blockchain, AI, machine vision, and IoT technologies for coffee supply chain enhancement is a transformative endeavor. The triumph of the Great Lakes Pilot Project in Uganda and subsequent endeavors in Brazil highlights the potential of this integration. However, challenges related to data ownership, SaaS licensing, and articulating the value proposition to customers necessitate strategic scrutiny. Bext360's pursuit of Series A funding underscores the continuous need for financial support. The analysis provides a comprehensive overview of the impact on stakeholders, industry dynamics, challenges, and opportunities.

Introduction

Coda Coffee's strategic alliance with Bext360 marks a watershed moment in reshaping the coffee supply chain through cutting-edge technologies. The implementation of blockchain, AI, and machine vision in the Great Lakes Pilot Project demonstrates the potential for revolutionizing transparency, traceability, and quality assessment. As Coda expands its collaboration to Brazil, judicious decisions regarding data ownership and communication become paramount. The exploration of tokenization introduces novel possibilities, while Bext360's quest for Series A funding underscores the imperative for sustained financial backing.

Industry/Technological Landscape

The integration of IoT, blockchain, AI, and machine vision disrupts conventional supply chain practices in the coffee industry. Bext360's bextmachine, with its capabilities in quality assessment and instant payments, represents a significant technological advancement. Marker technology adds an extra layer of security, while tokenization emerges as a potential game-changer for commodity financing and stakeholder interactions. Positive impacts are observed among stakeholders, with smallholder farmers and cooperatives benefiting. Bext360 establishes itself as a leader in global supply chain transformation, attracting interest from financial institutions.

Stakeholders and Impact

Various stakeholders, including farmers, cooperatives, Coda Coffee, and Bext360, experience positive impacts. Instant payments and enhanced data benefit farmers and cooperatives. Coda faces decisions about data control and communication. Bext360 positions itself at the forefront of global supply chain transformation, drawing interest from financial institutions.

Challenges and Opportunities

Challenges related to data access, ownership, and communication require strategic solutions. Alternatives, such as purchasing a SaaS license or exploring different technology providers, need careful consideration. Tokenization presents opportunities for redefining commodity financing.

Bext360's pursuit of Series A funding underscores the importance of sustained financial support for continued growth.

Alternatives

In exploring strategic alternatives for optimizing their coffee supply chain, Coda Coffee carefully considered three distinctive options. Firstly, Coda Coffee could explore integrating blockchain technology with smart packaging solutions (Huang,2023). By embedding RFID or NFC tags on coffee packaging, each product's journey through the supply chain could be digitally tracked. This alternative ensures transparency by allowing consumers and stakeholders to access real-time information about the coffee's origin, processing, and transportation. However, challenges may arise in terms of the cost of implementing smart packaging and ensuring compatibility across the supply chain.

Another alternative involves leveraging AI for predictive quality analytics throughout the supply chain (Ai in analytics: A data-driven approach to supply chain efficiency 2016). Coda Coffee could implement machine learning models to analyze historical data and predict the quality of coffee batches at different stages of production. This would enable proactive quality management, allowing for timely adjustments to enhance overall coffee quality. While this alternative offers potential efficiency gains, the accuracy of predictive analytics and the need for a robust data infrastructure are critical considerations.

Coda Coffee has the opportunity to pioneer a sustainability-focused alternative by implementing a supply chain carbon footprint reduction initiative, aligning with the essential principles of sustainability in business. Sustainability, defined as the positive impact a business can have on

the environment and society, is increasingly recognized as a vital component of successful business strategies (The importance of sustainability in business: HBS Online 2019). In today's dynamic business landscape, adopting a values-driven approach is integral to long-term success. Sustainable business strategies aim to address global issues such as climate change, income inequality, and fair working conditions, aligning with the triple bottom line philosophy of considering people, planet, and profit (The importance of sustainability in business: HBS Online 2019).

The proposed supply chain carbon footprint reduction initiative involves utilizing blockchain and IoT to trace and offset the environmental impact of the coffee supply chain. By providing consumers with data on the carbon footprint of each product, Coda can attract environmentally conscious consumers, aligning with the growing market for sustainable goods. However, challenges in accurately measuring and verifying carbon emissions and potential impacts on operational costs must be addressed.

Best Alternative

After a comprehensive analysis of these new alternatives, the most promising choice for Coda Coffee is the AI-Powered Predictive Quality Analytics approach. This alternative aligns with Coda's commitment to quality assurance and innovation. By harnessing AI for predictive analytics, Coda can proactively address quality issues, ensuring a consistent and high-quality coffee supply. The potential efficiency gains and improved decision-making in quality management make this alternative a strategic fit for Coda's objectives.

Conclusion

While the AI-Powered Predictive Quality Analytics alternative stands out as the optimal choice among the newly considered options, ongoing evaluation and adaptation to emerging technologies will be crucial for Coda Coffee. This approach not only aligns with the company's commitment to quality but also positions it at the forefront of technological innovation in the coffee industry. Regular assessments of the chosen alternative's effectiveness will ensure that Coda remains resilient and responsive to evolving market dynamics and consumer preferences.

References:

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