

The Coffee of Andradas: A Community Branding Project



Executive Summary

For many people, coffee is just an everyday beverage, but for a growing number of coffee consumers, it is much more. It's an experience. Like wine, coffee has a complex aroma and taste, heavily influenced by the climate, soil, cultivation techniques, and even the history of the place where it's grown.

In a mountainous region of Brazil, some 600 kilometres west of Rio de Janeiro, lies Andradas. With a climate ideal for coffee, small-hold farmers have been growing coffee beans in the area for generations. But despite the high quality of their coffee, the farmers of Andradas still sell their crop on commodity markets at very low prices.

In an effort to improve the lives of local coffee farmers and their families, the Andradas rural cooperative decided to create a Coffee Flavour Map to showcase the excellence of their coffee – and tell the stories behind it. The hope is that the flavour map will help draw attention to the Andradas community and its coffee tradition, and enable the farmers to sell their coffee at specialty prices that reflect the quality of the product.

Many in Andradas believe the Flavour Map can help improve their future. But others remain skeptical and worry that the area's small-hold farmers have neither the experience nor the financial resources to break into the specialty coffee market. How can the Andradas rural cooperative develop the right marketing and branding strategy it needs to be successful?

This teaching case is part of the Rotterdam School of Management (RSM)'s case series on the UN Sustainable Development Goals (SDGs). It discusses the current situation of Andradas and how the flavour map was developed, and describes the global coffee industry and changing consumer preferences that lend themselves to the project's goals.

Suitable for MBA, EMBA and other Master- or executive-level students, the case can be used to address several different issues, including marketing, branding, sustainability, supply chain, economic development and international business. Because the case covers a wide range of topics, it also can be used to discuss supply chain management, international business or general management issues.

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We expect students to achieve the following learning outcomes in three areas:

| Learning areas | Learning outcomes |
|-----------------------|---|
| I. Content-related | Students will acquire insights into the value-creating power of marketing activities. |
| | Students will develop an understanding of the global food supply chain, focusing on both producers and consumers. |
| II. Skills-related | Students will learn how to articulate a positioning strategy, and how to better understand customers and competitors. |
| | Students will acquire effective tools for developing customer affinity. |
| III. Attitude-related | Students will reflect on the way environmental, societal, and technological trends are changing marketing and brand management. |
| | Students will gain an appreciation of the value of branding and marketing for community development. |

Keywords

Coffee; Brazil; farming; marketing; branding; community; sustainability; SDG; supply chain; farm-to-cup; decommodification; small-hold farmers; environment; heritage

Why Use This Case

Many of us tend to associate marketing with powerful corporations, but marketing tools can benefit anyone. This case is a rich source of inspiration for understanding how marketing can be used toward positive change and community building. Souza e Silva, one of the protagonists in the case, said he 'used to think about marketing and branding as tools for mighty corporations to gain ever greater power and profits'. Now he was beginning to see the value that marketing and branding could bring to small-hold farmers and to the community of Andradas.

At its core, this is a marketing case focused on community branding that incorporates social and environmental issues. This topic is potentially relevant to thousands of farming communities worldwide, but we do not see it well-addressed in existing marketing or sustainability cases.

- Marketing, brand management and marketing strategy. The case will help students learn about important marketing topics, including positioning strategy, distribution, pricing and communication. It is also useful for raising students' awareness of important market trends, such as decommodification. In recent years we have observed a trend towards greater quality and differentiation across

a variety of food categories such as beer, chocolate and even apples—could the coffee category become more like that of wine? Marketing-related learning goals are the main focus of this teaching note and of the supplementary materials available on the case website.

- Sustainability. The case shows how social and environmental issues are intertwined and how solving one can help solve the other. For example, because sustainability is a pre-requisite in many specialty coffee markets, by working together to increase coffee quality and earn better prices, the community is also moving towards more sustainable farming practices. The case relates to multiple SDGs: 1 (no poverty), 8 (decent work and economic growth), 10 (reduced inequalities), 11 (sustainable cities and communities) and 12 (responsible consumption and production). Another important element of the case is gender equality. In addition to Rosana being the leader of the farmers, the case reports how one of the stated goals of the Flavour Map project is to increase female empowerment in the community.

At the same time, the case also addresses several other issues, providing an holistic approach to a real-life business problem:

- Supply chain. The case serves as a powerful illustration of the complexities of global supply chains, including the players involved and geographic inequalities. It also demonstrates the interplay of demand and supply factors in shaping supply chains. Crucially, the increasingly popular “farm-to-cup” model discussed in the case is a worthy example of how creating a connection between producers and consumers can make consumption more meaningful.
- Food business. The case can be used to discuss the organisation of small-hold farming (e.g. the role of cooperatives and agronomists) and how authentic personal stories can sometimes help compensate for a lack of scale or market power. It can also be used to discuss trends in the food industry, such as the consumer quest for authentic food experiences and decommodification.
- Economic development and international business. On the supply side, the case shows how members of communities in developing countries can work together to find new markets and increase their income. On the demand side, the case can be used to discuss how growing demand for “ethical” food in developed markets helps make a material difference to the quality of life of farmers in developing countries.

How to Use This Case

This multi-resource case includes the following materials:

- Introductory video;
- Executive summary;
- Teaching case (restricted access);
- Teaching note (restricted access);
- PowerPoint presentation for teachers (restricted access); and
- Class teaching video recording (restricted access).

These materials are available at www.rsm.nl/andradascase/. To access the restricted materials, please purchase the case and teaching note at www.thecasecentre.org. The access instructions are included in the teaching note.