

## Nescafe targets young consumers with cold coffee

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**LONG known as a household name among older generations, Nescafé is now making a bold move to capture Gen Z consumers with a new ready-to-drink (RTD) coffee line, catering to their growing preference for sweet iced coffees.**

At the official launch of the product on July 23 at the Nestlé Grounds in Valsayn, Juan Rico, the business executive officer for coffee, said the global rise of cold coffee, particularly among younger age groups, was a key driver.

'This cold coffee trend is growing a lot in most of the countries and in most ages (groups). This is a trend that is mainly coming from the younger generations. That's why we started developing this kind of product around the world,' said Rico. 'It is the first time we launched this product in Latin America, made in Latin America. And it's part of the ambition that we have around the world: to have one special coffee for everyone and every moment.'

Nestlé has introduced two flavours so far, mocha and vanilla, based on global consumer preferences. Will a more health-conscious version be introduced? Responding to this, Rico said ingredient ratios are designed to strike a balance between indulgence and nutrition.

'Normally, our products are all evaluated to make sure we have a good recipe and that we have the right amount of all the ingredients. We have milk, sugar and the other ingredient in here, but it's always with the right amount to ensure that the product is-I don't want to say a healthy recipe, but it's the perfect balance between coffee, milk, sugar and flavours to ensure that people can enjoy it...' he said.

Although Nescafé is already a well-established brand in T& T, Rico acknowledged that changing consumer preferences have shifted the way the product is positioned.

'Right now, the consumers are not really into the coffee flavour; they are coming into the category for the indulgence behind the beverage. And that's why we are talking not specifically about coffee right now, but about a new beverage that will bring people to the brand,' he said. Consumer marketing manager Keri Bailey added the product development was backed by local research: '...So, we're not just inventing our product because we need to invent. We have research that shows that those (mocha and vanilla) are the top flavours... a lot of it is research and testing and seeing with the local consumers what they like,' said Bailey.

She added that convenience, temperature, and affordability were top priorities for younger consumers.

'They want it on the go. They want it chilled, and at an affordable price. So, this is why...we're confident it's exactly those three points,' Bailey said. On the issue of competition, Alejandro Moya, the head of market for Nestlé Anglo-Dutch Caribbean, said competitors are welcome as they help push innovation: 'We love competitors, because for us, it is a challenge of getting new ideas, new concepts and new innovations.'

As Nestlé works to expand its regional exports, Moya said efficiency and volume are essential to be able to '...continue exporting, and increase those volumes from other markets, and with other products, as well'.

Moya said Nestlé has not been directly impacted by the ongoing foreign exchange crunch, but recognises the broader economic challenge. '...We have been working very closely with the authorities, and also with some financial organisations, in order to see how we can not only solve the problem, but also, how we can add to part of the solution. As long as Nestlé can continue exporting, it can add value to this particular issue,' said Moya.

At the ceremony, Moya described the launch as a 'pivotal moment' in Nestlé's operations in T& T. He said the RTD line signals the company's renewed investment in local manufacturing and longterm commitment to the local economy.

'By manufacturing locally, we are not only creating local value but also ensuring that we can respond swiftly to the needs of our consumers. This investment reflects our belief in the potential of T& T as a hub for beverage production,' said Moya.

He said the launch was a testament to the team's dedication and innovation, and that the RTD line would bring meaningful benefits.

Rico echoed these sentiments, pointing to the deep brand loyalty Nescafé enjoys in T& T.

'In T& T, Nescafé holds a special place in the hearts of coffee lovers. Our research shows that 88% of consumers have grown up with Nescafé... nine out of ten say it meets their regular needs and is a trusted brand,' said Rico.

The new RTD coffee line aims to complement that trust by meeting modern demands.

Bailey said the new line is a cultural pivot for the brand.

'Our team of local and international product innovators worked tirelessly to develop flavours that resonate with the Caribbean palate', she said. Bailey described the new drinks as a 'refreshing and indulgent experience,' noting they contain less sugar than energy drinks, but still offer a premium taste.