

# It's Time to Reevaluate Your Coffee Program

Can c-stores capture the “Third Wave” of specialty coffee?

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★ EXCLUSIVE

I've spoken to thousands of retailers, and it amazes me that everyone seems to have a deep passion for coffee or tea. They can tell me about their first experiences. Those from other countries express their passion on how they brew coffee or tea differently than the styles we're familiar with here in the United States.

It gives me a great sense of pride to be in an industry that is relatable to people's personal lives. But how is it that a product with such a deep personal connection to the majority of the U.S. population gets overlooked in many stores?

Over the past couple of years, we've all seen our respective business climates change. At the same time, coffee consumption patterns have been evolving. There is a growing population of specialty coffee drinkers in the U.S. And statistics show many are turning to specialty coffee and espresso shop retailers who are providing consumers with a great coffee experience.

Some of the leading drivers for convenience stores and gas stations are cars and cigarettes. Well, cars are becoming more fuel efficient and people are smoking less, which ultimately means less people are coming into your stores.

There's a movement in the global coffee industry over the past several years, and coffee people in the know refer to it as the “Third Wave.” Specialty coffee is a term that represents the “seed to cup” process where its transparency shows a highly rated coffee that properly goes through the seed to cup process, and is ultimately brewed under the proper procedures as outlined by the Specialty Coffee Association of America (SCAA). Specialty coffee has become infectious and it's largely due to the SCAA.

The organization helped spread coffee knowledge throughout the industry by helping to educate baristas and retailers on how to source specialty coffee and combine it with brewing methods, customer service and other best practices. As many of us are seeing, specialty

coffee/espresso shops are springing up everywhere and there are lines of people waiting to enjoy their \$3-plus cups of coffee or espresso. These are the places I hear about from retailers talking about the best cup of coffee they've ever had.

It's time to reevaluate your coffee, espresso and tea program. Quick-service restaurants (QSRs) are aggressively expanding in coffee, and the number of espresso shops is growing. As a result, many in the convenience store industry are struggling in this category.

Consumers are showing they are willing to pay more for a great product coupled with an experience, especially the millennials. Millennials are the future and their purchasing power is becoming more relevant every day. How do we capture this business and move forward into the future?

There are several things to analyze:

## **DRIP COFFEE**

Do you know what kinds of coffee you are buying? Do you buy inexpensive coffees to try to save a buck or are you buying specialty-grade Arabica coffees? Are you carrying flavors that don't sell? Keep in mind that single-origin coffees (from one country) are trending more than the Irish Creme and English Toffee type coffees. Also, what is your coffee-to-water ratio in your brewing settings?

Many of the QSRs and expanding coffee shop chains are using the SCAA's Gold Cup Standards, which calls for using a specific coffee-to-water ratio along with proper water treatment system on the water line (brewed coffee is 98 percent water). Are you relaying this message to the consumer?

## **TRAINING**

If you and your coffee roaster don't have a good relationship where they are consulting you and your employees on coffee, start one. If they can't educate you on proper brewing procedures and on the traceability of your coffees, it's time to find a new coffee roaster.

Part of this Third Wave movement is the experience that the employees help deliver to the consumers. If they can't speak passionately or intelligently on your coffee, what kind of message is really being put forth?

## **DÉCOR & LAYOUT**

The consumer experience encompasses many parts: the visuals, quality of product and even interaction with employees. You want consumers to feel good about themselves for just having paid you for a product from your store. If you can do that, they'll be happy to return.

When it comes to food and beverage, decor is extremely important. Do you want to eat something from a place that looks dirty and run down? Or have you eaten at a place solely because it looks trendy and new?

When it comes to your coffee area, dispassionately analyze how it appears. You may need to update the counters, menu boards and other point-of-purchase correlating to the coffee area. You may even want to hire an architect to redesign the whole store in a uniform manner. People "eat with their eyes" — don't give them a run-down store to look at.

## **ESPRESSO**

Once the above topics are in place, it could be time to implement an espresso program (espresso, not powdered cappuccino). But tread lightly as espresso machines are a pricey investment.

There are many brands and styles that exist. There are few industry experts who both know the convenience store business *and* the espresso/barista business, while having service departments that can adequately fix/calibrate these machines. You need to find someone who has all of these qualifications. The type of equipment, water treatment, utilities, product, counter placement of machine in-store and training are all vital points to a successful program.

Taking your coffee program to the next level is no easy task. It can't be done overnight. Because once you've done everything inside the store, it's up to your marketing to entice the customers in the store and show them your great new coffee program.

With each day, you will begin to see your coffee sales grow, which will cross over into ancillary products purchased. Coffee is a category that many have invested in heavily, so don't sit back and let others take your coffee customers. Let's stand up and brew a better coffee program!

**Editor's note:** The opinions expressed in this column are the author's and do not necessarily reflect the views of *Convenience Store News*.

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**About David W. Mendez** David W. Mendez is a fourth-generation coffee guy for his family's company, WB Law Coffee Co.

([www.LawCoffee.com](http://www.LawCoffee.com)), headquartered in Newark, N.J. Mendez is responsible for the sales and maintenance of his company's convenience store and foodservice accounts throughout the Mid-Atlantic region. Having literally grown up in the business, he has a deep understanding of coffee from seed to cup. He's traveled to Tanzania, Cuba, Costa Rica, Colombia, Guatemala and Brazil to source some of the world's finest coffees, and has helped develop, implement and maintain several private-label coffee brands.