

The COVID-19 pandemic has shaken many business' sectors. In the case of coffee though, it has mostly accentuated and accelerated trends that were already being in motion.

Consumers are increasingly leaning towards making coffee at home. Something that was afoot since a few years already and made only more noticeable by the forced lockdown of many cafes and bars.

Whereas there's a large difference between markets, some global trends can be discerned. The single serve market is expected to grow 7,1% between the 2019-2024¹. The Largest market remain Europe, with the more espresso-based countries leading the pack (Scandinavia is an exception², for instance). The fastest growing market in this sector is Asia-Pacific, with the US remaining a sizeable market (42% of ownership of single-serve systems³). This is already been shown in Q1 of 2020 by increasing sales in the major players of the market, Keurig Dr Pepper⁴ and Nestlé⁵.

Interest in speciality coffee is only bound to increase, as more consumers are learning about coffee quality and better ways to brew it. The market for quality coffee, whatever that exactly means, is expected to grow by 80.78 billion USD in the next 4 years alone⁶. This growth is led by millennials, the most coffee-conscious market segment⁷.

That in turn will lead to an increase in awareness of the coffee industry production means and their impact.

Main coffee trends for 2020

Sustainability and environmental impact will only be bigger this year. As more millennials get into the world of quality coffee and the percentage of market share of boomers gets reduced, word like environmental impact and social responsibility will be looked for by consumers when choosing their coffee. The first affected by this change were the single-serve coffee systems, which have increasingly introduced compostable, biodegradable and fully recyclable capsules to convince consumers.

¹ <https://www.mordorintelligence.com/industry-reports/coffee-pods-and-capsules-market>

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<https://gcrmag.com/profile/view/loefbergs-on-how-consumer-behaviour-will-evolve-after-the-coronavirus-pande>

³ <https://www.statista.com/topics/2219/single-serve-coffee-market/>

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<https://www.worldcoffeeportal.com/Latest/News/2019/Keurig-Dr-Pepper-coffee-pod-sales-swell-as-coronav>

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<https://www.worldcoffeeportal.com/Latest/News/2020/Strong-global-demand-for-coffee-at-home-boosts-Nes>

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<https://www.businesswire.com/news/home/20200309005073/en/Global-Specialty-Coffee-Shops-Market-2020-2024-Increasing>

⁷ <https://perfectdailygrind.com/2020/02/exploring-millennial-trends-in-specialty-coffee-2/>

Millennials are more inclined to explore different ways to enjoy a cup of coffee. Ready iced coffee, cold brews and cold coffee in general is growing at a 7.3% rate/year, almost double the growth of hot coffee⁸. The popularity of cold brews is leading this tendency, with companies seeking to reduce the time of these brews to capitalise on the request for more quality, cold brews, easily obtained⁹.

Whereas black coffee is not going to stop growing, lattes and similar have found also different ways to entice consumers. Oat and almond milk lattes and cappuccinos are here to stay, showing a double digits increase in sales since a few years already. Consumers aren't only interested in them for strictly dietary reasons anymore, but because they want to taste them.

With the increased interest in environmental issues, companies would do well to address the highest carbon footprint causes of the production of coffee¹⁰. Consumers care more than ever and will appreciate the right steps of a company in being less impactful to the environment.

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<https://www.worldcoffeeportal.com/Latest/News/2019/US-iced-beverage-sales-surge-as-cold-brew-be-comes>

⁹ <https://coffeetalk.com/ctmagazine/2019.04>

¹⁰ <https://www.sevenmiles.com.au/editorial/cafes-sustainability-more-than-disposable-cups/>