

THE BRIGHT FUTURE OF SPECIALTY COFFEE



Ever seeking new experiences, coffee enthusiasts are relishing the opportunity to try unusual specialties from far-flung corners of the world. **Nagi Morkos**, founder and managing partner at Hodema consulting services, discusses the specialty coffee market and why it's heating up.

As the saying goes, misfortunes never come singly. In the world of coffee, this couldn't ring truer. As cafe owners are finally getting back on their feet after months of lockdown, they are now facing a new hurdle; the cost of beans has soared 43 percent this year, with prices reaching 2014's highs. Brazil, the world's largest exporter of coffee — with 34 million bags of beans sent abroad annually — has been impacted by severe weather that has damaged crops. Political unrest in Colombia has also had a negative knock-on effect on the coffee trade, while major shipping bottlenecks have been caused by the pandemic.

Fear not, Starbucks won't be closing its doors to 33,000 stores across the globe anytime soon. Large companies order their beans months and sometimes years in advance to secure their supply, which is

precisely what specialty coffee outlets don't do. In recent years, the specialty coffee trend has taken the world by storm and has become one of the main drivers of coffee consumption. According to the consulting firm Technavio, the global specialty coffee shops' market is expected to register an incremental growth of USD 80.78 billion, a compound annual growth rate of almost 8 percent during the forecast period. However, the boom in prices may hinder this rapid pace.

What is specialty coffee?

Let's take a moment to remind ourselves what specialty coffee is exactly. According to the American Specialty Coffee Association, coffees with cupping scores of 80 and above are considered specialty coffee. In other words, the beans have little to no defects. However, the framework is not that

clear elsewhere, with quality, traceability, ethics and community concepts to consider in the classification of this type of coffee. For some it's taste, for others a mindset. But what these coffees all have in common is authenticity, with each step of the journey being documented — from growing and picking to roasting, grinding and brewing. This philosophy is at odds with standard instant and commercial coffees that are sold on a mass scale.

The case of Starbucks

Interestingly, and contrary to the norms of specialty coffee, Starbucks doesn't specify roast dates or bean origins and it prioritizes consistency over quality, which is possibly the biggest sin of all. To achieve the same flavors in all its branches, the coffeehouse giant roasts beans dark, destroying the nuances. But the American multinational's

advocates argue that the company was at the helm of the world's coffee culture revolution, popularizing espresso and flavored coffees when our parents were still drinking inexpensive black coffee at home.

Starbucks and its competitors, namely Caffe Nero, Costa and Dunkin Donuts, also pioneered the "cafe way of life," offering people new hangouts where they could work or chat all day while drinking various types of coffees. Specialty coffee simply would not have existed if it weren't for these giants.

What the survey says

The survey Coffee, Consumers and COVID-19, Roadmap to Recovery,

conducted earlier this year in the United States, paints a positive picture of the business. Although the market was negatively affected by the pandemic, which put a heavy strain on supply and increased at-home consumption, the sector is bouncing back. The average American coffee drinker consumes three cups a day, and more than half of the population over 18 is drinking coffee — that's roughly 400 million cups daily.

Trends and more

You may be wondering what the latest trends are in quality coffee. Well, there are new variations, from cold versions to premium blends, and some are not even

espresso based. There are frozen blends, cold brews and nitro coffees, with nitrogen gas pumped in. Even instant coffee is receiving a makeover, with higher-end brews.

With new delivery options also on the menu, from drive-thru to pick-up corners, we ought to be asking if specialty coffee could go mainstream. Although this goes against its DNA, which involves premium beans and a consumer-oriented know-how, it's certainly garnering plenty of attention and a loyal following. We will just have to wait and see what's brewing in the coming months.

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