



# Costa Express

Why a talking coffee machine is great for business

THE HOME OF *irresistible* COFFEE

**COSTA**

# Business revolution using data intelligently

2013: Reengineering a supply chain

2014: Consolidating changes to sustain growth

2015 +?: Business step change

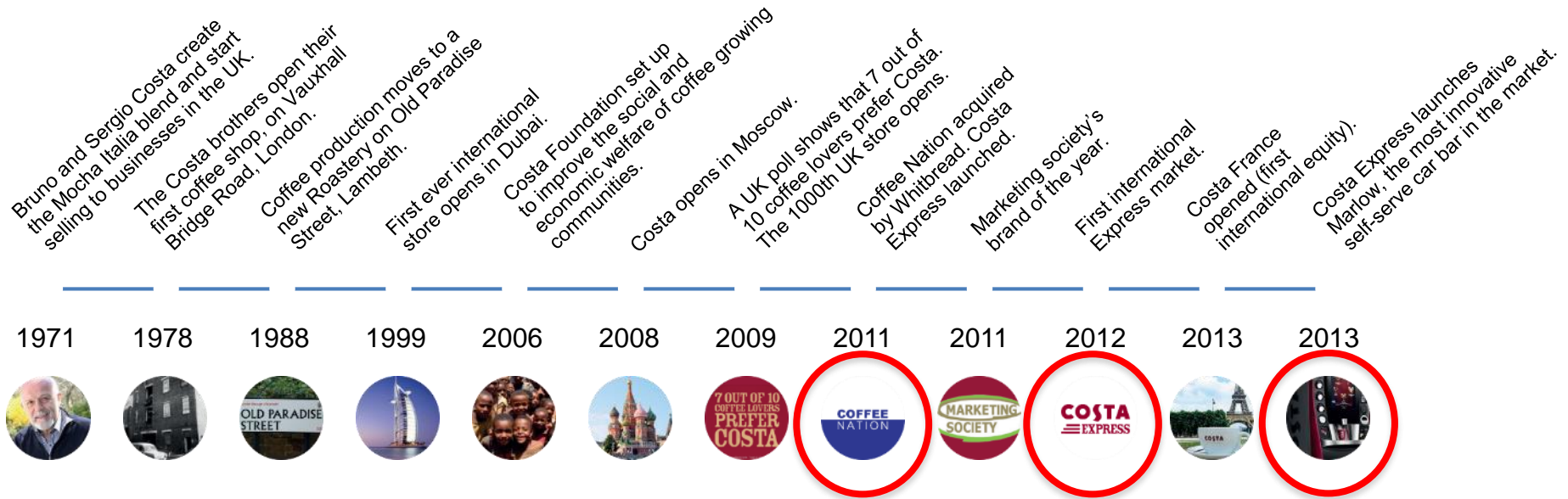
# Move into International Operations after a career in Supply Chain



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# Strong growth, accelerated in the past 10 years



Delivering returns on a significant investment

# 2012 - Limited control with increased costs in the supply chain

- Unique business model pushes stock to sites free of charge
- Over 2,000 linked spreadsheets barely coping with 50,000 replenishment combinations
- Incumbent logistics provider in place for 12 years
- No direct contact with suppliers
- Business more than doubling in size in less than 12 months

2,498  
machines

1 model

1 country

Autostock

Incumbent  
provider

Legacy IT

Old Ops  
Structure

# Driving significant change to deliver customer, shareholder and partner value

- April 2012 - Supply Chain team took ownership
- Applied a plaster to current demand planning solution
- Sourced, reviewed and awarded new IT demand planning system for the business
- Tendered and appointed new logistics provider
- November 2012 - chose ToolsGroup and appointed Howard Tenens
- January 2013 - go live with both, at the same time
- Field teams changed roles, driving NPS score up to record levels

# 2013 - Revolutionising the supply chain... and the business

- Introducing new demand planning, inventory optimisation and replenishment processes
- Implementing ToolsGroup's SO99+ Software
- Redefining the role of the field teams
- To support a business doubling in size, whilst:-
  - Changing logistics provider
  - Introducing a new purchasing strategy
  - With a new supply chain team
- And implementing within 3 months

3,202  
machines

2  
models

3 trial  
countries

SO99+

Howard  
Tenens

Legacy IT

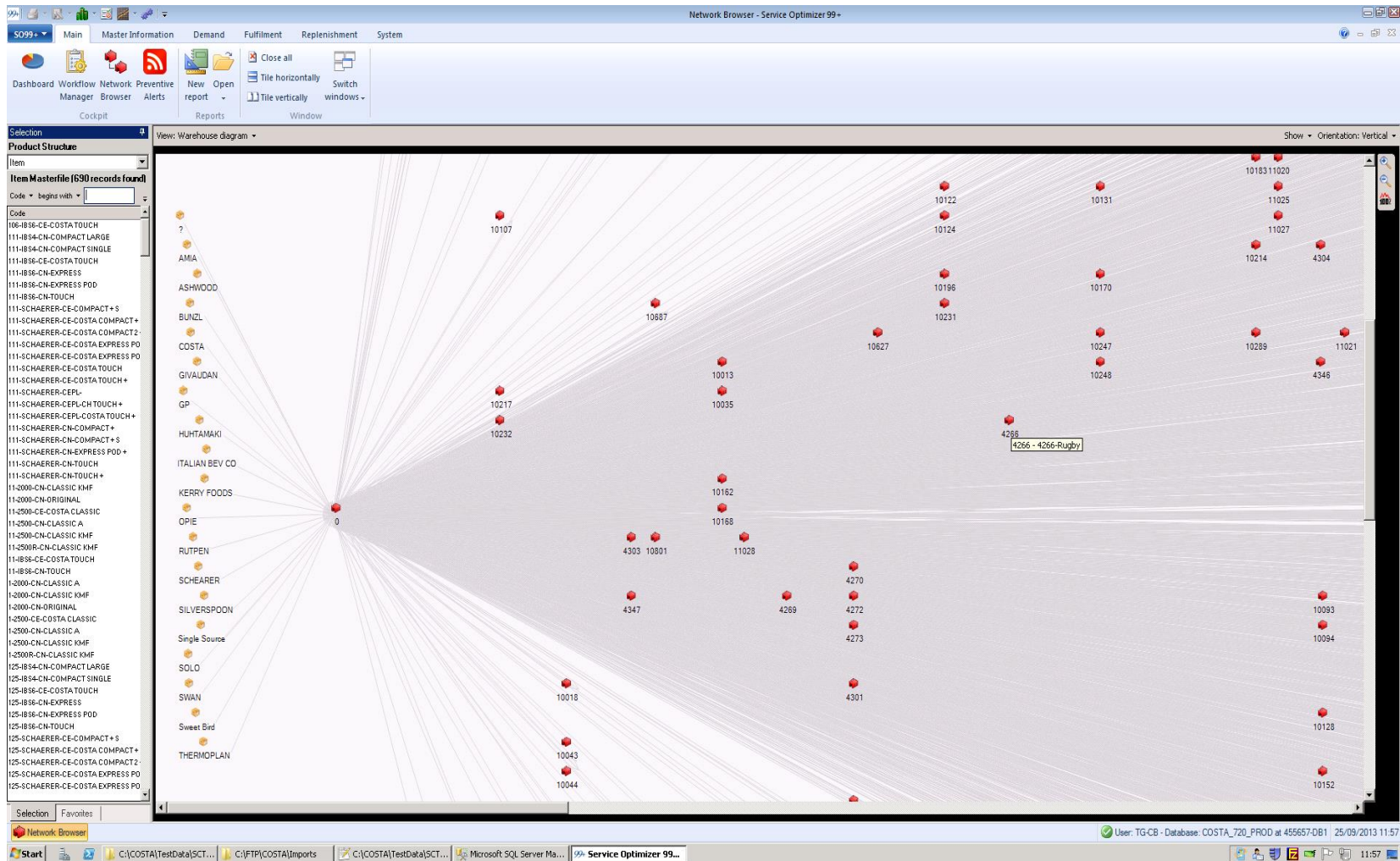
Old Ops  
Structure

# Using data to drive customer service

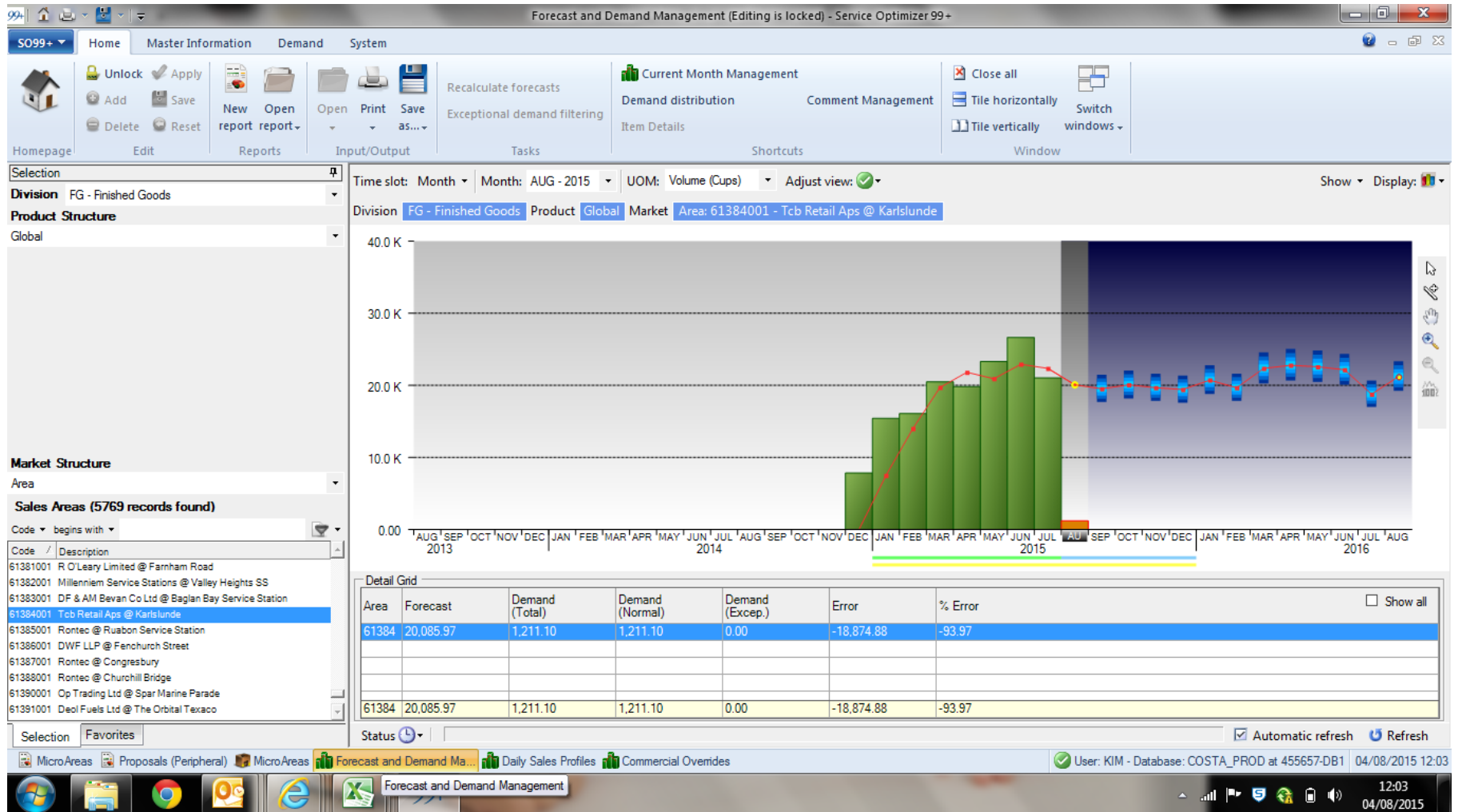
- Spans key supply chain areas
- Use actual daily sales data to sense demand
- Calculates how much stock to send a site
- Using cloud technology to manage big data
- Enhanced stock visibility and reporting
- All done using innovative demand modelling technology
- Aims to use intuition of a planner



# Network solution: 30 suppliers; 6 warehouses; 4,500+ machines; multiple countries



# Example Monthly Drinks Forecast



# Daily forecast - 10 or 70 cappuccinos today

Daily Sales Profiles (Editing is locked) - Service Optimizer 99+

SO99+ Home Master Information Demand System

Unlock Apply Add Save New report Open report Open Print Save as... Calculate weekly profiles Calculate monthly profiles Close all Tile horizontally Switch windows Tile vertically Window

Selection: Division: FG - Finished Goods; Product Structure: Item; Item Masterfile (87 records found); Code: m200

Market Structure: Area; Sales Areas (5769 records found); Code: begins with

Daily detail for month => JUL - 2015 UOM: Volume(Cups)

70  
60  
40  
20  
0.00

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

JULY 2015

Tue, 30-06-2015  
Demand: 6.137 K  
Demand (Excep.): 0.000  
Demand (Sup.): 0.000  
Demand (Normal + Sup.): 6.137 K  
Forecast: 0.000

Sales profiles (position within week)

Day of the week: Mon. Tue. Wed. Thu. Fri. Sat. Sun. (1) (2) (3) (4) (5) (6) (7)

% of week demand:						
17.1	13.8	14.5	14.9	15.1	13.3	11.3
Gross indices value:						
1.19	0.97	1.02	1.04	1.06	0.94	0.79
% of working days:						
100.	100.	100.	100.	100.	100.	100.
Ideal indices value:						
1.18	0.97	1.02	1.04	1.05	0.94	0.80
Current indices value:						
1.18	0.97	1.02	1.04	1.05	0.94	0.80

Lock profile

Sales profiles (position within month)

% of working days: 1st 2nd 3rd 4th 5th 20% 20% 20% 20% 20%

% of month demand:				
18.3	18.7	18.6	20.2	24.2
Gross indices value:				
0.91	0.94	0.93	1.01	1.21
Week profiles effect:				
0.92	0.99	0.97	0.99	1.14
Ideal indices value:				
1.00	0.96	0.96	1.02	1.06
Current indices value:				
1.00	0.96	0.96	1.02	1.06

Lock profile

2.0  
1.5  
1.0  
0.5  
0.0

1 2 3 4 5

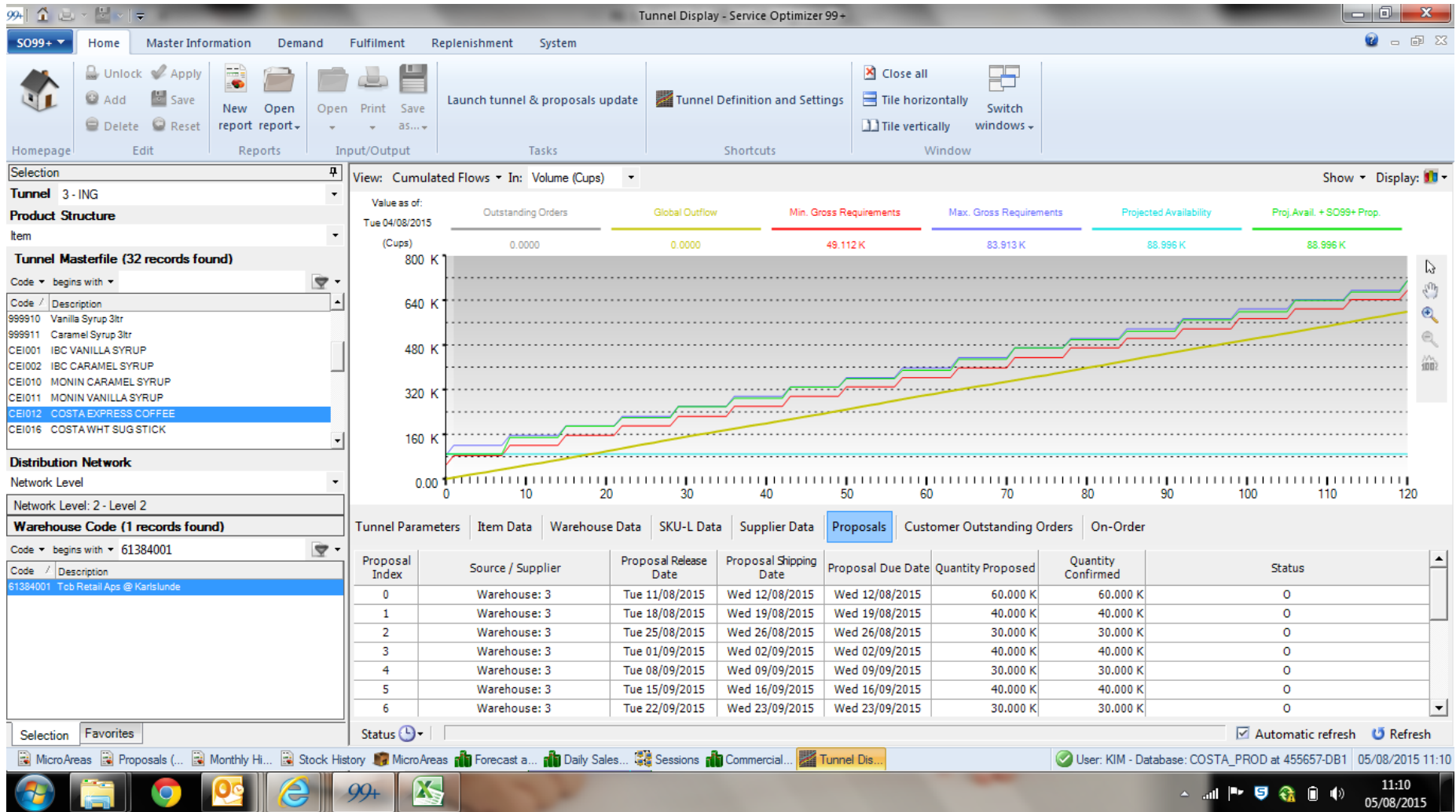
20 40 60 80 (% of working days)

MicroAreas Proposals (Peripheral) MicroAreas Forecast and Demand Ma... Daily Sales Profiles Commercial Overrides

User: KIM - Database: COSTA\_PROD at 455657-DB1 04/08/2015 12:05

12:05 04/08/2015

# Planned coffee deliveries

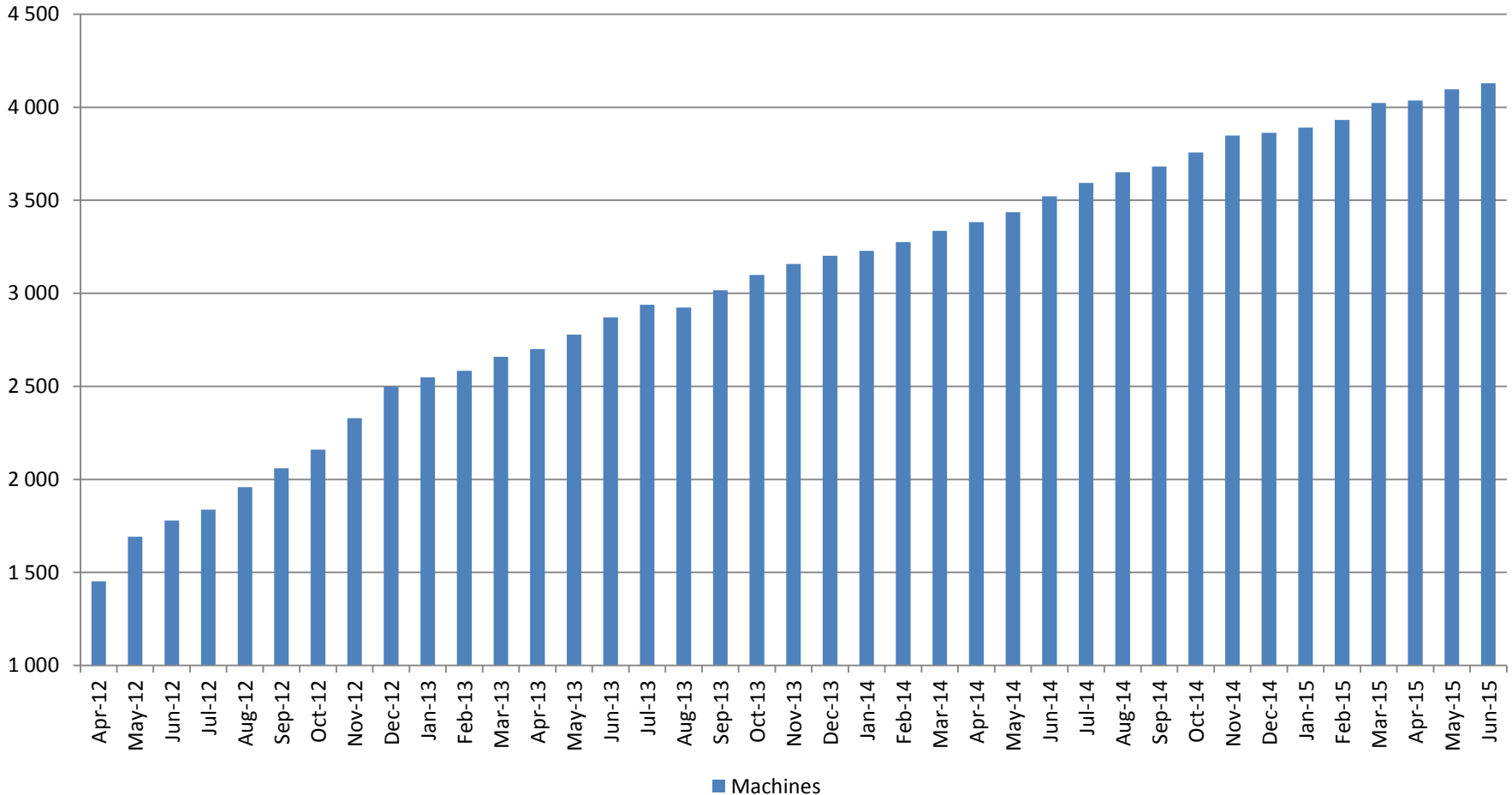


# 2013 - Significant change - significant benefit

- Overall Net Promoter Scores increased by 10% over 6 months
- 20% reduction in stock holding at sites
- 50% reduction in number of refusals
- Management of new relationships with over 15 suppliers with no loss of service
- Move to new 3PL with no loss of service, 20% cost reduction and 70 tonnes of CO2 saved
- Implementation of SO99+ with no loss of service
- Increase in business size from 900 machines to over 4,300
- Significant driver of Whitbread growth and success

# Unprecedented business growth

## Machine Growth



# 2013 - Revolutionising the supply chain... and the business

3,202  
machines

2  
models

3 trial  
countries

SO99+

Howard  
Tenens

Legacy IT

Old Ops  
Structure

# 2013 - Launch of new products which will revolutionise the industry



Cutting edge reliable / ultra efficient computer processing hardware



Evocative sound track with burring grinder and tinkling of spoons



Stunning curved design by Italian automotive designers



Innovative coffee-making system providers



Rich user interface in full HD



Irresistible aromas of Costa's coffee shops



Memorable flavours and fragrances

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# 2013 - International expansion into new markets

[HOME](#) / FIRST FIVE-SENSE COFFEE MACHINE LAUNCHED IN DUBAI

## First five-sense coffee machine launched in Dubai

By David Edgcombe

Article

Reader Comments

Email To Friend

Jul 15, 2013

Dubai Airports, Emirates Leisure Retail and Costa Coffee have joined forces to launch the world's first five-sense self-serve coffee machine as part of the UK's coffee chain's expansion of its Costa Express concept.



Key figureheads who attended the launch included Costa Express CEO Scott Martin, Dnata - Emirates Group president of group services Gary Chapman and Dubai Airports CEO Paul Griffiths.

portalspozywczy.pl Chcesz poznać an

Strona główna » Handel » Wiedza

Autor: gr@portalspozywczy.pl  
Data: 04-07-2011, 21:22

### Coffeeheaven i Shell testują na stacjach paliw punkty Coffeeheaven Express

1 2 +1 0

Podoba mi się 0

Wydrukuj artykuł

Przejdź dalej

Komentarze (0)



Marka Coffeeheaven Express będzie początkowo testowana na pięciu stacjach paliw Shell w rejonie Warszawy. Stacje paliw Shell, które objmie projekt testowy to: Warszawa, Włk Miedzeszyński 219, Warszawa, Dmowy 2, Warszawa, Szawki 23, Piaseczno, Armii Krajowej 30, Michałówek, drogi krajowe nr 7.

Spółka CHI Polska., właściciel marki Coffeeheaven, oraz firma Shell Polska, jeden z czołowych koncernów paliwowych na świecie, testują na stacjach nową markę Coffeeheaven Express. Z początkiem lipca 2011 r. na wybranych na pięciu stacjach paliwowych Shell w rejonie Warszawy zostały uruchomione wysoko wyspedzjalizowane ekspresy kawowe. Projekt ma charakter testowy.

**Powiązane tematy:**

Bądź bękotawać się! Starbuska

Starbuska stawia na ekspresy w kategorii kawy premium

- Nasi klienci oczekują od nas coraz większej dostępności i bycia "na wyciągnięcie ręki", zawsze i wszędzie. Co więcej - dynamika wzrostu rynku kawiarzarskiego w Polsce skłania do poszukiwania nowych kanałów z perspektywą widzą rozwoju. To wszystko zachęciło nas do poszukiwania nowych, innowacyjnych rozwiązań w tym zakresie - mówi Paweł Wasilijew, dyrektor zarządzający CHI Polska.

# 2014 - Preparing the business for a new growth phase

- Internal project launched - “How do we accelerate our growth?”
- Fundamental review of all operational, IT and international growth strategy
- Three key outputs:
  - Internal realignment phase two - operational structure
  - IT Project- making our back office systems work
  - International Strategy -defined growth plan

3,862  
machines

2  
models

7 trial  
countries

S099+

Howard  
Tenens

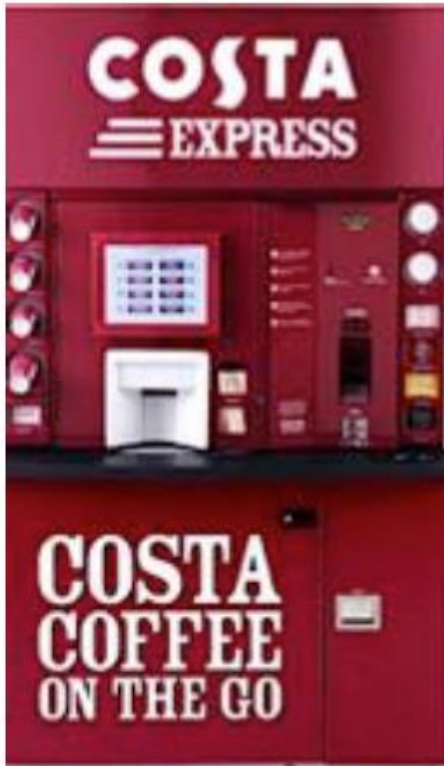
Legacy IT

Old Ops  
Structure

# 2015 - How do we double the size of the business... again?

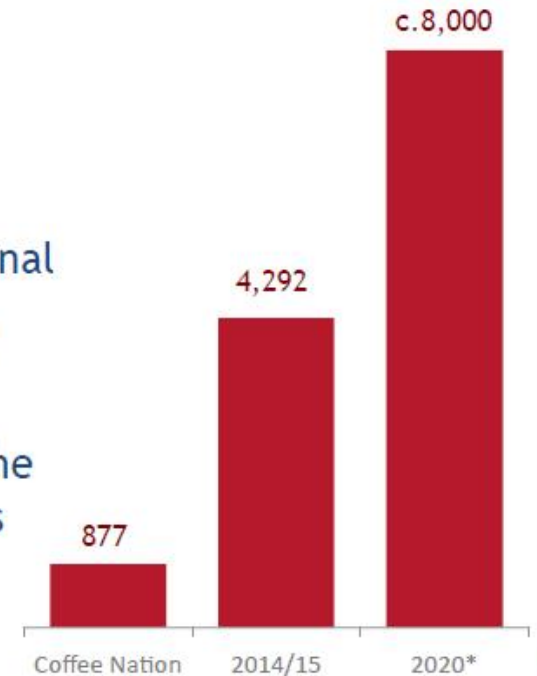
## Costa Express - continuing success

# COSTA



- Channel focus
  - Travel
  - Business and Industry
  - Education
- 338 Costa Express machines international
- This year c.700-800 new machines
- Looking to double the number of machines by 2020

Costa Express machines



# With exceptional operational support

Proven operation & back office system

Real time demand planning and supply chain

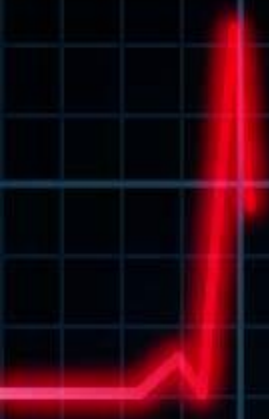
Operational Support

The perfectly prepared Mocha Italia coffee

World class helpline support

Unique telemetry & monitoring

Proprietary equipment



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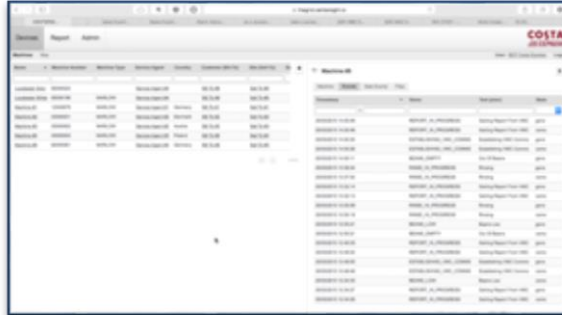
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# Revolutionising our back office systems

## Grid Capabilities – Phase 1



Automated commissioning



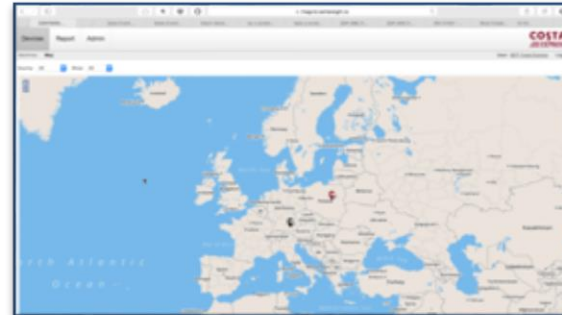
Live operational data by machine



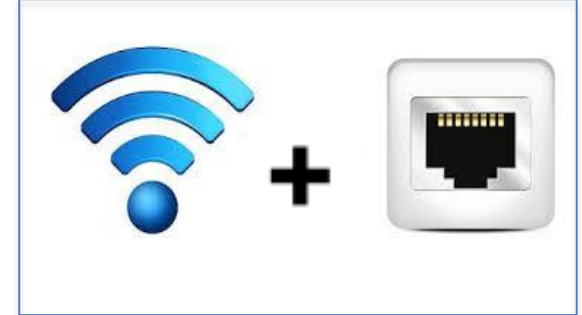
Improved machine monitoring



Automated operator alerts



Dynamic machine location info



Resilient machine connectivity

4,292 machines

2 models

7 trial countries

5099+

Howard Tenens

Legacy IT

New Ops Structure



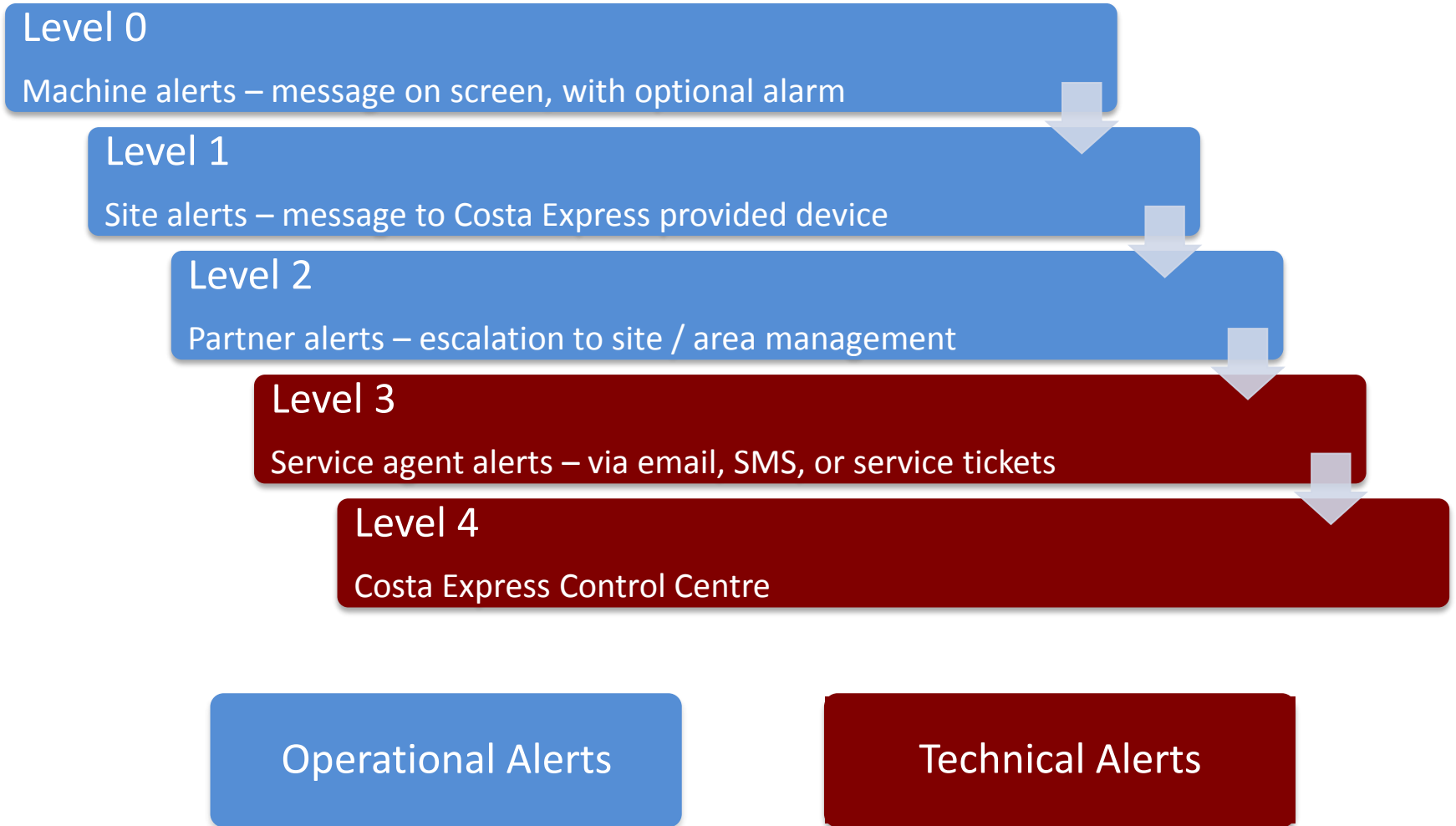


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# Grid enables smart machine alerting - leveraging the Internet of Things



# Business revolution using data intelligently

- 2013: Reengineering a supply chain - using sales data to replenish sites
- 2014: Consolidating changes to sustain growth - in the UK international expansion
- 2015 +?: Total business step change - delivering new operational structures and IT changes

Thank  
you

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**EXPRESS**



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