

Costa building on Middle East success

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As Costa Coffee celebrates the 10th anniversary of its first international store in Dubai, UAE general manager Eric Hughes explains why the region is still as important to the firm today

Costa has just celebrated the 10-year anniversary of its first international store, which was opened here in Dubai, at the Aviation Club at the end of 1999. Why did you select Dubai for your first international store?

The Middle East has a very strong coffee culture, with a large portion of the population already habitual coffee drinkers.

Added to that, a large UK expatriate community was already established, in the UAE and Dubai in particular, many of whom would have already experienced Costa coffee in the UK. So it made sense to look at expanding into the region.

How has the coffee-shop market changed in the UAE since Costa first arrived here?

The competitor environment has changed enormously in the last 10 years.

From a handful of branded coffee shops there are now 260 in the UAE, of which 200 are in Dubai alone.

This is great for consumers, who not only have a lot more choice but will also see that we work even harder to deliver the best possible coffee shop experience.

What kind of trends are you seeing from consumers today, regarding coffee-house outlets?

Today's savvy coffee drinkers are rightly demanding and expect their coffee to be customised to their exact requirements.

It is not unusual for someone to order for a low fat, double vanilla mocha with whipped cream, marshmallows and chocolate flakes on top!

Consumers are also becoming more inquisitive about nutritional information and are looking for a balance of both healthy and indulgent products.



Costa Coffee's Eric Hughes: confident about the brand's expansion in 2010.

From an Indulgent Chocolate Donut to a Less Than 5% Fat Tuna Salad Sandwich, Costa offers a favorable balance.

Since 1999, the brand has opened 70 stores in the UAE and many more internationally — but looking specifically at the Emirates, how have your outlets fared over this difficult past year?

Over the past 5 years Costa has seen growth on average of 27% per year.

While this obviously slowed in 2009, it hasn't stopped our expansion plans. We opened 15 new stores in 2009 and plan to open 10 more over the course of 2010.

Costa reportedly insured chief coffee taster Gennaro Pelliccia's tongue for £10 million — is this true?

Yes this is true! The heart of Costa is our coffee excellence; we serve 108 million cups of coffee around the world each year and, as our Master of Coffee, Gennaro is responsible for ensuring that Costa maintains the highest standard for every cup we produce.

He personally tastes every single batch of raw coffee beans at the Costa roastery in London, before they are roasted and shipped to countries around the world.

Clearly he is a key component in delivering consistently great coffee to our customers so we took out the policy with Lloyd's of London to protect against any damage to his taste buds.

You launched a festive range of beverages and snacks in your stores last month; what new items do you have coming online for the New Year?

I don't want to give away too many of our surprises for the New Year but I can tell you that we plan to launch some exciting new iced beverages including Iced Tea and new Frescato flavors.

The same goes for our product range; we have an exciting product development plan in place that will surprise and delight our customers in 2010.

What are Costa's plans for the future regarding the UAE?

Costa is in the UAE for the long term. We certainly plan to open new stores within the UAE including a focus on Abu Dhabi.

We have plans to open 10 stores throughout 2010 which we believe demonstrates our commitment to the region.

Beyond 2010, we believe we can comfortably operate in excess of 100 Costa stores in the UAE, which is our goal over the next 3-5 years.

Our expansion plans will never divert our attention away from our prime goal, which is to provide our customers with an unbeatable coffee experience by continuing to invest in training for our employees, develop new and better products as well as refurbishing many of our existing stores.

What would you say is the secret to the brand's success here?

Our master roasters, based in the UK, source the world's best beans and then carefully slow roast them for a fuller, smoother flavor to create our special Mocha Italia blend.

Once in our shops, our highly trained baristas hand-craft coffee in the authentic Italian way, with true attention to detail: freshly ground beans and coffees made one cup at a time.

We work as hard at delivering better food and beverages to our customers as we do at delivering better coffee, showing the same level of commitment, enthusiasm and passion.

We also make sure our stores are as welcoming and hospitable as possible to ensure our guests always feel relaxed, comfortable and cared for.

For our customers, a visit to Costa is a way to recharge; leaving them feeling revived, happy and just that little bit better.