



**TPSA** | CANADA-INDONESIA TRADE AND PRIVATE SECTOR ASSISTANCE PROJECT



**SUCCESS STORY**

# More Effective Marketing Results in Indonesian Coffee Exports

The TPSA project worked closely with five coffee SME producers in the Gayo region of Aceh to help them access the Canadian and North American coffee markets. Indonesian coffee is among the best in the world, but the producers lacked some of the knowledge and skills required to market their product successfully in Canada: They were unaware of the special attributes of their coffee and the market segment that would provide the best returns; they were not acquainted with exporters' business etiquette and requirements; they had no formal marketing strategies; and their promotional materials were inadequate.



Shipping Arinagata's Sumatra Gayo Arabica coffee beans to Canada.

During an intensive two-year program, TPSA experts worked with the producers to close those knowledge and skills gaps. They provided group and individual training and technical assistance on coffee marketing (including the use of social media), the importance of stories in branding, and best practices for attending trade shows. Producers were coached on doing business in Canada's coffee market, with experts covering themes such as culture, business ethics, and do's and don'ts when conducting a sale. They were given an overview of Canada's cultural diversity, regional business etiquette, and technical market requirements.

TPSA also offered support to SMEs on website development. Foreign buyers demand that SMEs have a functioning and informative website to support exporting. The TPSA communications specialist provided guidelines for what to include on a website to best meet foreign buyer's needs and offered best-practice examples. Other training topics included TPSA environmental

**Canada**

Program dilaksanakan dengan dukungan dana dari Pemerintah Kanada melalui Global Affairs Canada

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technical assistance options, how to monitor communications with foreign buyers, and how to track sales after trade fairs. Following the training, the TPSA coffee expert provided remote coaching via the websites developed by each producer.

## ARINAGATA GAINS CONFIDENCE AT TRADE SHOWS

Arinagata Cooperative, a Gayo Arabica coffee producer in the Aceh Tengah district, was enthusiastic about participating in the TPSA program. They lacked experience in direct marketing and an understanding of the Canadian market. Through training on consumer trends, Canadian and North American markets, Canadian business culture and ethics, delivering sales pitches, and hosting cupping sessions, they acquired the tools necessary to successfully export to Canada.



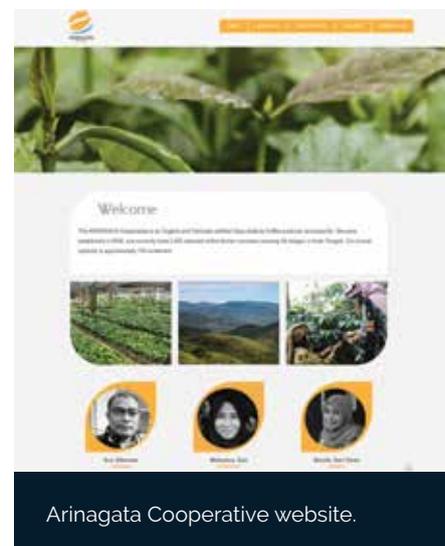
Mahyana Sari of Arinagata Cooperative connecting with a participant at a Vancouver coffee event.

“ We now understand the key messages that we must address when presenting our coffee at trade fairs. This has improved our confidence in international trade and promotion. ”

—Ara Siberani, Arinagata

Arinagata produced new promotional materials including a website, fact sheets, posters, and videos. They gained a better understanding of the real price potential for their product and broadened their knowledge and skills on how to improve coffee quality, especially during post-harvest processing, in order to achieve the bean-grade quality required by the Canadian and North American markets. They are now active on social media, using it as a productive marketing tool.

Arinagata are now confident approaching customers after attending Specialty Coffee Association trade shows with TPSA in 2017 and 2018 and self-funding their attendance at the 2019 show. They are being invited by central and local Indonesian governments to attend regional coffee shows, which has boosted their profile and reputation. They have met with many buyers and used their training to provide quick responses and



Arinagata Cooperative website.



follow-up. They also obtained their export license, paving the way for direct sales to North American buyers. They have now realized over C\$2.9 million in sales because of their participation in the TPSA program.

Arinagata's work with TPSA also inspired them to facilitate the establishment of a women's coffee co-op, Ari Aras Awali (A3), creating more jobs for women coffee producers in Gayo. Arinagata was able to transfer the knowledge they gained from the TPSA program to A3, including how to create fact sheets for coffee producers, how to deal with buyers, and how to organize buyer missions. As a result, the new co-op has already managed to export one container of coffee to a buyer from the United Kingdom.

## REDELONG IMPROVES ITS PROMOTIONAL MATERIALS

Redelong Organik is a cooperative with 703 members from four villages in the Bener Meriah district of the Gayo highlands. They participated in TPSA training and were encouraged by the knowledge they received and the skills they developed on accessing the Canadian coffee market. Through the training, Redelong broadened their knowledge of coffee demand in Canada and the market opportunities for Gayo coffee. They have a good understanding of Canadians' social and environmental concerns and their corresponding interest in organic coffee.

The co-op's promotional materials have been enriched, incorporating information on their agricultural best practices and a greater focus on their co-op's story and organic roots. Redelong improved the design of their fact sheet, strengthened their English website, and now incorporate banners and display tables for cupping sessions at trade shows.

Their preparation for trade shows has also improved: They set up their booth with professionally labelled samples for potential buyers to view and showcase their local culture as a key component of promoting their organic coffee.

Redelong representatives are now skilled at presenting and explaining their coffee business, which has translated into strong interest by buyers at trade shows. After the TPSA training, trade show support, and buyer missions, Redelong secured sales of C\$970,000 by two U.S. buyers. As an additional benefit, Redelong was able to utilize Arinagata Cooperative's export license for their own coffee exports, simply paying Arinagata the shipping fee.

“Our marketing pieces have improved, significantly assisted by the TPSA project. We produced a fact sheet, which is an effective way to present our business profile, and other promotional items that we now use at trade shows, like a banner and an interesting display table for cupping.”

—Burhanuddin Salim, Redelong

