

Research Report: Customer Profile Research

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Background

Session Time Frame

July 11th to 29th

Primary Objective

To learn more about our target audience's needs, motivations, and pain points.

How this will be used

To inform and guide the Onism team on future product design and product roadmap decisions.

Session Details

Method

Semi-structured user interviews

Participant profile

- 15 total interview (5 per profile)
- Gen Z, Millennial, or Gen X
- Has recently purchased coffee beans

Summary of Findings

[What are the needs of our target audience when purchasing coffee beans?](#)

Target customers primarily have five needs when purchasing coffee: taste, freshness, price, quality, and accessibility. The level of impact these needs have vary from profile to profile; however, the overall biggest needs for our target customers revolve around price and taste.

[What are the motivations of our target audience when purchasing coffee beans?](#)

Our target audience is extremely motivated by taste and price and these things cannot be overlooked. While Gen Z and Millennials may be motivated to venture out and try different brands and types of coffee, Gen Xs are happy with brands that they know and trust.

[What are the pain points of our target audience while purchasing online?](#)

The biggest pain point of our target audience is trust. Customers want to know their information is going to be safe when they purchase from a new website and they check to see that both the company and website are reputable. They also want to be reassured that the product they are purchasing will be exactly as it is represented online. Customers find it harder to purchase online since they cannot experience the product in person.

[What role does branding play when deciding where to purchase from?](#)

Our target audience doesn't seem to have extreme brand loyalty and values price and product quality more. While Gen Z values social presences and sustainability, our audience as a whole values price and consistency of the product as non-negotiables.

Participants' Coffee Profile

Gen Z customers are inclined to both purchase coffee beans as well as purchase ready-made coffee drinks (i.e., lattes, iced coffee, etc.). They purchase coffee beans because they are very price sensitive due to their employment situation (i.e., many of them are students and aren't receiving a consistent paycheck), but they like to purchase ready-made coffee drinks as a treat for themselves. Customers in this demographic tend to drink more than one cup of coffee a day.

Millennial customers typically have full time jobs which means they may be less price sensitive than Gen Z customers. This is evident in the fact that they've invested money into coffee making equipment (i.e., french press, espresso machines, etc.) because they have the financial flexibility to do so and because it's an integral part of their daily routine. Typically, millennials drink more than two cups of coffee a day and as such prefer making coffee at home because it's cost effective. Furthermore, the current remote workplace environment due to COVID has resulted in making more coffee.

Gen X customers are inclined to buy coffee beans/grounds to make coffee at home because price is an important factor to them. This price sensitivity could be due to the fact that they grew up during the [McDonaldization of society](#) or because they have experienced multiple economic recessions in their lifetime. Furthermore, purchasing ready-made coffee drinks is a rare occurrence and is only done as a treat or when they're unable to make their own coffee. When they do purchase coffee, they tend to gravitate toward big name brands because they like the high-level of predictability. Gen X customers drink at least 1 cup a day and see coffee as a part of their lifestyle.

Detailed Findings

What are the needs of our target audience when purchasing coffee beans?

Target customers primarily have five needs when purchasing coffee: taste, freshness, price, quality, and accessibility. The level of impact these needs have vary from profile to profile; however, the overall biggest needs for our target customers revolve around price and taste.

Gen Z customers have a desire to purchase coffee beans that are fresh because they believe that this will result in a better tasting cup of coffee. Furthermore, packaging, information displayed, and price are considered when making purchasing decisions.

Millennial customers are very particular about the taste of the coffee beans they are buying, and make sure the flavor notes listed on the packaging align with their preferences. Customers are very unwilling to buy beans they are unfamiliar with if they don't feel as though they know enough information about the flavor. Customers are also very price sensitive to the types of beans they are buying, and shy away from buying extremely cheap brands since they know the taste will be lower quality. They are also careful not to spend exorbitant amounts of money, and try to balance good flavor with reasonable prices.

Gen X customers primarily focus on taste because they've experienced a lot of different brands within the same price bracket and know their needs are in terms of taste. They are willing to pay the difference for the taste that they want. Convenience and price are also factors, but ultimately, they enjoy the taste that is offered by big brands and will shop based on price and convenience.

Recommendation

According to our research, taste and price are the most important needs of our target audience. As such these needs should be emphasized in product design (i.e., product offerings, marketing, ect.) and implementation. Consideration should be given to satisfying secondary needs such as freshness, quality and accessibility during product design and implementation.

What are the motivations of our target audience when purchasing coffee beans?

Our target audience is extremely motivated by taste and price and these things cannot be overlooked. While Gen Z and Millennials may be motivated to venture out and try different brands and types of coffee, Gen Xs are happy with brands that they know and trust.

Gen Z customers care deeply about the company they are buying from (i.e., sustainability, ethics, etc.), type of roast, and branding; however, these factors can be seen as “nice-to-haves” rather than major influencers in purchasing decisions. The most important motivations for customers in this demographic are taste and price. Furthermore, Gen Z customers may be more inclined to purchase from different coffee brands to experiment with new/different tastes. Many customers in this demographic have been drinking coffee for years and their coffee habits are seemingly tied to their family’s habits (e.g., their parents have made coffee a certain way for their whole lives).

Millennial customers are motivated to buy their own coffee beans when they run out at home because it is such an integral part of their daily routine. Customers have been drinking coffee for so long that they have strong flavor preferences and as such taste is one of their biggest motivating factors when deciding what coffee beans to purchase. Customers are not afraid to try a new type of coffee bean if it aligns with their flavor and price preferences, and are very motivated by discount codes and sales on new brands. Millennials try to support more local coffee brands and appreciate the story behind the brand of coffee beans they are purchasing. They look for information behind the company they are purchasing from, and like to know their money is supporting smaller brands over larger corporations.

Gen X customers are primarily motivated by price. They are very comfortable switching constantly between big brands based on the price and availability. Gen X customers aren’t willing to go out of their way to try smaller brands or local brands because the ease and accessibility of buying big brands names they know and trust is more appealing to them.

Recommendation

According to our research, target customers base their purchasing decisions off of taste and price. As such, extreme consideration should be given to developing a high quality and unique coffee bean that has a wide taste profile that will satisfy different palettes. Furthermore, research should be conducted to learn more about what price threshold would motivate our target audience to purchase.

What are the pain points of our target audience while purchasing online?

The biggest pain point of our target audience is trust. Customers want to know their information is going to be safe when they purchase from a new website and they check to see that both the company and website are reputable. They also want to be reassured that the product they are purchasing will be exactly as it is represented online. Customers find it harder to purchase online since they cannot experience the product in person.

Gen Z customers dislike purchasing products that are misrepresented online (i.e., the product that they receive isn't the same as what was portrayed online) and as such require a high-level of confidence in the product before purchasing. Customers in this demographic are influenced by website design--specifically how trustworthy the website looks and feels--and delivery information such as timeline and method. Furthermore, because of the fact that Gen Z customers cannot experience the product that they are purchasing online they require detailed product information to bridge the gap.

Millennial customers use online shopping to get a lot of their products but are very conscious of the sites they are purchasing from. Customers check to make sure the site is HTTPS encrypted and want to know that the checkout process will be convenient and safe. Customers also check the reviews on the products they are interested in before buying, and will be less likely to trust the product or purchase it if there are negative or low amounts of reviews. Millennial customers also pay attention to shipping times before they buy a product.

Gen X customers are not as active with online shopping as our other two generations. This could be due to online shopping not becoming relevant till later in their lives. They do not trust online shopping, and are looking for great customer support when they do buy online. They are not as knowledgeable on how to buy their products online and this can cause them to prefer to shop in person.

Recommendation

Based on the distrust many customers have for purchasing products online, it will be helpful to provide as much information as possible about the product and business on the company website. This will help customers feel more comfortable with the company and feel confident in their potential purchase. Customers are also distrustful of giving their information to new websites, and as such consideration should be given to allowing customers to purchase using PayPal or Amazon because these are large brands that people trust.

What role does branding play when deciding where to purchase from?

Our target audience doesn't seem to have extreme brand loyalty and they value price and product quality more. While Gen Z values social presences and sustainability, our audience as a whole values price and consistency of the product as non-negotiables.

Gen Z customers are not heavily influenced by brand when making purchasing decisions and are more influenced by product quality (i.e., taste). Customers in this demographic are conscious of how sustainable and ethical a brand is and as such they prefer to shop with smaller businesses who are local, less corporate and ethical. Gen Z customers define an ethical company as one that is linked to positive social change or sustainability.

Millennial customers prioritize the value of the coffee beans they are purchasing, and look for the best possible quality for a good price. Customers are willing to pay more than a lower level cheap brand of coffee beans, but they are very concerned about getting the best deal with their purchase, and want to make sure the quality is going up as much as the increase in price. Customers are very particular about their flavor preferences, and look for consistency in taste from the brands they purchase.

Gen X customers prefer bigger brands because they feel they can trust them to be more consistent. Unlike Gen Z & Millennial customers, Gen X customers are not interested in figuring out if a brand is ethical or uses sustainable business practices. They value what a brand can provide them directly and whether the brand's product is consistent. Gen X customers prefer the familiarity of "name brands" and their competitive prices.

Recommendation

Insights from this research show that branding has polar opposite effects on Gen Z and Gen X customers. Consideration should be given to which of the two profiles are the higher priority.

If Gen Z customers are the highest priority then it is important to emphasize the brand's ethical practices. Gen Z customers are very sensitive to the business practices and environmental practices of the businesses they support, so it will be important to provide information on the company's business practices on their website and make this information easily accessible.

If Gen X customers are the highest priority then it is important to emphasize consistency, price, and value.

It's not important to prioritize millennial customers because their motivations will be satisfied regardless of which customer base—Gen Z or Gen X—is prioritized.

Conclusion

Insights from this research should be used to make educated product design, roadmapping decisions as well as to determine which customer profile (i.e., Gen Z, Millennials, and Gen X) would be the most fruitful for the company to prioritize. Furthermore, conversations should be had to determine what further insights are needed to make actionable, long-term business decisions. Further research should be considered to learn more about what the price threshold is for our target customers.

Full customer/user personas can be expected at the end of August.

Please do not hesitate to reach out to the researchers on this project—Justine Banbury and Khristian Rampersad—if you have any questions, comments, or concerns.

Appendix

Useful links

- [Research brief](#)
- [Screener](#)
- [Interview script](#)
- [Session videos](#)
- [Session notes](#)
- [Theme analysis](#)