



## Specialty Coffee at Office, Employee benefits are important in times of Coronavirus



Specialty blend which Daiohs have introduced in Office Coffee Services (package in middle).  
From handing sample drinks, the percentages of contracts are likely to increase.

The worldly spreading pandemics of Coronavirus have rapidly changed our daily scenery. The number of people working at office have gradually decreased. In such situation, there is a company which steadily develop new markets. Its featured product is specialty coffee. Surprisingly, a suggestion to provide relaxed time with a cup of premium coffee to client company, has been very interested even in the time of pandemics. Let's see what kind of demands are there.

There are 3 types of specialty coffee blend which Daiohs started providing: Ethiopia(fruity taste), Kenya (moderately acidic taste), and Columbia (deep and rich taste). Tetsu Kasuya, the first ever Asian champion of worldly renowned specialty coffee competition “World Brewers Cup 2016”, is the responsible supervisor. He is also the co-CEO of home-roasting café PHILOCOFFEA. Recently, he also supervised in creating Family Mart's brand-new blend coffee. (Family Mart is one of the top sale convenient store)

Daiohs added three types of specialty coffee as its new menu of automatic coffee extracting machine “FRANKE” and “MIONE”. MIONE is targeted to companies with daily consumption of less than 50 cups. FRANKE is targeted to more than 50.

Both coffee machines can provide cafe latte and cappuccino. With recent trend of increasing numbers of consumers favoring higher and more various types of coffee beverages, specialty coffee, which can enjoy even when it cools, is thought to be a powerful tool to differentiate from other existing competitors.

However, in the first place, with recent decreasing numbers of employees working at office, how many companies are challenging on introducing or upgrading its Office Coffee Service?

We have asked such question to Mr.Ohkubo, president of Daiohs.

“With an effect of coronavirus, the total sales of coffee beans to existing clients have decreased to 80% from the previous year. Sales drops are most prominent on large businesses locating their headquarter in 5 big cities of Tokyo, especially in IT industries, which many employees are working at home. However, sales are recovering on our main targets, which are companies in local areas and medium and small businesses.”

“In another, numbers of new customers earned are prospected to increase from previous year. This result is mostly seen in logistics and medical facilities. In hectic workplaces, the demands of a cup of coffee to relax are increasing. In offices at urban areas, coffee machines are introduced in its newly created cafeteria. There is also an arising need at shared office spaces.”



Mr. Ohkubo have prospected the future demands of “non-soluble coffee” will arrive, in ages when instant coffee was dominant.

The basic profit model of Daiohs is to install coffee machines for free and accumulate profits from the sales of coffee beans. However, FRANKE is an exception, costing tens of thousands of yen (several hundred USD) per month for rental fees (including periodic maintenance cost). The coffee beans supervised by Tetsu Kasuya is 7500 yen/1kg. (around 72USD/1kg)

The cost for employee is different in each company. For one company, it serves coffee for free, for another, it costs 100 or 150 yen per cup. (around 1 to 1.50 USD). This cost is definitely not low to companies; however, for employees, drinking a cup of specialty coffee which normally costs 500 yen per cup is very reasonable. In fact, the current sales of these high-grade coffee machines and specialty coffee are very steady.

“The demands of relaxing coffee time are increasing since people are fatigued from Coronavirus.” To check if the passionate words of Ohkubo are actually true, the reporter has visited one of its clients, advertising company TBWA/HAKUHODO (Located in Minato-ku, Tokyo). On 215 square meter café lounge, large tables, sofas, and wood-like counter tables decorated with indoor house-plants, FRANKE machine was installed.

This café lounge became available from the end of January. Soon, it was once closed from the effect of coronavirus but it reopened on October and served specialty coffee for free. “The employees do not come here just to relax but also works in this space.



Counter table is set in TBWA/HAKUHODO's café lounge. Employees can enjoy their own favorite coffee.

The overall productivity is increasing. Drinking a cup of coffee is a good opportunity for a cross sectional communications of employees. In other words, coffee acts as both an employee’s benefit and an effective work tool.” Says Sachiko Hasegawa, a member of workstyle produce department.

The limited special blend edition served from the end of November, supervised by Tetsu Kasuya has been very popular. “The smell is so fragrant that I can appreciate fully with five senses.” Hasegawa says.

Currently, around 80% of employees in TBWA are working at home.

“As a result of the pandemics, offices are changing from a place of work to a place to meet.” Coffee can connect each other.

Since Daihohs is a total office service company, it can aggressively challenge on Office Coffee Service even in this current crisis. The rental demands of space sterilizer Nanoseed α have rapidly increased. The sales member of Nanoseed α also earns new contract for Office Coffee Service. Wide varieties of product sales channels lead to discoveries of potential needs of Office Coffee Service business.



“Blend coffee is an expression of each Roaster’s own tastiness.” Says Tetsu Kasuya. The real potential is expressed in the taste.

To introduce a quick background of Ohkubo, he studied retail business 2 years in Europe and the United States after leaving from advertisement company. Coming back to Japan, he started former business of Daihohs after succeeding his family rice shop in 1969. In 1977, he became the first pioneer in Japan to start Office Coffee Service which he found in the United States. Ohkubo says Office Coffee Service still has a giant market potential. “In such a time, we need more effort to earn more sales from our main clients, small and medium business. And if possible, more sales from large businesses.”

Supervising specialty coffee bean and working on Office Coffee Service is linked to Kasuya’s ultimate mission.

“Our company’s mission is to deliver coffee to varieties of places. Office business was a big opportunity to achieve our mission. By utilizing existing infrastructures and providing our company’s coffee beans, we can upgrade the qualities of coffee which we drink in daily scenes. We are very thankful to have such an opportunity.”

The taste of the blend is not customized only for office use. However, Kasuya has his own policy in creating the blend. The policy is to keep the coffee from not making “too delicious”.



Taro Nakajima joined the company in 2005 when Maruhan Dining purchased ZOKA coffee shop. He comments “I wanted to challenge my work in coffee business.”

“Since this coffee is served at office, I am always making sure that tastiness does not stand out too much. The coffee will not get bored if an employee takes a cup of coffee on his or her hand while working, then take a sip and think “this coffee tastes better than usual”. To prevent from getting used to the taste, we prepared 3 types of roasting: light roast, medium roast, and medium dark roast. We hope to select each type depending on the feeling.”

There are other companies trying to bring premium coffee to BtoB businesses including office coffee services. The name of such company is Maruhan Dining, (main headquarter in Koutouku, Tokyo) operating “Scrop COFFEE ROASTERS” located in Aoyama, Tokyo and Nagareyama, Chiba.

Scrop is a specialty coffee shop with Geisha bean as its core product. It has been 3 years since Scrop has accelerated BtoB business. Its prominent achievements are involving in more than 10 large businesses including IT industries. Besides supervising on extracting techniques, Scrop has been selling its own coffee beans to Food Providing Companies operating its own café.

Taro Nakajima, leader of the second sales department says, "Providing self-blend specialty coffee and small quantity sized blend specially for clients are our main features."

From increasing numbers of remote workers, the sales of café inside of company have temporarily dropped. However, there are still quite a number of large businesses considering to set café space as a means of company benefits to increase employee satisfaction.

Nakajima says "The chance of introducing café space arises from relocation of office. I prospect there will be more chances in the near future and is actually happening in this moment."



At an expo, various types of Hooked Coffee Drip Bags are exhibited at Scrop Booth. The idea of this business came up from clients when Scrop was suggesting café inside of company.

Another pillar of its BtoB business is OEM business of hooked coffee drip bags used in specialty coffee starting from this fall. Scrop receives an order from minimum 1000, which many of the drip bags are given as a gift for celebration or company's sales activities. Its main clients are large businesses, sport teams, or self-employed worker.

"There are increasing demands of specialty coffee drip bags to create better company brand image." Our expectations for future are receiving orders from co-working space and shared offices. To relax during work periods of remote work, some companies are starting to send coffee drip bags to each employee's home.

The pandemics of coronavirus have rapidly changed people's workstyles. At the same time, we have rediscovered the values of coffee in our daily lives. In current world-wide spreading feelings of disparity, we need a spare feeling at office, to always have a cup of coffee to relax.

(Akira Naide)