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Key Considerations for Entering the Coffee Shop Market in Lisbon: Exploring Consumer Preferences and Perceptions:

Strategic Positioning and Differentiation of Specialty Coffee Shops with Insights from Copenhagen Coffee Lab in Lisbon

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Abstract

The coffee shop market in Lisbon is highly competitive, with numerous established players and evolving consumer preferences. New entrants face the challenge of identifying the key attributes that will ensure their success in this dynamic environment. This study aims to explore and identify the most important factors influencing consumer decisions, providing insights for a new coffee shop entering the market. Through a literature review, conjoint analysis, and perceptual mapping, we assess outdoor seating, parking availability, menu variety, pricing, ambiance and environment. The findings offer actionable recommendations for establishing a strong brand presence and competing effectively in Lisbon's coffee shop market.

Keywords

Coffee Shop Market, Lisbon, Conjoint Analysis, Perceptual Maps, Consumer Preferences, Perceptions.

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1. Introduction

1.1. Context

Coffee and Lisbon share a deep and symbiotic relationship that anchors the city's cultural identity. Recognized as a premier location for coffee consumption and café culture, Lisbon boasts a rich history that dates back to the 18th century, when coffee first arrived on Portuguese shores. From that moment, the city emerged as a bustling hub of café culture, transforming its coffee houses into vibrant social spaces where intellectuals, artists, and politicians converged to exchange ideas and foster creativity.

Iconic establishments such as *A Brasileira* in Chiado and *Café Nicola* in Rossio stand as testaments to this rich legacy, having hosted numerous influential figures from the literary and artistic realms. Over the centuries, coffee culture in Lisbon has not only endured but has thrived, becoming part of the daily lives of both locals and visitors. Whether it's a quick 'bica' (the Portuguese espresso) at the counter or a leisurely afternoon spent engaging in conversation with friends, the café experience in Lisbon serves as both a reflection of the city's storied history and a vital component of its contemporary social landscape.

In the 21st century, Lisbon has witnessed a remarkable proliferation of coffee shops, each contributing to the city's vibrant atmosphere. These spaces have transcended their role as mere places to enjoy a beverage; they have evolved into communal hubs where individuals gather to connect, share experiences, and cultivate a sense of belonging. This thesis explores the dynamics of locals' preferences and brand perceptions within Lisbon's coffee shop market, with a particular focus on understanding the factors that drive customer choices and loyalty. As a consulting team, working with a new coffee shop brand and seeking to enter this competitive market, our research aims to address the challenge of identifying the ideal market positioning for this emerging brand. This study provides insights into how coffee shops can effectively connect with local consumers and build a distinct brand presence in a thriving and diverse coffee culture, helping our clients understand where and how they can secure their position in the market.

1.2. Research Question and Problem Scoping

The central research question guiding this thesis is:

"What are the most important attributes a new coffee shop should consider when entering the Lisbon market?"

This question addresses a critical challenge for any new entrant in Lisbon's coffee shop industry. Coffee has long held a central role in Portuguese society, acting as a social anchor where people gather to meet, work, or unwind. As the capital and most populous city in the country, Lisbon's coffee culture continues to evolve rapidly, attracting both locals and tourists. The city's vibrant coffee scene is becoming increasingly diverse, creating a dynamic and competitive market for new establishments.

Understanding the preferences of Lisbon residents is essential for any new brand seeking to establish itself and succeed. In a crowded marketplace, success depends on identifying the key factors that drive consumer decisions - such as atmosphere, coffee quality, and pricing. These elements play a significant role in attracting and retaining loyal customers and understanding them is crucial for a new coffee shop to stand out and thrive.

Finally, the findings will offer practical insights for coffee shop owners and marketers. By identifying the most important attributes for success, coffee shops can tailor their strategies to meet the specific demands of Lisbon's market, enhancing their chances of success in this competitive landscape.

1.3. Methodology

To answer our research question, we included a mixed-methods approach, integrating qualitative and quantitative methods to analyse local consumer preferences in Lisbon's coffee shops. The qualitative phase informed the quantitative research by identifying relevant attributes and points for analysis.

First, we delved deeply into the market of coffee shops through published articles and relevant data. Afterwards, we conducted preliminary interviews with consumers and industry specialists. The literature review, along with these interviews, explored consumer preferences and behaviours, providing key insights into the attributes assessed in the quantitative surveys. Additionally, an interview with Padaria Portuguesa was conducted to understand further their strategy and perception of their own business, especially regarding information that is not publicly available. Our findings will be compared with those of other authors to validate our arguments and provide additional insights.

The quantitative methodology involved two key tools: a perceptual map and a conjoint analysis, each designed for distinct purposes.

To understand the positioning of current market players in Lisbon coffee shop market, we created a perceptual map using SPSS. The data was collected via a survey to gather consumer perceptions on specific attributes, later analysed using SPSS to create perceptual maps. These maps visually represent how consumers perceive different coffee shops relative to one another based on key dimensions.

After entering the survey data into SPSS, a factor analysis was conducted to identify the key components distinguishing perceptions. This analysis included generating descriptive statistics for each variable, a *correlation matrix,* the *KMO and Bartlett's test,* a c*ommunality* table, *the* *total variance explained*, a scree plot, a *component matrix,* a *component plot* graphic, and a *component coefficient matrix* table.

Conducted via Conjointly, the conjoint survey quantified consumer preferences by presenting respondents with combinations of attributes, to understand how consumers value different attributes of a product or service, in our case coffee shops. The conjoint analysis gave us insights regarding the attribute importance, relative preferences for level by attribute, marginal willingness to pay, ranked list of concepts (combinations) and the possibility of conducting a market simulation with the brands of our research.

In addition to conjoint questions, the survey collected participant's demographic information, including gender, nationality, residence, occupation, age, and work/study location, and also weekly visits to understand how frequently respondents go to a coffee shop per week.

3. Literature review

Since the role of this thesis is to understand how different factors influence and play a role in the consumers' coffee-shop preferences in Lisbon, our literature research will focus on contextualising the relevance of the characteristics we aim to analyse throughout this project, namely the ambience, price sensitivity, service quality, consumers' preferences when visiting a coffee shop and the social function of these establishments.

The concept of coffee shops has evolved over time, changing according to changes in society. The increase in remote work has boosted the so-called "coffices", establishments that offer some amenities to make work easier for patrons, such as easily accessible Internet connectivity and comfortable chairs. This merger created an atmosphere where individuals can integrate their work and their other daily activities, such as consuming coffee, tea or other products, relaxing the boundaries between productivity and leisure (Maspul 2023) .

The emergence of a global coffee chain, such as Starbucks, together with the emergence of coffee culture has raised several debates about what actually attracts consumers. As a response to the success of this establishment model, many coffee shops in the Tembalang, region have adopted outdoor coffee shops as a cultural identity, thus demonstrating how much this niche has undergone adaptations over time to serve different audiences and cultures (Farhan Anugrah Rizky 2022) .

3.1. Ambiance and Customer Experience

The study conducted by Bitner (1992), indicates that the ambience of a space contributes to the overall customer experience in coffee shops. Based on this, the author argues that the use of soundscape, lighting colour, and overall aesthetic can alter the customers' experiences in a coffee shop. The environment of a coffee shop, just like many other characteristics being analysed, is an intangible variable where subjectivity is paramount. One might consider a coffee shop is calm and relaxed, where another might consider it noisy or disorganized.

Economic considerations like value for money are critical for consumers, especially in urban environments where there is huge competition. Lee's (2022) study on the economic impact of coffee shops suggests that perceived value often ties to both menu pricing and the diversity of offerings.

Service quality remains a cornerstone of customer satisfaction in coffee shops. Waxman (2008) highlights how attentive staff and quick service contribute to positive interactions, fostering stronger customer loyalty and enhancing the perception of the space as a social and leisure hub. Namkung (2007) further argues that the emotional impact of service quality often outweighs other factors, making these elements critical in perceptual maps where service elements like *staff attentiveness* and *service is quick* are key dimensions.

Market giants, such as Starbucks and Hollys, continue to grow by attracting people who study and work in cafes with their spacious and comfortable spaces. Hollys Coffee adopted strategies aimed at this audience, such as store customization. In university regions, franchises have a greater number of individual seats, whereas in those with greater office occupancy, establishments have large seats and conference rooms to facilitate meetings (Ahn 2019).

Colour is an environmental factor that also influences the decision of coffee shop patrons, as cores that induce pleasurable emotion favour the decision to enter restaurants (Tantanatewin and Inkarojrit 2018). There is evidence that reddish/lighter colours were associated with expectations of sweet coffee, while greenish/darker colour was associated with expectations of sour/bitter/tastier coffee, and that these colours tend to attract more visitors (Motoki 2021).

The relationship between price and quality is very important for coffee shop goers. This audience usually compares prices and product quality, in addition to the fact that it is decisive in the decision-making process of whether to go to a special coffee shop (Opoku 2023). Consumers also consider other factors such as welcoming atmosphere, space design, and customer service when justifying higher prices (Branco, 2018).

Choi (2017) highlights that it is important for companies to provide nutritional information and expiration dates on products, as this reinforces the reliability of the coffee shop. In addition, the author states that the use of relaxing music makes customers feel better.

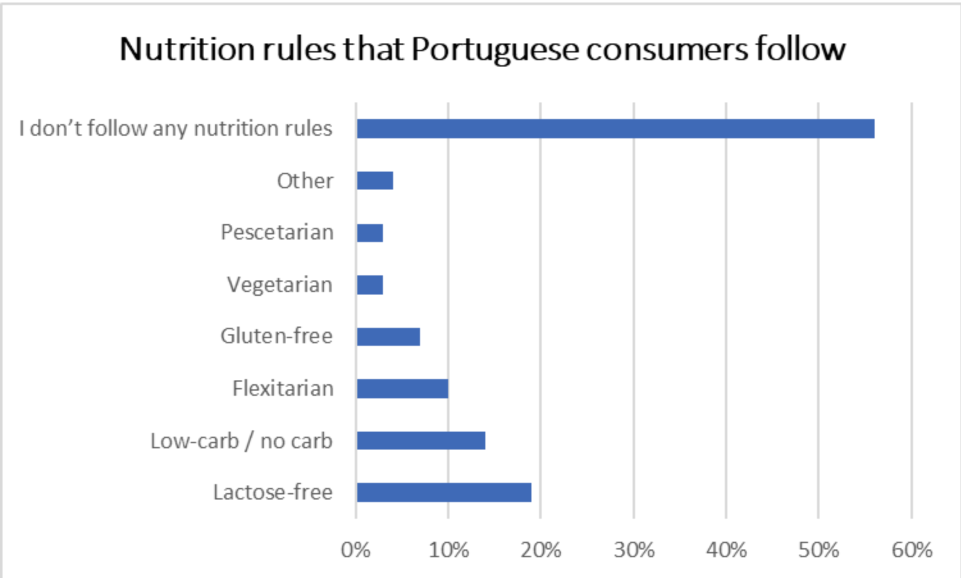

Figure 1 - Nutrition Rules Followed by Portuguese Consumers (source: Statistica Market Insights 2024)

Some characteristics related to Portuguese consumers are striking and should be considered. Most Portuguese, represented by several 70%, say that they constantly try to maintain a healthy diet. As for nutritional rules, the lactose-free diet is the most adopted, although 56% of consumers do not follow dietary restrictions. 71% of the Portuguese say that the main characteristic considered when purchasing a food is how fresh it is, followed by low price (61%) and pleasant taste (60%) (Rau, 2024).

3.2. The Cultural and Social Significance of Coffee Shops

According to the Industrial and Commercial Coffee Association (2024), coffee, seen as an essential component of Portuguese culture, is often used as an excuse for socialising, as the Portuguese typically prefer to enjoy their drink outside of the home.

Beyond individual experiences, coffee shops play a role in shaping cultural and social dynamics. Olderburg (1989) explores how these establishments contribute to urban identity and community building by acting as spaces where diverse groups can interact. These social functions align with characteristics like leisure and social, providing an idea of what a coffee-shop should be in Lisbon.

Coffee shops can also play an important role in bringing tradition and modernity together. According to Maspul (2023), many coffee shops currently adopt elements of Unaizah's cultural heritage in their design, menus or events. These interactions between the past and the present provoke reflections on social norms, gender dynamics, and social inclusion. As a result, the author highlights that the community is encouraged to preserve the cultural values of its region, while helping it to adapt to changes.

In research carried out in Taiwan, Opoku (2023) observed that coffee shop customers prioritize interaction and involvement with their family, friends, co-customers and baristas in the business, which means that this environment can be understood as a space for socialization and connection with other people.

Coffee shops can also be welcoming spaces for retirees, as it is a place where they can go to consume something and talk to attendants or other customers. This routine is sometimes used as a replacement for the work routine (Waxman 2008).

Identification with the place is also influenced by people's backgrounds. Urban coffee shop goers use coffee shops in a more practical way, while rural coffee shop goers tend to identify coffee shops as a place for social gathering and emotional support, reinforcing the third-place theory (Foss 2016).

The cultural enrichment promoted in coffee shops also needs to be highlighted. In Japan, foreign language classes are taught in these spaces, promoting cultural exchange between customers and helping to strengthen the cultural aspect of the coffee experience (Grinshpun 2014).

According to Sohrabi (2015), coffee shops are fundamental in the process of forming political opinion because they serve as "banal arenas of politics". In addition, some coffee shops exercise their social function by developing community activities, such as reading groups, coffee tasting sessions, cider and cheese nights, and even scientific discussion groups (Ferreira 2021).

3.3. Conjoint Analysis

Conjoint Analysis is an effective technique used in market research to understand the preferable characteristics of consumers when evaluating a product or service. The basis of the analysis consists of similar choice scenarios in which consumers point out their preferences and make trade-offs between characteristics such as price, colour, warranty, reliability, and taste (Kuhfeld 2010).

This technique transforms consumer reviews into components attributable to the different levels of the attributes. With this decomposition, it becomes possible to identify the importance of each attribute in the choice decision process. Subsequently, a number called part-worth utility is calculated for each level of the attributes, in which the most chosen levels are related to higher values. Each attribute is evaluated according to the range of partial utility variation for its levels (Kuhfeld 2010).

3.4. Perceptual Maps

Perceptual maps are visual representations of consumers' views on a group of products or brands in the same segment. This representation is of paramount importance for marketers, as it facilitates the comparison of brands and possible points to improve. To create a perceptual map, one must first define the attributes that are important in the decision making of the specific market consumer. The second stage consists of collecting data, which can be collected through consumer surveys, market reports, or through social media analysis, with the aim of identifying how brands in the sector are perceived by customers in relation to these attributes. In the fourth and final stage, professionals begin the analysis of the positioning of each brand, focusing on discovering market opportunities or points for improvement (Lanoue 2024).

5. Preliminary interviews

For the purpose of our analysis, we conducted 24 preliminary interviews with a diverse group of individuals, as well as one with an industry expert. Our sample for the preliminary interviews included people aged from 22 to 77, with different occupations and lifestyles, ensuring a comprehensive perspective on the factors that influence coffee shop selection. The interviewees were selected from the personal connections of the group members.

Table 1 - Number of interviews per age group

Age group	N. of interviews
18-25	7
26-35	7
36-45	5
46-55	1
56+	4

Table 2 - Number of interviews per gender

Gender	N. of interviews
Female	13
Male	11

Table 3 - Number of interviews per occupation

Occupation	N. of interviews
Student	7
Worker	15
Retired	2

Table 4 - Number of interviews per residency

Resident in Lisbon	N. of interviews
Yes	19
No	5

From the interviews, we identified five specific attributes to include in the design of the conjoint survey: indoor or outdoor seating options, brand, variety of the menu, parking availability, and average price. These attributes were chosen based on their relevance and importance as highlighted during the interviews.

Seating

Customers expressed preference for spaces offering a range of seating options. Many interviewees indicated that they appreciated cafes that provided both indoor and outdoor seating choices, allowing flexibility based on weather or personal preferences. For customers who preferred to work or study at coffee shops, ergonomic indoor seating was especially valued. The availability of outdoor seating was particularly appealing to those who valued fresh air and a view, enhancing their enjoyment of the coffee shop experience. Therefore, for the attribute *seating,* we chose two options: only indoor seating, with outdoor seating.

Brand

Interviewees often expressed the importance of a relaxing and welcoming atmosphere. They valued a space that offered comfort, whether for socializing or working, and appreciated good lighting, pleasant décor, and comfortable seating. Some emphasized the importance of having quiet areas for working or studying, while others appreciated a lively atmosphere with background music. To capture this diversity, we used brand as a proxy for ambience and environment in our conjoint analysis. We selected five brands - Copenhagen Coffee Lab, Starbucks, Cafetaria Pingo Doce, Pasteis de Belém, and Padaria Portuguesa - each offering a distinct style of environment. These brands were chosen because they were the most frequently mentioned by interviewees when discussing coffee shops they had visited and how they discovered them (see question 2 in Appendix 1 – Preliminary Interviews questions).

Menu

When it came to menu preferences, a clear inclination for high-quality coffee was evident, particularly in the form of cappuccinos, espressos, and lattes. Additionally, there was strong demand for baked goods such as pastries, croissants, and cakes. Many participants expressed interest in healthier options, including gluten-free choices, indicating a desire for variety and unique, trendy offerings that cater to diverse tastes. Therefore, our analysis includes three options for the attribute *menu*: *gourmet menu*, with specialty coffee drinks and artisan pastries; *full menu*, with coffee drinks, snacks, and full breakfast or brunch options; *basic menu*, with standard coffee drinks (espresso, americano, cappuccino) and simple snacks.

Parking

Parking availability was a crucial factor, especially for those who drove. Interviewees preferred coffee shops that had free or easily accessible parking nearby. Several participants noted that paid parking or a lack of available spots was a deterrent, as it added inconvenience or extra cost to their visit. However, in some areas, parking availability was less of a concern, particularly in locations where customers were more likely to walk or use public transportation. The conjoint survey presents three options: no parking available, free parking, or paid parking.

Price

Price is also important in customer decision-making. While participants generally sought value for money, they often prioritized quality over cost. Excessive pricing was noted as a deterrent, particularly for tourists who specifically mentioned the importance of transparent pricing practices. This insight underscores the necessity for coffee shops to balance quality and affordability to effectively attract a broad customer base. For our analysis, we considered the price of a cappuccino as an indicator for the average price.

These preliminary interviews provide a foundation for understanding customer preferences related to the five attributes that will guide our conjoint analysis.

5.1. Expert Interview

The expert interview with the marketing manager of Padaria Portuguesa (see Appendix 2 – expert interview guide) offered essential insights into the coffee shop industry in Lisbon and the unique positioning of the brand within this competitive market. One of the key points discussed was the brand's differentiation strategy, built around three pillars: the use of organic coffee blends sourced from certified farms, the incorporation of artisanal milling processes to enhance product quality, and innovative circular economy practices. These elements underscored the importance of sustainability and quality as competitive advantages, which guided the inclusion of attributes like menu type and sustainability-related aspects in our analysis. Examples of these initiatives include repurposing coffee grounds to grow mushrooms for menu items and encouraging the use of reusable or eco-friendly packaging.

The discussion also touched on emerging trends in the market, including a growing focus on niche dietary preferences, such as vegan or lactose-free options, and the increasing importance of sustainability practices. The manager underscored how adapting to these trends is crucial for maintaining relevance in a market that has become significantly more competitive over the last decade.

Price perception emerged as a crucial factor in customer decision-making, especially considering rising living costs. The manager noted that, while affordability is important, the goal remains to balance competitive pricing with exceptional quality, a challenge that requires constant adjustments due to fluctuating raw material costs. This perspective sheds light on the balance between cost and value that defines consumer preferences in Lisbon's coffee shops.

Another key theme was the significance of ambiance and customer experience. Padaria Portuguesa prioritizes creating a welcoming atmosphere through carefully designed spaces, including thoughtful lighting, music, and décor, keeping up with design trends. The manager also highlighted how store locations are strategically chosen based on factors such as convenience, foot traffic, and proximity to tourist areas, with tailored offerings to meet the needs of diverse customer segments. For example, in stores that have a lot of tourist traffic, they offer a greater variety of combinations and recipes to please different preferences and they ensure that the staff speaks English.

Social media was identified as an essential tool for marketing and customer engagement, with platforms like Instagram and TikTok playing a dual role in promoting new products and gathering customer feedback. Interactive strategies, such as polls and Q&A sessions, allow the brand to align its offerings with customer expectations while fostering a deeper connection with its audience.

8. Consumer Perceptions

8.1. Consumer Perceptions and the Purpose of the Perceptual Map

In this section of the work project, we delve into the analysis of consumer perceptions of coffee shops in Lisbon, from residents of Lisbon's metropolitan area. To gain valuable insights into how customers perceive different coffee shop brands, a perceptual map questionnaire was designed and distributed via WhatsApp, Instagram, and LinkedIn. The primary aim of this survey was to identify the attributes that consumers associate with various coffee shops and understand their position within the competitive landscape.

By utilizing perceptual mapping, the goal is to understand the relationships between different coffee shops based on customer perceptions of key attributes. The survey explores various dimensions, such as value for money, service quality, environment, menu diversity and associated purpose, which are crucial for businesses seeking to differentiate themselves and target the right consumer segments. Understanding where each coffee shop stands relative to others provides valuable insight into customer preferences, enabling a clearer understanding of each brand’s position in the market.

The survey collected data from 177 participants, all of whom were aged 18 or older and reside in the Lisbon metropolitan area. This specific demographic was targeted to ensure the relevance and accuracy of the findings. The responses from this sample provide a detailed picture of consumer perceptions of five coffee shops in Lisbon, offering insights into businesses looking to refine their offerings and marketing strategies.

8.2. Selection of coffee shop brands and influence of preliminary interviews on survey design

The selection of five coffee shops for detailed analysis was made based on their representation of distinct types of coffee shop experiences in Lisbon and follows the choice of the brands for the conjoint analysis that we previously discussed in the chapter *Preliminary Interviews*.

Below is a summary and a brief description of the five selected brands:

1. **Cafetaria Pingo Doce (CPD)**: representing supermarket coffee shops, this brand offers a more accessible and convenient option for consumers looking for quick, affordable coffee in a supermarket setting.
2. **Copenhagen Coffee Lab (CCL)**: a specialty coffee shop, known for its focus on high-quality coffee and a more premium experience, catering to coffee enthusiasts who appreciate the artistry of specialty brews and artisanal bread and pastries.
3. **Pastéis de Belém (PB)**: a traditional Portuguese coffee shop, iconic for its connection to Portuguese culinary culture and offering a classic experience centered around traditional pastries like pastéis de belém, baked inside the same establishment. Furthermore, it also offers diverse beverages, including coffee drinks, and other pastries and snacks.
4. **Starbucks (SB)**: a modern coffee shop chain, recognized worldwide for its consistent brand experience and catering to both social and professional settings. Starbucks represents a globalized, standard approach to coffee retail.
5. **Padaria Portuguesa (PP)**: combines a typical Portuguese traditional pastries and snacks (and beverages) with modern coffee shop services in a chain format. Catering to a broad spectrum of consumers who value both practicality and quality in their coffee shop experience.

From the preliminary interviews that we already discussed, we learned that seating options, type of environment, menu variety, parking availability, and price were central to consumer decision-making. These findings helped us determine the basis of the perceptual maps survey. However, to ensure that we captured a comprehensive set of consumer perceptions, we expanded our focus in the questionnaire to include the following factors:

1. **Value for money**: consumers emphasized the importance of getting good value for the price paid, especially in a city where coffee shop prices can vary widely.
2. **Menu diversity**: a diverse menu that caters to different tastes and dietary needs was noted as an important attribute. Customers value coffee shops that offer variety and flexibility, catering to a range of preferences, including healthier and gluten-free options.
3. **Dietary options available**: given the growing demand for inclusivity in food offerings, particularly regarding dietary restrictions, the availability of options such as vegetarian, vegan, and gluten-free was highlighted as a key consideration.
4. **Speed of service**: the speed with which orders are taken and served emerged as a crucial factor, particularly for customers who visit coffee shops during busy work or commuting hours.
5. **Attentiveness of the staff**: friendly and responsive staff were frequently cited as contributing to a positive experience. Customer satisfaction often hinged on the service quality and attentiveness of the coffee shop's employees.
6. **Coziness of the environment**: many respondents mentioned that the ambiance and overall comfort of the space contributed to their experience. Whether the space was cozy and inviting or overly cold and unwelcoming had a significant impact on customer satisfaction.
7. **Usage of space**: consumers were also asked about the primary function of the space—whether they used the coffee shop for leisure, productivity (such as working or studying),

or socializing. This factor helps to contextualize the environment in which customers engage with the coffee shop experience.

8.3. Data Analysis – SPSS

The purpose of building perceptual maps is to understand how consumers perceive each coffee shop. After collecting 177 responses, we uploaded the data into SPSS and conducted a factor analysis. In this analysis, we extracted factors based on their *eigenvalues*, which measure how much variance each factor or component captures in the dataset (IBM 2024). Factors with *eigenvalues* greater than 1 are considered significant, as they explain more variance than a single variable.

During the first attempt, the first component had an *eigenvalue* of 4.240, indicating that it captures a significant portion of the variance, and no other component had an eigenvalue above 1. This component alone accounts for a substantial amount of the dataset's variability, while the remaining components explain relatively little variance.

Since only one component is not enough to create a perceptual map, we performed a second factor analysis by forcing an extraction of 2 factors. One of the outputs of factor analysis included a descriptive analysis with the *mean* of each variable, the standard error and number of responses for each variable. There is no significant difference between the mean of each variable. The lowest mean, attributed to *The ambiance feels cozy*, is 3.55, whereas the highest mean is 3.84 for *Service is quick*. However, *Productivity* exhibits the highest standard deviation, indicating significant variability in perceptions among respondents across the dataset. In contrast, the perception of *the staff is attentive* has the lowest standard deviation, reflecting greater consistency in respondents' perceptions of this attribute.

Table 5 – Descriptive Statistics (SPSS)

	Mean	Std. Deviation	Analysis N
The ambiance feels cozy	3.55	1.223	885
Value for money	3.65	1.177	885
Menu Diversity	3.63	1.134	885
Dietary options available (e.g., vegetarian, vegan, gluten-free)	3.56	1.137	885
The staff is attentive.	3.71	1.079	885
Service is quick.	3.84	1.074	885
Productivity	3.36	1.427	885
Leisure	3.71	1.215	885
Social	3.77	1.208	885

In the *Correlation Matrix* (Table 6), below, it is visible a high correlation (above 0.5) between *leisure* and *social* (0.517), between *dietary options* and *menu diversity* (0.515) and between *social* and *coziness* (0.501). Furthermore, all correlations between every variable are positive.

Table 6 – Correlation matrix (SPSS)

		The ambiance feels cozy	Value for money	Menu Diversity	Dietary options available (e.g., vegetarian, vegan, gluten-free)	The staff is attentive.	Service is quick.	Productivity	Leisure	Social
Correlation	The ambiance feels cozy	1.000	.323	.419	.432	.485	.351	.466	.472	.501
	Value for money	.323	1.000	.468	.361	.419	.403	.286	.415	.285
	Menu Diversity	.419	.468	1.000	.515	.409	.371	.374	.343	.368
	Dietary options available (e.g., vegetarian, vegan, gluten-free)	.432	.361	.515	1.000	.461	.381	.486	.328	.327
	The staff is attentive.	.485	.419	.409	.461	1.000	.477	.400	.440	.454
	Service is quick.	.351	.403	.371	.381	.477	1.000	.342	.357	.355
	Productivity	.466	.286	.374	.486	.400	.342	1.000	.392	.357
	Leisure	.472	.415	.343	.328	.440	.357	.392	1.000	.517
	Social	.501	.285	.368	.327	.454	.355	.357	.517	1.000

The *KMO and Bartlett's Test* table provides statistical measures to assess the suitability of our data for factor analysis. The *Kaiser-Meyer-Olkin* (KMO) *Measure of Sampling Adequacy* evaluates the proportion of variance in the variables that may be attributed to underlying factors

(IBM 2024). A higher KMO value indicates greater suitability for factor analysis. In this analysis, the KMO value exceeds 0.8, confirming that factor analysis is appropriate for our data.

The *Bartlett's Test of Sphericity* examines whether the correlation matrix is an identity matrix, which would imply that the variables are unrelated and unsuitable for structure detection (IBM 2024). A small significance level (p-value) indicates that the data has sufficient correlations for factor analysis. In our results, the significance level is <0.001, rejecting the null hypothesis of an identity matrix and confirming significant relationships among variables, thereby supporting the use of factor analysis (IBM 2024).

Table 7 – KMO and Bartlett's Test (SPSS)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.893
Bartlett's Test of Sphericity	Approx. Chi-Square	2652.460
	df	36
	Sig.	<.001

Furthermore, through this process we also obtained the total variance explained from a Principal Component Analysis (PCA). *Component 1* has an eigenvalue of 4.240, explaining 47.107% of the variance in the dataset. *Component 2* has an *eigenvalue* of 0.865, explaining an additional 9.871% of the variance. The cumulative percentage shows that the first two components together explain 56.978% of the total variance, as shown in the table *Total Variance Explained* (Table 8). By extracting these two components there is still 43.022% of information lost. The *Kaiser Criterion* suggests retaining components with eigenvalues greater than 1 (IMB 2024). Here, only *Component 1* meets this criterion, so only this one should be extracted. However, as explained before for a more complete analysis, we extracted 2 components. These were used to build perceptual maps. An illustration of the scree plot that demonstrates the eigenvalue per component number can be seen in Appendix 8.

Table 8 – Total Variance Explained (SPSS)

Component	Extraction Sums of Squared Loadings Total	% of Variance	Cumulative %
1	4.240	47.107	47.107
2	.888	9.871	56.978

Extraction Method: Principal Component Analysis.

By extracting two components, SPSS generated a two-dimensional graph with Component 1 represented on the X-axis and Component 2 on the Y-axis, plotting the variable coordinates accordingly. The *component matrix* table displays the relationships between the original variables and the extracted components or factors (Appendix 9). The value displayed in the table indicates how strongly each variable is correlated with each component.

In the *component plot* graph (Figure 11), all variables are positioned on the positive, right-hand side of the Y-axis, indicating a strong association with *Component 1*. This result aligns with expectations, as *Component 1* explains the majority of the variability, as shown in the *Total Variance Explained* table. However, certain variables, including *Productivity, "The staff is attentive, The ambiance feels cozy*, *Leisure*, and *Social*, fall below the X-axis, indicating a lack of association with *Component 2*. In contrast, variables such as *Value for Money, Menu Diversity, Dietary Options Available* and *Service is Quick* are positioned above the X-axis, suggesting an association with both *Component 1* and *Component 2*. These relationships are illustrated in Figure 11.

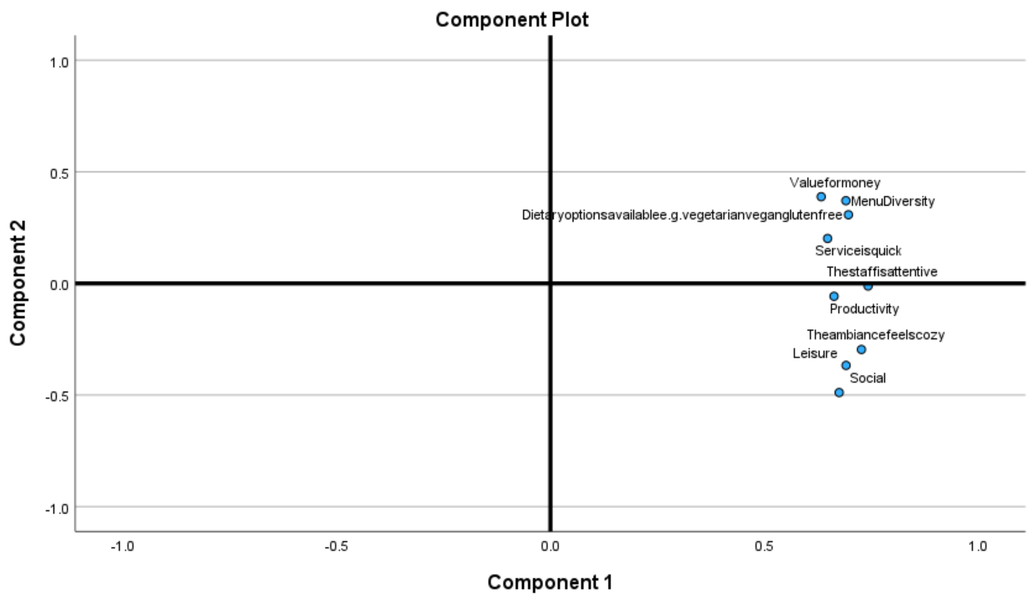

Figure 2 - Component plot generated by SPSS

Additionally, we analyzed the *Component Score Coefficient Matrix* table (Appendix 10), which highlights the contribution of each variable to the components extracted during the PCA. For *Component 1*, the variable with the highest contribution is 0.175 (*The staff is attentive*), indicating that it plays a significant role in defining this component. Notably, all other variables also contribute positively to *Component 1* with score coefficients between 0.100 and 0.200, reinforcing its overall cohesion and alignment with key consumer preferences. The variable that contributes the least to the component is *value for money*.

In contrast, Component 2 exhibits a mix of positive and negative contributions. Variables such as *social*, *leisure*, *productivity*, *coziness* and *the staff is attentive* with the respective score coefficient's of -0.550, -0.414, -0.065, -0.333, and -0.013 show negative contributions, suggesting that these attributes detract from the overall score of this component (Appendix 10). The perceptions that significantly contribute negatively are those related to social aspects, leisure, and coziness. However, variables such as *value for money*, *menu diversity*, and *quick service* contribute significantly and positively to this component.

In summary, *Component 1*, which, for the reasons above we named *Customer satisfaction and experience* captures overall customer satisfaction and quality of experience, including attentiveness of staff, ambiance, menu variety, and dietary inclusivity. These are likely to be the primary drivers of differentiation among coffee shops in Lisbon. *Component 2,* which we named *Value and practicality* emphasizes value for money and inclusiveness, where positive contributions come from affordability and variety, but negative associations include aspects like leisure and social activities. This suggests a trade-off between perceived affordability and more premium leisure/social experiences.

Furthermore, SPSS also allocated a factor's coordinates for each one of the data entries (888 in total), positioning each perception of each respondent for each coffee shop in the component plot. Since these create exhaustive points in the graphic, through *excel* we realized a descriptive statistical analysis for the factors of each coffee shop (Appendix 3 to 7). We retrieved the median (50^{th} percentile) of each one of these to plot in the graphic. The mean was not used due to the standard deviation being considerably high compared to the mean, as seen in the table below. This high variability indicates that participants perceive each coffee shop very differently.

Table 9 - Mean, median and standard deviation of each factor per coffee shop

Brand	PP		SB		PB		CCL		CPD	
	FAC1	*FAC2*	*FAC1*	*FAC2*	*FAC1*	*FAC2*	*FAC1*	*FAC2*	*FAC1*	*FAC2*
Mean	0,15	0,06	0,01	-0,34	-0,08	-0,28	0,14	-0,13	-0,23	0,69
Median	0,11	-0,02	0,01	-0,24	-0,24	-0,20	0,17	-0,06	-0,39	0,41
Std. Dev	0,90	0,85	1,06	0,89	0,98	0,84	0,92	0,78	1,09	1,22

Although the component graphics were provided by SPSS, the medians of these coffee shops factors were allocated manually through *PowerPoint* in the component plot as shown in Figure 12.

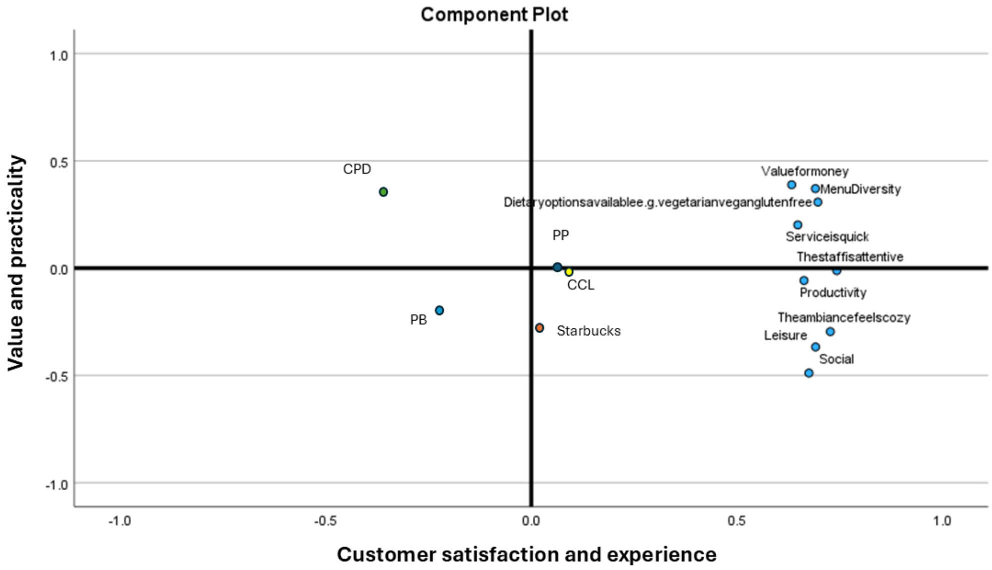

Figure 3 - Perceptual map generated by SPSS

Cafetaria Pingo Doce is strongly associated with *Value and practicality*, compared to the other brands, likely excelling in perceived affordability, menu variety, and dietary inclusivity (Figure 12). Furthermore, consumers don´t associate this coffee shop as a social or leisure place, rather it is positioned as a more practical and functional coffee shop. The low median for *FAC1* (-0.39) further supports this interpretation (Table 9), suggesting that CPD does not perform well in areas like ambiance or quality of service.

Padaria Portuguesa and Copenhagen Coffee Lab seem to be the coffee shops that are the most associated with *Customer satisfaction and experience*, suggesting they are perceived as offering high-quality experience, attentive service, and appealing ambiance, compared to the other coffee shops. Furthermore, their *FAC2* median is close to null, which means component 2 contributes little to their differentiation.

Starbucks' median *FAC1* is slightly positive (0.01), indicating it is associated with quality and ambiance but not as strongly as PP and CCL. The high standard deviation of *FAC1* (1.06) suggests that consumer perceptions of Starbucks' quality and service vary widely. Its negative median *FAC2* (-0.24) suggests that Starbucks is not strongly associated with affordability or menu diversity.

Furthermore, we also investigated the *Communalities* table (Appendix 11). Extraction communalities are estimates of the variance in each variable accounted for by the components (IBM 2024). The variable with higher communality is the perceptual of *social*, followed by *coziness, menu diversity* and *leisure.* These variables indicate a communality higher than 0.600 but lower than 0.700 and are represented by the components the best. While for *productivity* (0.443) and *service is quick* (0.461) the components represent these variables the worst, compared to the other ones. Therefore, the components capture a higher variance of social perception, followed by coziness, and menu diversity.

Upon evaluating the *Component Score Covariance Matrix* (Table 10), we observed that there is no correlation between the two components, which is consistent with the nature of the Principal Component Analysis (PCA) method.

Table 10 – Component Score Covariance Matrix (SPSS)

Component	1	2
1	1.000	.000
2	.000	1.000

Extraction Method: Principal Component Analysis.
Component Scores.

9. Consumer Preferences

To identify the specific attributes consumers value most in coffee shops and to guide the planning of a new coffee shop, we designed a conjoint survey using Conjointly, a software for analyzing the preferred attributes. The survey was shared with our connections via social media like WhatsApp, Instagram, and LinkedIn, targeting locals from the metropolitan area of Lisbon.

For the conjoint analysis, the selected attributes were coffee shop brand, cappuccino price, parking availability, type of menu, and outdoor seating availability, building on insights gathered in the preliminary interviews discussed in the earlier chapter. In this paragraph, we will explain the levels selected for the five attributes and the reasoning behind each choice.

We chose cappuccino to represent the price attribute because, during consumer interviews, we observed a wide variety of coffee drink preferences. Using cappuccino as a reference allows us to estimate how much people are generally willing to pay for a coffee drink. To determine the price levels for the survey, we analysed cappuccino prices from the menus of the five coffee shops, as shown in the table below.

Table 11 - Cappuccino's price per coffee shop

Coffee shop	Cappuccino's price
CCL	€3.80
PP	€2.90
PB	€2.80
SB	€2.90 (Tall size)
CPD	-

We selected the highest (€3.80) and lowest (€2.80) cappuccino prices as the initial price levels, which differ by €1. To create additional levels with equal intervals, we calculated the midpoint between the highest and lowest prices, resulting in a middle level of €3.30. Since Cafetaria Pingo Doce does not sell cappuccino, we assumed it would offer the lowest price based on its generally lower beverage prices compared to other coffee shops in this study. To maintain consistent intervals, we added another price level of €2.30, which is €0.50 below €2.80. This ensured all price levels had a uniform difference of €0.50.

Regarding the parking attribute, we defined three levels to capture the varying availability of parking options. The first one is the *no parking* option, the second one is *free parking*, and the third one is *paid parking*. With this attribute, we aim to understand how consumer preferences vary when presented with different parking options. We hypothesize that consumers are more likely to prefer a coffee shop with free parking nearby compared to one with no parking or paid parking. Additionally, we will consider that frequent car users are likely to place greater importance on this attribute than non-car users.

Lisbon's weather has a big impact on the preference for consumers choosing to be in an outdoor setting, rather than indoors. To assess the impact of outdoor seating availability on consumer choices, we defined two levels for this attribute: outdoor seating available and indoor seating only.

Finally, since the primary reason consumers visit a coffee shop is to enjoy food or beverages, we included a menu variety as an attribute. The first level, *basic menu*, offers a limited selection, such as standard coffee drinks and simple snacks. The second level, *full menu*, includes a broader range of options, such as coffee drinks, snacks, and full breakfast or brunch. The third level, *Gourmet menu*, features specialty coffee drinks and artisan pastries.

A summary of the attributes and their levels can be found on the table below.

Table 12 - Summary of attributes and levels for the conjoint analysis

Attribute	Levels
1. Coffee shop brand	1. Padaria Portuguesa
	2. Starbucks
	3. Cafetaria Pingo Doce
	4. Copenhagen Coffee Lab
	5. Pastéis de Belém
2. Cappuccino Price	1. 3.80€
	2. 3.30€
	3. 2.80€
	4. 2.30€
3. Parking	1. No parking
	2. Free parking
	3. Paid parking
4. Seating	1. With outside seating
	2. Only inside seating
5. Menu	1. Basic menu: standard coffee drinks (expresso, americano, cappuccino) and simple snacks
	2. Full menu: coffee drinks, snacks and full breakfast or brunch
	3. Gourmet menu: specialty coffee drinks and artisan pastries

When we launched the survey, Conjointly recommended collecting 200 responses for a reliable report. Although we received a total of 251 responses, only 188 were relevant, as they met the criteria of residing within the metropolitan area of Lisbon. Consequently, we focused on this segment and extracted the results corresponding to respondents from this area.

Key outputs include attribute importance, preferences for levels, marginal willingness to pay, ranked list of concepts and goodness of it. According to Conjointly, the first output refers to the relative importance of different attributes, preferences for levels evaluate the preferred levels within each attribute and MWTP shows the additional amount consumers are willing to pay for a specific attribute improvement, compared to a baseline which is one of the attributes. To assess model accuracy, it was also evaluated the goodness of it.

The goodness of fit was 63.9% which represents a medium fit (43 to 65%). Conjointly uses *McFadden's pseudo-* R^2 to calculate it. According to Conjointly, if the *pseudo-* R^2 value was over 65% it would indicate that respondents have a clear preference for features, and if it was under 45% it would suggest that respondents' choices were more arbitrary. Our results indicated that respondents don´t have a clear preference for features but they aren´t also arbitrary. With a relatively high medium fit (almost 65%), most likely, the majority of respondents have clear preferences, but there is still a considerable number of participants that have arbitrary preferences.

9.1. Relative importance of attributes and levels

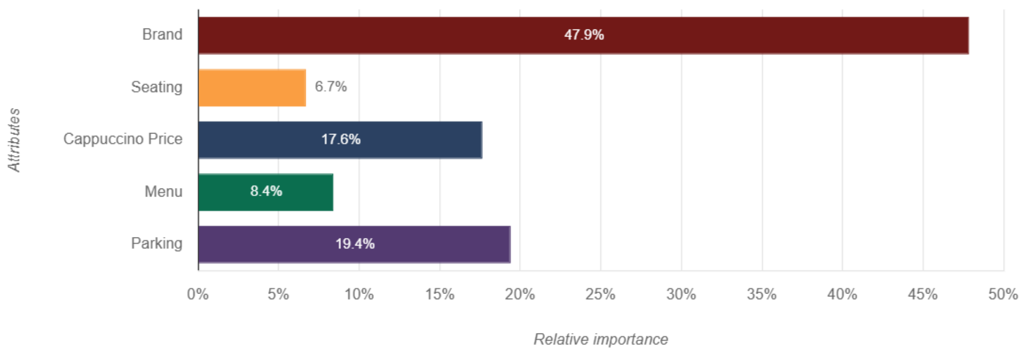

Figure 4- Relative importance of attributes (Conjointly)

For the general responses of locals of the metropolitan area residents of Lisbon, brand seems to be the most important attribute with a 47.9% relative importance to the rest of the attributes (figure 13). This value means that the brand is the strongest attribute to influence their behaviour. Following this is parking with 19,4% and cappuccino price with 17.7% of relative importance. In the bottom menu and seating have the lowest attribute importance.

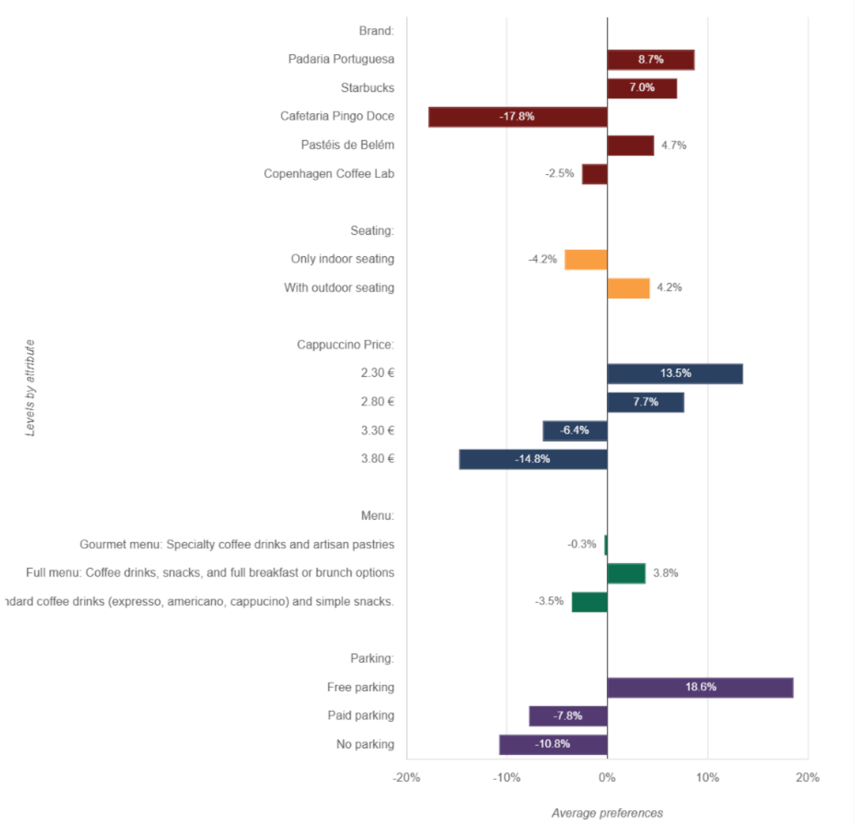

Figure 5 - Relative preferences for levels by attribute (Conjointly)

In the relative preferences for levels, Padaria Portuguesa is the most preferred brand (8.7%). Starbucks and Pastéis de Belém also hold a positive preference, while Cafetaria Pingo Doce and CCL are overall negatives preferences, compared to the other brands (Figure 14). The least preferred brand is CPD, with a significative negative preference of -17.8% compared to the other brands.

For seating preferences, outdoor seating (4.2%) is favoured over indoor-only seating (-4.2%), reflecting consumer interest in having the option to enjoy their coffee outdoors. This does not necessarily indicate that consumers always prefer sitting outside, but they value the flexibility that outdoor seating provides. The preference for outdoor seating could reflect consumer behaviour influenced by the ambiance or regional climate, like Lisbon frequently hold a favourable weather. Coffee shops in Lisbon that emphasize pleasant outdoor spaces might be more competitive, especially during warmer months. These results might also be influenced by this seasonal effect.

Furthermore, for the cappuccino price, there is a higher preference for lower prices. While there is still a positive relative preference for a price of €2.30 and €2.80, consumers have a negative relative preference for prices of €3.30 and €3.80, with the last having a negatively strong relative preference of -14% while the price of €2.30 has a relative preference of 13.5% (Figure 14).

When looking at menu preferences, a *full menu* (3.8%) is the most appealing option compared to a *gourmet menu* (-0.3%) or a *basic menu* (-3.5%). This suggests that consumers prioritize variety and a more comprehensive offering over artisan or niche products. While artisan items may appeal to a subset of consumers, the broader market favours the availability of diverse options like snacks and brunch. The strong preference for a *full menu* highlights the importance of practicality over exclusivity. Consumers likely value having access to a wider range of options that cater to everyday needs rather than niche, artisan offerings, which may not justify higher costs.

Parking availability plays a critical role in consumer preferences. *free parking* (18.6%) is highly preferred to *paid parking* (-7.8%) and *No parking* (-10.8%). This finding underscores the importance of accessibility and convenience in consumer decision-making, suggesting that limited parking options could lead consumers to choose other coffee shops with better amenities.

While the relative preferences for levels are important to understand consumers, most importantly is to understand which of the attributes are going to influence the most the consumers to choose a coffee shop, instead of others. For instance, changing the level for parking will have a bigger impact than choosing a level for menu because that attribute has a higher relative importance for consumers.

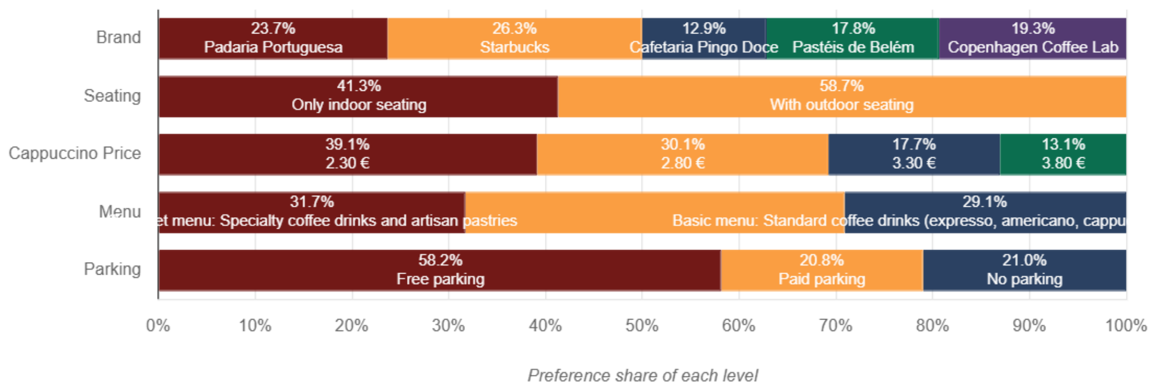

Figure 6 - Distribution of preferences for levels (Conjointly)

According to Conjointly, distribution of preferences for levels (Figure 15) answers the question "Assuming that each consumer has a preference for different levels, what is the distribution of preferences for different levels (within each attribute) across consumers?".

Looking at the distribution of preferences for levels, Starbucks is the most preferred brand (26.3% of total preference) among respondents, suggesting its strong global presence and standardized offering resonate well with respondents, and 23.7% of the total preference goes to Padaria Portuguesa. While Copenhagen Coffee Lab and Pastéis de Belém are moderately preferred, Cafetaria Portuguesa is the least preferred brand.

Resonating with the relative preference for levels, *outdoor seating* has the majority preference among respondents. However, *only indoor seating* is still preferred by 41.3% of the respondents, which is still a significant preference.

Furthermore, in Figure 15, still resonating with the relative preference for levels, more respondents prefer lower prices rather than higher. 39.1% of the respondents prefer a price of €2.30 and 30.1% prefer €2.80. However, when the price starts increasing to €3.30 preferences decrease considerably (17.7%). Only 13.1% of the total preference goes to cappuccino price of €3.80.

9.2. Marginal Willingness To Pay

The Marginal Willingness to Pay (MWTP) results reveal critical insights into consumer preferences for cappuccinos at coffee shops, reflecting how much more or less consumers are willing to pay for certain attributes relative to the baseline, Padaria Portuguesa. According to Conjointly, MWTP quantifies the monetary value consumers assign to upgrading or downgrading specific features. A negative MWTP indicates that consumers are less willing to pay compared to the baseline, while a positive MWTP reflects a preference and a willingness to pay more.

All the brands in the analysis have negative MWTP values relative to Padaria Portuguesa, highlighting its position as the most preferred coffee shop in the study. The customers would pay less for a cappuccino in the other coffee shops, compared to Padaria Portuguesa.

For Starbucks, with a MWTP of -€0.58, consumers are moderately less willing to pay for cappuccinos from Starbucks compared to the baseline. This penalty suggests that while Starbucks remains a globally recognized brand, it may not align with local consumer expectations in terms of value or quality in this context. Factors such as higher perceived pricing or lack of differentiation could contribute to this moderate penalty.

In the case of Cafetaria Pingo Doce, with the largest negative MWTP, consumers assign a significant penalty to this brand. This result suggests that CPD is perceived as offering lower-quality cappuccinos or a less appealing coffee shop experience compared to Padaria Portuguesa.

Pastéis de Belém also has a negative MWTP, the penalty is relatively small, indicating that it is seen as a reasonable alternative to Padaria Portuguesa. Its lower penalty reflects stronger perceived value compared to brands like Starbucks and Cafetaria Pingo Doce.

CCL has the smallest negative MWTP, suggesting that it is almost on pair with Padaria Portuguesa. The negative MWTP values for all brands relative to the baseline highlight the strong position of Padaria Portuguesa, which sets a standard that other brands need to address through targeted improvements.

In a coffee shop *with outdoor seating*, consumers are willing to pay a premium of €0.15 compared to the ones with *only indoor seating*. This reflects the added value of ambiance and comfort provided by outdoor spaces, particularly in regions where outdoor seating enhances the overall experience of enjoying a cappuccino. *Only indoor seating* is the default option, indoor seating serves as the reference point.

A *full menu* that includes breakfast or brunch options carries a small positive MWTP, showing that consumers are willing to pay €0.15 more for a cappuccino if the coffee shop has a higher variety of goods compared to a coffee shop with *gourmet menu*. For *basic menu*, a limited menu with only basic coffee options incurs a slight penalty, consumers would pay less €0.03 for a cappuccino with a limited items variety compared to a coffee shop with broader variety. This suggests that consumers value variety and gourmet offerings, though the penalty is not severe.

Free parking is highly valued and serves as the reference point in this analysis. In terms of *paid parking* with a MWTP of -€0.95, consumers heavily penalize coffee shops that charge for parking, reflecting the inconvenience and additional costs associated with this feature. *No parking* (-€0.81), similarly, the absence of parking is significantly penalized, though slightly less than *paid parking*. This indicates that convenient parking, preferably free, is a critical consideration for consumers when choosing a coffee shop, as they would be willing to pay less for a cappuccino in those coffee shops, if they must pay for parking or if they don't even provide parking around. This attribute is especially important for car users.

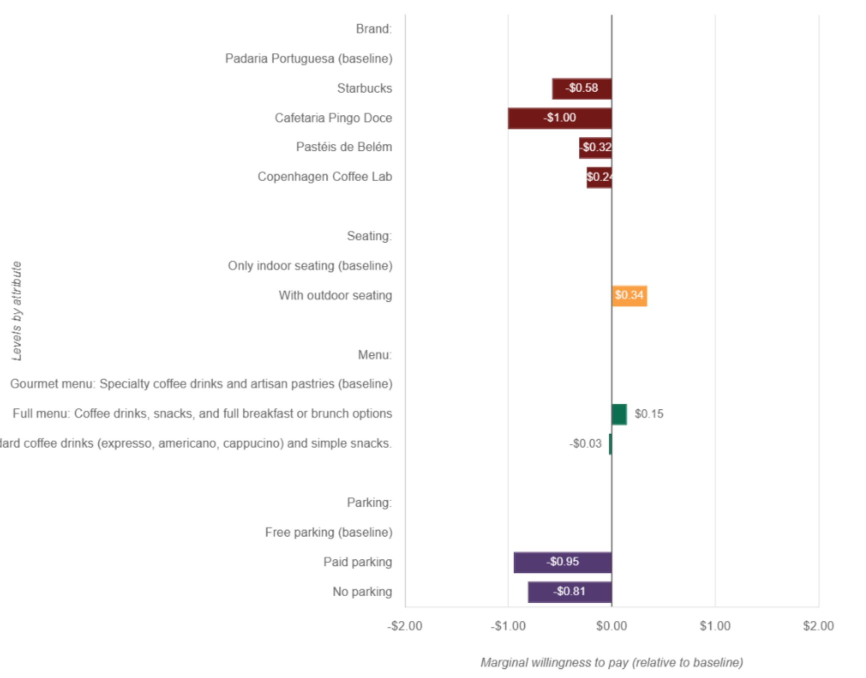

Figure 7 - Marginal willingness to pay per level by attribute (Conjointly)

9.3. Ranked list of concepts

Following on the natural flow of this analysis, we have decided to compile a ranked list of concepts, in which we catalogue the most relevant preferences combinations. Starting with the most popular combination of attributes, we clearly see it the following way.

At the top of the list, Padaria Portuguesa that has outdoor seating, whose cappuccino costs €2.30, the cheapest price made available in the survey options. Included in this first combination, Padaria Portuguesa has free parking and its menu is diverse, without falling into the gourmet category. This is the attribute combination most highly ranked, with a value of 22.1 points of value to consumers.

This combination of attributes reveals that the majority of the respondents do prefer Padaria Portuguesa over other kinds of coffee-shops. Since most of the surveys' participants were Portuguese, we can state that the locals enjoy attending somewhat affordable coffee-shops that are, at the same time, cozy and pleasant to be in.

We observed quite high price sensitivity overall in this ranked list of concepts. In the first 10 lines of the summary in the Table 13, we can see how the €2.30 cappuccino price shows up eight times. Right after it, the €2.80 cappuccino (second most cheap option available) fills up the other two lines of the ranked list of concepts.

Looking carefully into the compiled table, there are two other attributes that gathered a lucid consensus: Lisbon coffee-shop customers will always prefer an establishment with outdoor seating and free parking over another café that only has indoor spaces and no space to park.

Throughout the ranking, there is only a single relevant mention in the compiled list regarding indoor seating preference, which appears in position 10, when combined with a full menu in Padaria Portuguesa, with the cheapest cappuccino price and free parking.

Looking at brands' rankings, we can see that the most frequent brand in the ranking is by far Padaria Portuguesa (showing up in position 1; 4; 6; 7 and 10 of the ranked list of concepts) followed by Starbucks, that shows up three times (in position 2; 5 and 8) and lastly, Pastéis de Belém, that appeared twice in the list (in position 3 and 9).

A full menu seems to be the most appealing option for Lisbon's coffee-shop consumers, who have demonstrated to prefer this option over gourmet and basic menus, overall. The podium of the ranked list of concepts is exclusively made of combinations involving a full menu.

Bearing in mind that affordable prices, outdoor seating and free parking are practically mandatory for Lisbon consumers, the two factors that make the most changes are by far brand and menu, with a clear trend towards national coffee shops and full menus.

Table 13 - Top 10 list of concepts generated by Conjointly

Brand	**Seating**	**Cappuccino Price**	**Menu**	**Parking**	**Rank**	**Value to customers**
Padaria Portuguesa	With outdoor seating	€2.30	Full menu	Free parking	1	22,13606
Starbucks	With outdoor seating	€2.30	Full menu	Free parking	2	21,3536
Pastéis de Belém	With outdoor seating	€2.30	Full menu	Free parking	3	20,30634
Padaria Portuguesa	With outdoor seating	€2.30	Gourmet menu	Free parking	4	20,27325
Starbucks	With outdoor seating	€2.30	Gourmet menu	Free parking	5	19,49079
Padaria Portuguesa	With outdoor seating	€2.80	Full menu	Free parking	6	19,48403
Padaria Portuguesa	With outdoor seating	€2.30	Basic menu	Free parking	7	18,79828
Starbucks	With outdoor seating	€2.80	Full menu	Free parking	8	18,70157
Pastéis de Belém	With outdoor seating	€2.30	Gourmet menu	Free parking	9	18,44353
Padaria Portuguesa	Only indoor seating	€2.30	Full menu	Free parking	10	18,29366

9.4. Demographical preferences

This section explores variations in level preferences across demographic categories, offering critical insights into consumer behaviour differences by age (Table 14), gender, nationality, and occupation—essential for informed market entry strategies. The new coffee shop can understand who to target based on the chosen attributes.

Table 14 - Number of respondents per age group

Age	Number of respondents (Lisbon)
18-25	87

26-35	73
36-45	12
46-55	12
55+	4

The analysis of preferences across different age groups highlights key variations in how cappuccino attributes are valued. For brands, the younger group (18-25 age group) show a moderate preference for Padaria Portuguesa and Pasteis de Belem, with ratings of relative preference of 12.6% and 5.2%, respectively (Appendix 12). Cafetaria Pingo Doce, however, faces significant penalties across all age groups, with the strongest penalty among those over 55, with an average relative preference of -27.5% (Appendix 16). All respondents prefer any other coffee shop to CPD, except for the 36-45 age group, although this relative preference is still negative. The older demographic (over 55) also shows a strong preference for Pastéis de Belém, with an average relative preference of 36.0%, reflecting its appeal as a traditional favorite compared to other coffee shops. Middle-aged groups, the respondents of the 36-45 and 46-55 age group continue to favour Pastéis de Belém, with average relative preference of 11.8% and 7.6%, respectively, to Cafetaria Pingo Doce, Copenhagen Coffee Lab and Starbucks (Appendix 14 and 15). Padaria Portuguesa has the highest relative preference for the 18-25, 36-45 and 46-55 age groups.

For seating preferences, outdoor seating is consistently valued across all age groups. Indoor seating incurs a small penalty, with average relative preference ranging from -3% to -4% between age groups, reflecting a consistent preference for outdoor ambiance (see Appendix 12, 13, 15 and 16).

When examining price sensitivity, all groups show a strong preference for lower price points, particularly €2.30, which is favoured most by younger groups to higher prices, with an average relative preference of- 13.5% for 26- to 35-year-olds and 14.7% for 36- to 45-year-olds, as seen in Appendix 13,14. Conversely, the highest price point (€3.80) is the least preferred across all ages, with the 46-55 age group assigning the steepest relative penalty (Appendix 15). Furthermore, it is noticeable across ages groups until 55 years old that there is an increase of price sensitivity with age group increase (Appendix 12, 13, 14, 15).

For the menu, preferences for a full menu offering breakfast or brunch options are consistent across age groups. Both gourmet and standard menus receive slight penalties or remain neutral, indicating that menu diversity is relatively more preferred.

Parking is highly valued, especially free parking, which guarantees the strongest preference among the oldest age group, with an average relative preference of 24.6%. The absence of parking is penalized most heavily by 26-35 and 36-45 age groups, while younger group (18-25) penalize it less, assigning an average relative preference of -7.1% (Appendix, 12, 13 and 14). Paid parking incurs consistent penalties across all demographics, with slightly less severe penalties among middle-aged groups.

Overall, the frequency of coffee shop visits varies significantly across age groups. Younger respondents aged 18–25 tend to visit coffee shops less frequently, with a majority visiting once or less per week. In contrast, the 26–35 age group shows a higher frequency of visits, with most individuals going more than twice per week (Appendix 17,18). Respondents aged 36–45 display a more balanced distribution, with a substantial portion visiting between 2 and 4 times weekly, while a smaller segment visits daily (Appendix 19). Finally, those aged 46–55 demonstrate a preference for lower visit frequencies, with half of the respondents visiting two times or less per week (Appendix 20). These patterns suggest that age plays a notable role in influencing coffee shop visitation habits, with younger and older demographics leaning toward less frequent visits compared to middle-aged groups.

In the metropolitan area of Lisbon, 69 responses are from respondents whose gender is male, 119 are female and 2 were non-binary. Since the non-binary number of respondents were too low, we only considered for this analysis male and female respondents.

The analysis of average preferences for cappuccino purchase attributes reveals key differences between male gender and female gender. For brands, the male gender shows a notably stronger preference for Starbucks, with an average relative preference of 10.0%, compared to only 1.5% for females (Appendix 21, 22). Conversely, females demonstrate a higher relative preference for Pastéis de Belém, at 7.5%, compared to 2.9% for males. Both genders penalize Cafetaria Pingo Doce, but males assign a larger penalty (-18.9%) than females (-15.3%). Copenhagen Coffee Lab shows a slight negative preference for both groups, with males penalizing it slightly less (-1.7%) compared to females (-3.9%).

In terms of seating, outdoor seating is preferred by both genders, though females value it slightly more, with a preference of 5.1% compared to 3.6% for males (Appendix 21, 22). Indoor seating is negatively preferred by both, but the penalty is slightly stronger among females (-5.1%) compared to males (-3.6%).

Price sensitivity is consistent across genders, with both strongly favouring the lowest price (€2.30) and heavily penalizing the highest price (€3.80). Males slightly favour the lowest price point more strongly, at 12.9%, compared to 14.0% for females, while females penalize the highest price marginally more (-14.9%) than males (-14.3%).

For menu options, both genders prefer a full menu that includes breakfast or brunch, but females show a slightly stronger preference (4.0%) compared to males (3.6%). Both groups slightly penalize a standard menu, with males at -4.0% and females at -2.7% (Appendix 21,22)

Parking availability is crucial for both genders, with free parking being the most valued attribute (Appendix 21,22). Males slightly favour free parking more, showcasing an average relative preference of 18.1%, compared to females (18.5%). However, females penalize the absence of parking (-10.2%) and paid parking (-8.4%) more heavily than males, who assign penalties of -10.9% and -7.3%, respectively.

Thus, males exhibit a stronger preference for Starbucks and are less sensitive to the absence of parking, while females favour Pastéis de Belém more and show a slightly higher appreciation for outdoor seating and full menus. These gender-based differences provide actionable insights for tailoring branding, pricing, and feature offerings in coffee shops to meet the unique preferences of each group.

Among women, 47% visit a coffee shop two times or less per week, with 23.5% visiting less than once per week (Appendix 23). A smaller proportion visit more frequently, with 15.1% visiting three times, 16% four times, 9.2% five times, and 10.9% visiting daily. In comparison, men show a more dispersed distribution of visits (Appendix 24). While 20.3% visit less than once per week and 10.1% visit once per week, a significant 23.2% visit twice per week. Frequent visitation is also more prevalent among men, with 10.1% visiting three times, 7.2% four times, 14.5% five times, and 11.6% visiting daily.

As expected from a survey conducted in the metropolitan area of Lisbon, Portugal, most respondents (62.23%) identified themselves as Portuguese. The second most represented nationality group was English (22%), followed by a category labelled *Others*, which was created to account for less frequent responses. Starting off with the Portuguese category, we can see that the most important attribute in a coffee shop is the brand (at 51.1%), followed but the cappuccino price (at 18.7%), as seen in Appendix 29. On the other hand, the two most important factors for the second most relevant nationality group, the British, are brand (48%) and right after it, parking

(24,1%), in terms of average relative preference, that is (Appendix 30). Portuguese patrons show a balanced preference for both local and international brands, with Padaria Portuguesa (28.4%) and Starbucks (24.6%) being the most popular (Appendix 31), followed by Pastéis de Belém (16.9%). In contrast, English patrons heavily favour Starbucks (48.3%), with a much smaller preference for local brands like Padaria Portuguesa (14.3%) and Cafetaria Pingo Doce (12.7%), as seen in Appendix 32. This indicates a stronger alignment with global brand recognition among English customers (Appendix 26).

Both groups express a clear preference for outdoor seating, reflecting an appreciation for Lisbon's pleasant climate (Appendix 25,26). However, the preference is slightly stronger among Portuguese patrons (58.8%) compared to English patrons (55.0%), as seen in Appendix 31 and Appendix 32, among the brand level, the is a stronger preference for this feature in the Portuguese segment. Indoor seating is more accepted by English customers (45.0%) than Portuguese (41.2%).

Price sensitivity is evident in both groups, but it is slightly more pronounced among Portuguese patrons. They mostly prefer the lowest price point of €2.30 (40.6%), while English patrons distribute their preferences more evenly across €2.30 (33.2%) and €2.80 (31.4%), showing a slightly higher tolerance for mid-range pricing. Both groups show minimal interest in higher price points (€3.30 and €3.80).

Specialty coffee drinks and artisan pastries are equally appreciated by both Portuguese (31.8%) and English patrons (33.1%), indicating a shared taste for quality and craft in menu offerings (Appendix 31,32).

Free parking is a significant factor for both groups but is particularly critical for English patrons, with 67.8% prioritizing it compared to 54.5% of Portuguese patrons (Appendix 31,32). Interestingly, Portuguese customers show a higher acceptance of no parking options (23.7%)

compared to English patrons (15.7%), highlighting a potential difference in urban mobility habits.

Furthermore, there is a notable difference in coffee shop visit frequency between English and Portuguese respondents. The results clearly show that English respondents visit coffee shops more frequently on a weekly basis compared to Portuguese respondents. Among the Portuguese, 32.3% reported visiting a coffee shop less than once per week, whereas none of the English respondents indicated visiting less than once per week (Appendix 27,28).

Our survey highlights a significant trend among students who make up 21% of respondents, followed by business and management professionals (12%) and freelancers (8%).

Freelancers (Appendix 39) show distinct preferences when it comes to choosing coffee shops. Among the available brands, Starbucks stands out as the most preferred, capturing 37% of their preference. Copenhagen Coffee Lab follows with 21.6%, while Cafetaria Pingo Doce and Padaria Portuguesa trail behind with 16.1% and 10%, respectively. Regarding seating options, freelancers exhibit a strong inclination toward outdoor seating, which is favored by 61.7% of respondents, compared to 38.3% who prefer only indoor seating.

Price sensitivity is evident in their choice of cappuccino prices. The most popular price point is €2.30, which guarantees 35.5% of the preference, followed closely by €2.80 with 30.7%. Higher price points, such as €3.30 and €3.80, are less appealing, at 19.5% and 14.3%, respectively.

The menu is also an important consideration, with 30.9% preferring options that include specialty coffee drinks and artisan pastries.

Lastly, parking plays a significant role, with free parking emerging as a key factor, preferred by 59.5% of freelancers. Paid parking (18.5%) and no parking (22%) are notably less desirable (Appendix 39).

Going into a comparison of the most representative occupation categories, student and management workers, we can from the start, draw some insightful conclusions: both students and management workers have a clear preference towards Padaria Portuguesa, with preferences of 16,4% and 19,7%, respectively (Appendix 37,38). While management workers show some interest in attending international coffee shops alike Starbucks, whose preference was 4% (Appendix 33), students reveal not to enjoy that much, with a relative preference of –6,8% (Appendix 34). Students are also less sensitive to the existence of free parking, with a relative importance of 15,3%, compared to 16,8% for the management workers.

In terms of coffee shop visits, a clear trend emerges across different occupational segments. For the student and business and management segments, the number of respondents decreases as the frequency of weekly visits increases (Appendix 40,41). In contrast, the office and administrative segment demonstrate a significantly higher frequency of coffee shop visits (Appendix 42). Within this segment, 25% of respondents visit a coffee shop twice per week, while a notable 62.7% visit three or more times per week, and only 12.5% visit less than once per week. In the freelancer segments there is a similar distribution of weekly visits. This highlights that individuals in the office and administrative segment are more likely to visit coffee shops frequently compared to those in the student or business and management categories. Furthermore, the freelancers' segments also have a high frequency of visits predominantly *4 times per week* and *every day* (Appendix 43).

Sara Severo

10. Strategic Positioning and Differentiation of Specialty Coffee Shops with Insights from Copenhagen Coffee Lab in Lisbon

This section of our work examines the defining characteristics of specialty coffee shops, the key attributes consumers value in this type of coffee shop, and how a new business can stand out in the market by positioning itself as a specialty coffee shop.

Specialty coffee shops have redefined the coffee industry by focusing on quality, experience, and sustainability, meeting the evolving expectations of modern consumers. Copenhagen Coffee Lab (CCL) differentiates itself in Lisbon's coffee market by integrating symbolic attributes, such as attentive service, cozy ambiance, and multifunctional spaces, which align with urban lifestyles. Additionally, their focus on craftmanship and sustainability strengthens their competitive position. This section also explores how CCL integrates into this specialty coffee category and how being in this category can create a strong differentiation from other coffee shops. Finally, we also point out the weaknesses of this coffee shop and recommendations a new coffee shop should have in consideration before entering this niche.

This section draws on specialty coffee research, publicly available business information, insights from an interview with one of the co-founders and current CEO of CCL, Steen Skallebæk, as well as findings derived from perceptual maps and conjoint analysis regarding that coffee shop.

10.1. Defining Specialty Coffee Shops

To understand why these types of coffee shops started emerging, we took in consideration the evolution of coffee commercialization. The First Wave of coffee started through the commercialization of coffee during the 1960s made it widely accessible, primarily through instant coffee (Garcia, Oliveira and Eurico 2024). The Second Wave of coffee emerged with a focus on improving coffee quality and emphasizing its origins, making better-quality coffee accessible to the average consumer. The appearance of specialty coffee shops can be traced back to the international market liberalization of coffee in the late 1980s (Ponte 2002). This era saw a surge in global coffee production, increased price volatility, and a general decline in product quality. Starbucks, among other companies, began offering these higher-quality products, transforming coffee from a basic necessity into a luxury product (Guevara 2017). Starbucks emerged as a pioneer of specialty coffee in the United States during the same decade, introducing artisanal beverages crafted with superior beans, advanced preparation techniques, immediate extraction, and a more personalized customer experience (Servín-Juárez et al. 2021). This marked a pivotal moment in coffee consumption.

Specialty coffee significantly emerged during the “Third Wave Coffee” movement, which elevated coffee consumption to a more thoughtful appreciation of the beverage’s complexity and quality (Garcia, Oliveira and Eurico 2024). The beans used for specialty coffee, often grown at altitudes of up to 2,000 meters above sea level, undergo unique and meticulous harvesting processes (Garcia, Oliveira and Eurico 2024). Unlike the First and Second Waves of coffee consumption, the Third Wave differentiates itself by extending beyond the quality of the coffee bean to encompass limited availability, growers' traditional methods of harvest and preparation, and attention to environmental and social concerns (Boaventura et al. 2018). Additionally, the movement emphasizes the sensory experiences of coffee, from cultivation to the final consumer, reflecting a dedication to quality throughout the value chain.

The Third Wave coffee movement stands out for its focus on quality and its efforts to bridge the gap between producers and end consumers (Boaventura et al. 2018). While the first two waves prioritized accessibility and scalability, the Third Wave emphasizes how coffee is cultivated, brewed, and the roles of different actors in the supply chain (Garcia, Oliveira and Eurico 2024).

Moreover, quality in specialty coffee is multidimensional (Servín-Juárez et al. 2021). It includes:

1. **Raw Material Quality**: The quality of raw materials directly impacts the final product.
2. **Customer Expectations**: Products must align with consumer needs.
3. **High Specification Standards**: Quality is evaluated using measurable and absolute criteria.

Furthermore, creating specialty coffee shops involves leveraging symbolic attributes, such as brand reputation, geographic origin, and sustainability practices, which distinguish products, reduce information asymmetry, and add value (Servín-Juárez, J. O. Trejo-Pech, Pérez-Vásquez, and Reyes-Duarte 2021). These symbolic attributes complement material attributes like sensory qualities, service, and design, which customers can directly perceive and evaluate.

Modern coffee shop business models have evolved to include multifunctional facilities such as working spaces, meeting rooms, Wi-Fi, and other amenities. This aligns with the growing "15-minute city" concept, which seeks to redesign urban areas to provide multifunctional services (Di Marino and Lapintie 2018).

Most coffee-producing countries are developing nations, including Vietnam, Ethiopia, Colombia, Indonesia, Honduras, and Uganda (Bermudez, Voora and Larrea 2022). These countries face significant socio-economic challenges. In Portugal, where coffee beans are not produced, all coffee must be imported for consumption.

Specialty coffee is gaining momentum in Europe, where it currently holds a 46.2% market share, the largest globally. The market is expected to grow by 9% by 2026 (Stanley 2022). In Portugal, specialty coffee shops are primarily concentrated in urban areas like Lisbon and Porto (Garcia, Oliveira and Eurico 2024). However, no comprehensive data currently exists to assess how this trend has evolved nationally or regionally (Garcia, Oliveira and Eurico 2024).

This evolution underscores the importance of quality, sustainability, and innovation in the specialty coffee industry and highlights the need for further research into the dynamics of this growing market.

10.2. Copenhagen Coffee Lab business model and operations

Copenhagen Coffee Lab integrates seamlessly into this specialty coffee movement. A Danish-owned coffee chain, CCL operates in Denmark, Germany, France, and Portugal. Notably, all 13 of its Portuguese locations are concentrated in the municipality of Lisbon, with the first opening in 2017 at Praça das Flores (Copenhagen Coffee Lab 2024). CCL differentiates itself by adapting its menu to local markets across Europe while maintaining a consistent focus on craftsmanship and quality.

CCL stands out for its vertically integrated model, which encompasses coffee roastery, bakery, and café operations. The coffee beans roasted at their facility in Sydhavnen, Copenhagen, are sourced mainly from Africa (Ethiopia and Kenya) and Central America (Honduras and Guatemala) and South America (Colombia and Brazil) (Copenhagen Coffee Lab 2024). These beans are intentionally selected for their terroir clarity, sweetness-acidity balance, and tactile drinking experience, reflecting CCL's "unique approach to coffee assessment". The use of the Loring S70 Peregrine roaster not only enhances efficiency but also reduces their carbon footprint compared to traditional methods, aligning with sustainable practices (Copenhagen Coffee Lab 2024).

Their bakeries, located in Côte d'Azur, Hamburg, Ruhr, and Lisbon, uphold century-old handcraft traditions by focusing on long fermentation and authentic sourdough techniques. In Lisbon, the first bakery was established in the Alfama café, and in May 2024, a new bakery opened in Castilho. Both continue to bake from scratch, producing high-quality bread and pastries delivered directly to their coffee shops (Copenhagen Coffee Lab 2024).

In addition to their café offerings, CCL sells espresso beans, filter coffee, and coffee gear through their website and coffee shops (Copenhagen Coffee Lab 2024). This diversification reveals a positive characteristic because research suggests that the likelihood of purchasing specialty coffee increases when coffee shops offer both ground coffee and coffee drinks (Servín-Juárez, J. O. Trejo-Pech, Pérez-Vásquez, and Reyes-Duarte 2021). Moreover, their website functions as both a marketing platform and an informational hub, educating customers about their products and processes.

10.3. Copenhagen Coffee Lab strategic positioning in Lisbon

CCL's operations are deeply rooted in Lisbon's urban life, catering to a market that appreciates quality and craftsmanship. However, while Lisbon's high population density is advantageous for demand, the likelihood of purchasing specialty coffee tends to decrease in larger cities according to Servín-Juárez, et al. (2021). Despite this, Steen, a co-founder of CCL, emphasizes that the brand thrives in metropolitan settings, which explains the strategic decision to concentrate on all operations in central Lisbon.

Expanding to smaller cities may also impose logistical challenges for CCL. Their reliance on in-house production and delivery from bakeries makes it costlier to establish coffee shops far from their central hubs. This operational model, while limiting geographic expansion, ensures product consistency and quality across locations.

Quality is the cornerstone of CCL's business model and is also a core characteristic of specialty coffee shops. Servín-Juárez, et al. (2021) reflected the multidimensional nature of quality and we compared their definitions with CCL context. In terms of the quality of raw materials, CCL specialty coffee process begins with careful selection of beans from trusted producers and extends to their meticulous roasting process, having more control over this ensures higher quality (Copenhagen Coffee Lab 2024). In terms of meeting customer expectations, CCL leverages symbolic attributes, such as *Café* environment and good service that resonates with customer desires, as shown in the perceptual maps (Figure 12), it fosters loyalty. Finally, for the high specification standards, CCL adheres to absolute measures of quality, evident in their attention to detail, reliable performance, and the emotional and status appeal of their products. Their artisanal approach to coffee and baked goods underscores these high standards according to Steen. However, they do not seem to have a credited certification or a prize that reflects that. Although they advertise their specialty on their website and social media, having some kind of certification would levitate their prestige and quality perception.

Research highlights that specialty coffee shops with knowledgeable owners and robust supply chain expertise are more likely to succeed, as customers are willing to pay a premium for such offerings (Servín-Juárez, et al. 2021). CCL’s end-to-end control over the supply chain, from bean selection to in-house roasting, positions them as a leader in delivering a superior coffee experience, therefore offering goods with a higher price. Moreover, this end-to-end control over the supply chain integrates in the specialty coffee definition by Boaventura, et al. (2018).

Furthermore, CCL may not be considering their social and sustainability impact in full when choosing their sources of beans, since some of the countries they take the beans from, like Colombia, Honduras and Ethiopia are on the top 10 as countries globally recognized with socio-economic problems and weaknesses (Bermudez et al. 2022). Besides, opening these coffee shops in Portugal implies importing coffee beans, which implies a substantial ecological footprint associated.

Another weakness lies in the limited pastry they offer. Although they produce in Lisbon, all their baked goods are not usual pastries of a Portuguese coffee shop. Although there is a high internationality in Lisbon, due to tourism, immigrants or nomads, there is a considerable Portuguese local population. CCL may not be satisfying these locals that are looking for specialty coffee and looking for Portuguese simultaneously.

10.4. Comparing Padaria Portuguesa and Copenhagen Coffee lab positioning

From the words of one of Copenhagen Coffee Lab's co-founders, the brand aspires to offer guests more than just good coffee. Their goal is to create a holistic experience that includes high-quality coffee, friendly service, inviting locations, good vibes, and appealing food options, said by the co-founder Steen. They aim for their guests to enjoy a relaxing and memorable time in a pleasant environment.

The analysis of perceptual maps (Figure 12) reveals that Copenhagen Coffee Lab shows a positive correlation with *Quality and Experience*. *Quality and Experience* is defined by variables such as perception of attentive staff and a cozy ambiance, which are the strongest associations for CCL. Consumers also perceive that CCL provides dietary options, diverse menus, and opportunities for leisure. Beyond leisure, CCL is also associated with productivity, demonstrating that it effectively caters to diverse consumer needs by creating spaces where people can relax or work productively. These characteristics also align with the goal of CCL CEOs in terms of how they want to deliver the experience. The relationship between our perceptual maps results and CEO's vision resonates with the second concept of quality, which evaluates how well products meet consumer expectations (Servín-Juárez, et al. 2021).

Additionally, CCL, according to Steen, has successfully embraced the trend of being an urban multifunctional service as a working or leisure area (Di Marino & Lapintie, 2018), integrating it into their offerings and catering to urban professionals and leisure-seekers alike (providing Wi-Fi, wall adapters, comfortable seats and tables). This reinforces the positioning of perceived leisure and productivity from the perceptual maps.

Since Padaria Portuguesa is the closest coffee shop brand in the perceptual maps (*Quality and Experience*) to Copenhagen Coffee Lab, we compared them further.

Padaria Portuguesa has in the moment 78 stores nationwide, in the urban areas of Lisbon and Porto, and two production factories in operation (Público 2024). More specifically, there are 64 coffee shops in the metropolitan area of Lisbon (43 in central Lisbon). Competing geographically with CCL, there are 43 Padaria Portuguesa coffee shops vs 13 of CCL, in central Lisbon. This shows a higher offering from Padaria Portuguesa compared to CCL.

Although the PP produces all their bread and pastries in a Portuguese factory in Marvilha and have backers, they still have a strong help of factory machines to also meet the high demand on their various shops (A Padaria Portuguesa 2024). However, their products don’t have the craftmanship like CCL, which makes a difference on the cost and value proposed.

Furthermore, Padaria Portuguesa has already won a prize in the category of “Marcas Nacionais” (Nacional Brands) of Superbrands Portugal 2022 and again in 2023 (A Padaria Portuguesa 2024), while CCL does not have attached a recognition prize, or any other certification of for example high quality specialty coffee.

In Padaria Portuguesa website it is not shared how they collect their coffee beans or what the process of roasting is, but they say it is organic, thus elaborated and produced without the use of synthetic fertilizers or pesticides (A Padaria Portuguesa 2024). Therefore, in this coffee shop there is no end-to-end control over the supply chain. This is one of the areas where Padaria Portuguesa differentiates the most from a specialty coffee shop, i.e., CCL.

Although Padaria Portuguesa business model is not focusing on specialty coffee, they do recognize the importance of quality, which is also evident on their positioning in *Customer satisfaction and experience*. According to the interview with a marketing manager of PP, their goal is to give a typical coffee shop Portuguese experience through their offering on their menus, but also the environment from the soundtrack (Portuguese music) to the *décor*. Furthermore, they typically have an outdoor space when it is viable reassembly the typical Portuguese coffee shop with seating outside, as well for most of the coffee shops of CCL.

10.5. Conjoint simulation of CCL price change

In this research, CCL represents a specialty coffee shop competing with other brands which do not fit into this category. Given that consumers are highly price-sensitive and tend to prefer lower prices, and CCL currently has the highest cappuccino price, we simulated a market scenario to assess the impact of lowering its price on market share and revenue. The *Average preferences for levels of price* graphic (Figure 17) indicate positive preferences for prices at €2.30 and €2.80, while negative preferences begin to emerge between €3.00 and €3.20. However, since CCL's business model involves higher costs due to its craftmanship and artisanal processes, reducing the price significantly is not viable. To balance affordability with sustainability, we simulated a new market with CCL's cappuccino priced at €3.00.

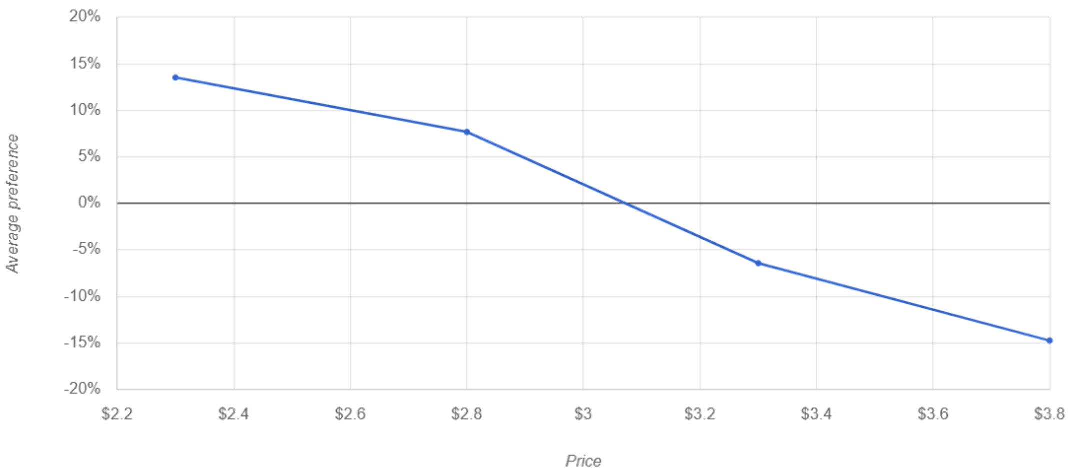

Figure 8 - Average preferences for levels of price (source: Conjointly)

For the remaining variables, we set the seating attribute to *with outdoor seating* for every coffee shop. While not all Pingo Doce or Padaria Portuguesa locations offer outdoor seating, there is at least one location for each brand where this feature is available, justifying its inclusion. Similarly, for parking, which varies depending on the location and paid parking schedules, we standardized the attribute to *free parking* across all brands for consistency.

As for the menu, it is not feasible to change the type of menu offered by CCL for the simulation. As an artisanal coffee shop, their focus on craftmanship and specialty offerings defines their brand identity. While CCL could expand its menu variety slightly, adopting a full menu would undermine their differentiation and compromise their positioning as a specialty coffee shop. This careful balance ensures that CCL maintains its unique appeal while addressing consumer preferences strategically. The attribute combinations we used for the simulation as a baseline in conjointly are in the Table 15.

Table 15 - Attributes of each coffee shop for simulation (baseline)

Brand	Seating	Cappuccino price	Menu	Parking
CCL	With outdoor seating	3,80€	Gourmet menu	Free parking

PP	With outdoor seating	2,90€	Full menu	Free parking
SB	With outdoor seating	2,90€	Full menu	Free parking
CPD	With outdoor seating	2,30€	Basic menu	Free parking
PB	With outdoor seating	2,8€	Full menu	Free parking

The simulation analyses how varying CCL's cappuccino price impacts market share and revenue projections, assuming 1,000 units sold.

Overall market shares of competitors decrease when CCL's cappuccino price declines to 3.00€, specially Padaria Portuguesa seems to be the most affected, with a decrease of market share from 24.7% to 23.0%, while CCL's market share increased from 10.8% to 15.3% (Figure 18).

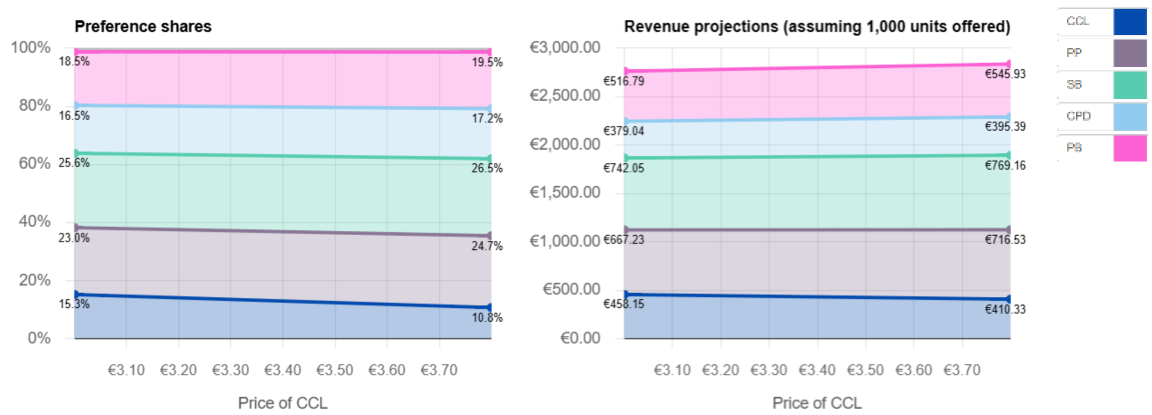

Figure 9 – Evolution of preference shares and revenue projections through market simulation based on Copenhagen Coffee Lab's price adjustments (Source: Conjointly)

Regarding revenue projections, CCL's revenue increases by €47.82, driven by a growth in market share and an influx of consumers, following a €0.80 price reduction (Figure 18). Again, the most affected projected revenue was PP's. With CCL's price decrease, PP revenue went from €716.53

to €667.23. All other competitors' market shares and revenues were negatively affected by this change of price, which highlights customers' price sensitivity. Besides, PP is the most affected due to being the closest in terms of positioning to CCL, reflected by the perceptual maps (Figure 12).

Furthermore, through this simulation, Conjointly showed that price elasticity of demand of CCL between €3.00 and €3.80 is -1.5, which means the demand is elastic, i.e., an increase in price by 1%, will lead to more than 1.5% drop in cappuccino sales.

These results suggest that €3.00 is an optimal price point for CCL, balancing market share retention and revenue maximization. Pricing above €3.00 leads to a sharp decline in both metrics, underscoring the need to align pricing with consumer expectations. To sustain its competitive edge, CCL should emphasize its differentiation through craftsmanship, ambiance, and sustainability, justifying a slightly higher price while ensuring it remains within the range of consumer preference. Additionally, regular monitoring of price sensitivity and market trends will be essential to refine pricing strategies and adapt to changing consumer behaviours.

In summary, the simulation highlights that CCL's success relies on maintaining competitive pricing while leveraging its unique attributes to stand out in Lisbon's specialty coffee market. A price point around €3.00 might offer a better balance between profitability and consumer appeal.

10.6. Considerations to enter the specialty coffee shop market

The specialty coffee market offers a unique opportunity to meet modern consumer demands for quality, experience, and sustainability. Copenhagen Coffee Lab exemplifies the strengths of this market through its focus on craftsmanship, symbolic attributes like attentive service and cozy ambiance, and vertically integrated operations. However, the analysis reveals significant insights and challenges that are critical for both CCL and new entrants to navigate.

Consumer price sensitivity is a key factor, as highlighted by the simulation showing a sharp decline in market share and revenue when cappuccino prices exceed €3.00. This emphasizes the importance of balancing affordability with the higher costs associated with artisanal processes. CCL's differentiation lies in its commitment to quality, evident in its sourcing practices, café ambiance, and service, which strongly resonate with specialty coffee consumers. However, its reliance on in-house production and imported coffee beans limits scalability and raises logistical and sustainability concerns.

For a new entrant in the specialty coffee market, differentiation and strategic positioning are essential. The brand should focus on quality and sustainability, emphasizing symbolic attributes such as ambiance, service, and ethical sourcing to stand out. Competitive pricing is equally important; introducing cappuccino prices around €3.00 to €3.10 would balance consumer affordability and operational costs. Additionally, incorporating local elements, such as Portuguese pastries or regionally inspired offerings, can enhance appeal to the local market.

Sustainability and transparency are critical, as consumers increasingly value ethical practices. Highlighting a transparent supply chain, sustainable sourcing, and environmentally friendly operations can build credibility and attract socially conscious customers. Adopting a modern café model with multifunctional spaces, including workstations and leisure areas, can cater to urban professionals and the growing demand for versatile spaces. Amenities like Wi-Fi and charging stations further enhance consumer experience.

Initial operations should focus on metropolitan areas like Lisbon, where demand for specialty coffee is concentrated. Expansion to smaller cities should only follow establishing a strong urban presence and operational efficiencies.

In conclusion, the specialty coffee market continues to grow, driven by evolving consumer preferences. A new coffee shop can succeed by prioritizing quality, transparency, and symbolic attributes while maintaining competitive pricing. By leveraging these insights and learning from established players like CCL, a new entrant can carve out a strong niche and thrive in this dynamic market.

11. Conclusion

11.1. Discussion

Brand emerged as the most important attribute, accounting for 47.9% of relative importance in consumer preferences. This aligns with Han's (2018) findings on the critical role of brand awareness in building customer loyalty. Padaria Portuguesa's strong preference highlights the cultural significance of local brands in Portugal, as discussed by the Industrial and Commercial Coffee Association (2024). This is particularly evident in the older demographic, who favour traditional brands like Pastéis de Belém, reflecting the interplay between cultural identity and consumer behaviour (Zukin 1995; Oldenburg 1999).

Menu variety, while less critical than brand or price, still plays a role in shaping preferences. The preference for a full menu over gourmet or basic options aligns with Morrison's (2018) observation that modern consumers value diversity and inclusivity in offerings. This suggests that while artisanal items appeal to niche markets, broader menu options cater to everyday needs and enhance perceived value. Among the brands analysed, Padaria Portuguesa and Copenhagen Coffee Lab (CCL) are perceived, through perceptual maps, as the strongest in terms of menu variety.

Waxman (2006) emphasizes that attentive staff contribute to positive customer interactions, fostering stronger loyalty and enhancing the perception of space as a social and leisure hub. This appears to be true for CCL and Padaria Portuguesa, with a high perception of attentive staff, this enhances their competitiveness. Starbucks has a positive perception of attentive staff, although not as strong as the other two coffee shops mentioned.

The ambience of coffee shops has a significant influence on customer´s perceptions and satisfaction (Wasman, 2006). This factor contributes to both productivity and leisure, which is why in the perceptual maps they go hand-to-hand in *Customer satisfaction and experience* positioning. Padaria Portuguesa and CCL both have a high association with coziness and leisure and productivity.

Lee (2022) study on the economic impact of coffee shops suggests that perceived value often ties to both menu pricing and the diversity of offerings. Padaria Portuguesa reflects this both attributes by providing a menu diversity through the *full menu* attribute and offering a cappuccino price with a positive relative importance in Conjointly.

The relationship between price vs quality is very important for coffee shop goers. Pricing is a crucial decision-making factor of whether or not to go to a special coffee shop (Kwame Opoku 2023). This is mirrored in the strong preference for lower cappuccino prices in the conjoint analysis. Consumers favour €2.30 and €2.80 price points, while penalizing prices above €3.30. The MWTP results confirm this sensitivity, with all brands exhibiting negative MWTP values for higher prices relative to the baseline (Padaria Portuguesa).

However, Padaria Portuguesa's ability to maintain strong brand loyalty despite slightly higher prices reflects Han's (2018) argument that perceived value and brand recognition can offset price sensitivity. Conversely, Cafetaria Pingo Doce's low preference and steep negative MWTP indicate a lack of perceived value, suggesting that price alone is insufficient to attract consumers if quality and ambiance are perceived as lacking.

Service quality is a cornerstone of customer satisfaction, as emphasized by Waxman (2006) and & Namkung (2009). In our findings, attributes like *Service is quick* and *The staff is attentive* significantly contribute to *Customer satisfaction and experience* component reinforcing the idea that personalized interactions and efficient service foster loyalty and enhance the overall coffee shop experience. This aligns with Jang and Namkung's (2009) assertion that emotional connections with service quality outweigh other factors in shaping consumer perceptions.

Coffee shops as social hubs resonate deeply with the findings of Zukin (1995) and Oldenburg (1999). In Lisbon, the preference for outdoor seating and the emphasis on ambiance reflect the role of coffee shops as “third places” that foster community and connection. This is particularly evident in the preferences of freelancers, who favour multifunctional spaces like Copenhagen Coffee Lab, aligning with Maspul’s (2023) concept of “coffices.” The preference for cozy and functional environments among this group underscores the importance of creating spaces that cater to both work and leisure.

The strong preference for Padaria Portuguesa also reflects the importance of cultural authenticity, as noted by the Industrial and Commercial Coffee Association (2024). Portuguese consumers’ balanced preference for local and international brands highlights their appreciation for both tradition and modernity, while English respondents’ strong preference for Starbucks reflects global brand recognition and standardized offerings.

11.2. Managerial Implications

This study provides insights for a new coffee shop planning to enter the Lisbon market. The findings identify the most important attributes that influence consumer preferences and perceptions in this industry, offering practical guidance for developing an effective market entry strategy. Understanding these key factors will help a new coffee shop differentiate itself and better meet the needs of Lisbon’s coffee consumers.

Brand emerged as the most important attribute in our analysis, both in terms of preference and perception, emphasizing the need for future managers to prioritize building a strong, recognizable brand. Establishing brand equity will not only foster trust but also positively influence consumer perceptions and loyalty, which are critical for achieving long-term success.

Outdoor seating is a highly valued feature, particularly in Lisbon’s favourable climate. A new coffee shop should prioritize creating appealing outdoor spaces to cater to the local preference for enjoying coffee outside, especially during warmer months. However, it is also essential to offer indoor seating to accommodate a broader range of customer preferences year-round.

Parking availability, especially free parking, also plays a significant role in consumer choice. New entrants should consider the importance of convenience and accessibility by offering free or easy-to-find parking, potentially through partnerships with nearby facilities. In a market where parking options are often limited, addressing this need could give a new coffee shop a distinctly competitive edge.

Menu variety is also crucial, with a clear preference for a full menu offering a range of food and beverage options. A new coffee shop should focus on providing a broad selection of items, such as coffee drinks, snacks, and light meals, to cater to different consumer preferences and maximize appeal.

Pricing is an important factor, with most customers preferring lower cappuccino prices. For new entrants without established brand recognition, a competitive pricing strategy that balances affordability with quality is essential for attracting price-sensitive customers. Coffee shops with strong brand equity, however, may have more flexibility to charge slightly higher prices, as loyal customers are less price sensitive. Understanding price elasticity is key: while price-sensitive coffee shops may need to adopt promotions or flexible pricing strategies, brands with inelastic demand can maintain higher pricing without significantly impacting demand.

Insights from consumer perceptions map further highlight opportunities for positioning a new coffee shop. Perceptual mapping revealed two key dimensions influencing consumer perceptions: Customer Satisfaction and Experience (attentive staff, cozy ambiance, menu diversity, and dietary inclusivity) and Value and Practicality (affordability, menu variety, value for money). A new coffee shop can succeed by bridging this trade-off, offering both premium experiences and practical value to capture a broad customer base. New entrants should aim to minimize perception variability by delivering cohesive and reliable customer experience. Attributes such as social and leisure functions, as well as ambiance, emerged as key differentiators, while quick service and productivity exhibited lower importance. These insights reinforce the need to prioritize customer-centric attributes, such as comfort, menu variety, and affordability, while ensuring a well-balanced offering that meets diverse consumer needs.

Finally, targeted marketing based on consumer demographics will help refine promotional efforts. The price sensitivity is higher in older age groups compared to younger consumers. By tailoring strategies to these preferences and focusing on a strong brand perception, outdoor seating, parking, menu variety, pricing, and customer experience, a new coffee shop will be well-positioned for success in Lisbon's coffee shop market.

"What are the most important attributes a new coffee shop should consider when entering the Lisbon market?"

In addressing our research question, the most important attributes a new coffee shop should prioritize when entering the Lisbon market are as follows: first, establishing a distinctive brand identity that sets it apart from competitors; second, ensuring parking availability in a strategically chosen location with a focus on accessibility; and finally, setting a pricing strategy that balances these factors while aligning with customer price sensitivity.

11.3. Implications for future research

Alike any research that starts with limited resources and data, the investigation pursued in this thesis presents clear limitations that were considered along the journey and therefore consequent implications for future research.

Starting off with the conjoint analysis limitations, we were conscious surveys were limited in the sense that they focused solely on a single item, the cappuccino. We acknowledge that coffee-shop menus are way longer than just a single item being sold, and therefore the preferences portrayed by the respondents could have been different depending on the item chosen or, of course, if we had selected multiple products to be evaluated. For instance, if we decided that we wanted to define pastel de nata as the product being appreciated, we would have a clear trend towards Pastéis de Belém, and so on, with various specialty orders from other coffee houses.

The perceptual maps revealed a significant loss of information due to the selection of only two components for analysis. Future research should explore this information loss further, as it may explain the unclear positioning of Pastéis de Belém and Starbucks in the current perceptual maps.

The outdoor seating, a factor that was mentioned by a great majority of respondents, is a clear victim of seasonality. Depending on the time of the year and mostly on the weather, the answers to this variable will change drastically. The preliminary interviews, where we first identified outdoor seating as a top preference, was conduct in the beginning of September, in Lisbon, where temperatures easily reach 30ºC during the day. There is a possibility that if those interviews were conducted during winter season, where going to an esplanade isn’t as appealing, the results wouldn’t mention as much the relevance of outdoor seating.

Even if we had considered other items in our conjoint analysis, we would still lose some depth regarding taste of the food and beverages as well as a quite central attribute: location.

We do recognize that in a further investigation, location would be the next attribute to be studied. It is undeniable that closeness to work and home or proximity to one’s points of interest, will shape our preferences, not mentioning the role our geographical routines play in choosing where to go have a coffee or a drink.

Although it wasn’t a hot topic during the preliminary interviews, we do know, based on direct observation and recent literature, sustainability is changing the coffee-shop industry in Lisbon. It will be paramount to understand, in the future, how consumers react to deliberately sustainable coffee shops and if this alters consumers' preferences.

Lastly, we did not study the influence of sensorial attributes related to branding, such as colour or aroma. It will add a new layer of research to understand the correlation between colour and aroma, and increase food and beverage consumption, due to higher preferences in coffee-houses. As was previously mentioned, there are other ambiance attributes that were left out of our analysis, namely those regarding space and function (layout, equipment or furnishing), and signs, symbols and artefacts (signage, personal artefacts, style of *décor*). Although being highly subjective, these factors are said to have a considerable influence on the coffee-shop preferences and how these businesses are perceived. Lastly, future research on these topics would have to include some investigation on the role of auditory ambience, with a focus on the usage of background noise, music, and the acoustics of the space collectively.

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13. Appendix

Section 1: Preliminary interviews

Appendix 1 - Preliminary interview questions

Sections	Questions
1. Demographics	Age
	Gender
	Professional situation
	Resident / tourist
2. Coffee shops visit experience	1. How often do you visit coffee shops?
	2. Which coffee shops in Lisbon have you visited, and how did you find out about them?
3. Attributes	3. What do you value the most when choosing a particular coffee shop?
	4. What are your preferred coffee and food items, including any dietary preferences or restrictions?
	5. What do you look for in a coffee shop's atmosphere?
	6. How important are social interactions in your coffee shop experience?
	7. Do you often use coffee shops for work or studying, and what factors make a coffee shop conducive to productivity?
4. Preferences	8. Which is the coffee shop that you prefer the most? Why?
5. Points to improve	9. Is there any characteristic that you would like to be added to coffee shops?
	10. Is there anything in a coffee shop that leads you to avoid it?

Appendix 2 - Expert interview guide

Sections	Questions
1. Industry Overview and Market Position	1. How does Padaria Portuguesa differentiate itself from other coffeeshops in Lisbon?
	2. What trends have you observed in the Lisbon coffeeshop market over the past few years?
	3. How does tourism impact your business?
2. Consumer Preferences and Behavior	4. What are the most important factors that influence your customers' choice of visiting Padaria Portuguesa?
	5. How do demographics such as age, income, or cultural background influence the preferences of your customers?
	6. How important is the role of price perception in your customers' decision-making?
	7. Do you offer seasonal or special menu options?
3. Social Media and Trends	8. How does social media influence your marketing strategies?
	9. How does digital marketing influences customer preferences?
4. Customer Experience and Service	10. How do you approach the customer experience in your coffeeshops?
	11. Do you offer or plan to offer sustainable options, such as ecological packaging or organic products?
5. Physical Environment and Location	12. How do you choose the locations for your coffeeshops?
	13. What role does the physical environment (e.g., design, comfort, lighting) play in your customers' overall satisfaction?

Section 2: Perceptual maps

Appendix 3 - Descriptive statistics of Padaria Portuguesa factors

FAC1		*FAC2*	
Mean	0,152857	Mean	0,057051
Standard Error	0,067918	Standard Error	0,063901
Median	0,110399	Median	-0,02248
Mode	1,668856	Mode	0,200752
Standard Deviation	0,903595	Standard Deviation	0,850151
Sample Variance	0,816483	Sample Variance	0,722757
Kurtosis	-0,7575	Kurtosis	1,347426
Skewness	-0,09259	Skewness	0,62695
Range	3,955784	Range	5,606966
Minimum	-2,28693	Minimum	-2,37932
Maximum	1,668856	Maximum	3,227651
Sum	27,05563	Sum	10,09798
Count	177	Count	177
Confidence Level(95,0%)	0,134039	Confidence Level(95,0%)	0,126111

Appendix 4 - Descriptive statistics of Starbucks factors

FAC1		*FAC2*	
Mean	0,012355	Mean	-0,34006
Standard Error	0,079364	Standard Error	0,066673
Median	0,007339	Median	-0,24088
Mode	1,668856	Mode	0,200752
Standard Deviation	1,055874	Standard Deviation	0,88702
Sample Variance	1,114869	Sample Variance	0,786804
Kurtosis	-0,73052	Kurtosis	0,336604
Skewness	-0,13518	Skewness	-0,18488
Range	4,659002	Range	4,767908
Minimum	-2,99015	Minimum	-2,63223
Maximum	1,668856	Maximum	2,135674
Sum	2,186765	Sum	-60,1914
Count	177	Count	177
Confidence Level(95,0%)	0,156628	Confidence Level(95,0%)	0,13158

Appendix 5 - Descriptive statistics of Pastéis de Belém factors

FAC1		*FAC2*	
Mean	-0,08364	Mean	-0,27723
Standard Error	0,073334	Standard Error	0,063034
Median	-0,23708	Median	-0,2039
Mode	1,668856	Mode	0,200752
Standard Deviation	0,975651	Standard Deviation	0,838608
Sample Variance	0,951895	Sample Variance	0,703263
Kurtosis	-0,89139	Kurtosis	0,682283
Skewness	0,214285	Skewness	-0,19143
Range	3,839594	Range	5,087233
Minimum	-2,17074	Minimum	-2,90576
Maximum	1,668856	Maximum	2,181478
Sum	-14,8039	Sum	-49,0689
Count	177	Count	177
Confidence Level(95,0%)	0,144728	Confidence Level(95,0%)	0,124399

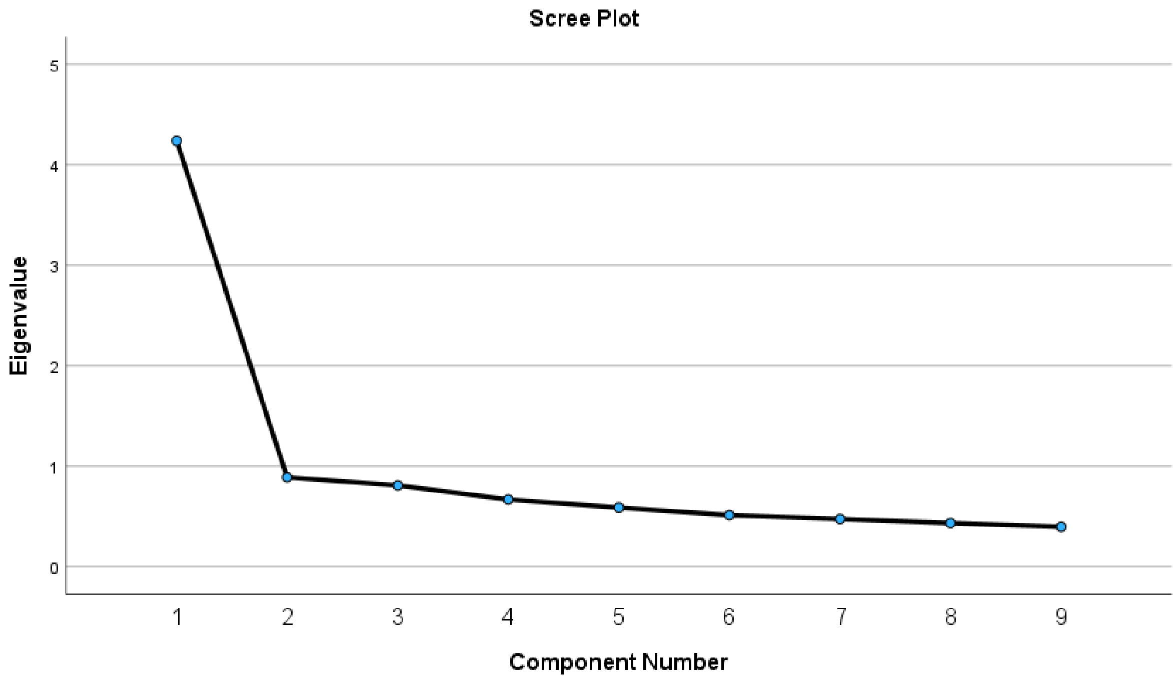
Appendix 6 - Descriptive statistics of Copenhagen Coffee Lab factors

FAC1		*FAC2*	
Mean	0,144905	Mean	-0,13447
Standard Error	0,069136	Standard Error	0,058767
Median	0,166849	Median	-0,05552
Mode	-0,80305	Mode	-0,05552
Standard Deviation	0,919798	Standard Deviation	0,781845
Sample Variance	0,846028	Sample Variance	0,611282
Kurtosis	-0,02764	Kurtosis	1,622764
Skewness	-0,34265	Skewness	0,201021
Range	4,943809	Range	5,015738
Minimum	-3,27495	Minimum	-2,30864
Maximum	1,668856	Maximum	2,707099
Sum	25,64812	Sum	-23,8017
Count	177	Count	177
Confidence Level(95,0%)	0,136443	Confidence Level(95,0%)	0,115979

Appendix 7 - Descriptive statistics of Cafetaria Pingo Doce factors

FAC1		*FAC2*	
Mean	-0,22648	Mean	0,694712
Standard Error	0,081997	Standard Error	0,092002
Median	-0,39221	Median	0,410944
Mode	1,668856	Mode	0,200752
Standard Deviation	1,090901	Standard Deviation	1,224011
Sample Variance	1,190065	Sample Variance	1,498204
Kurtosis	-0,85349	Kurtosis	0,398358
Skewness	0,044586	Skewness	0,551855
Range	4,386185	Range	7,005954
Minimum	-2,71733	Minimum	-2,5353
Maximum	1,668856	Maximum	4,47065
Sum	-40,0866	Sum	122,9641
Count	177	Count	177
Confidence Level(95,0%)	0,161824	Confidence Level(95,0%)	0,18157

Appendix 8 - Factor analysis Scree plot



Appendix 9 - Factor analysis Component Matrix

Component Matrix[a]

	Component	
	1	2
The staff is attentive.	.743	-.012
The ambiance feels cozy	.727	-.296
Dietary options available (e.g., vegetarian, vegan, gluten-free)	.697	.308
Leisure	.691	-.367
Menu Diversity	.691	.370
Social	.675	-.489
Productivity	.663	-.058
Service is quick.	.648	.201
Value for money	.633	.388

Extraction Method: Principal Component Analysis.
a. 2 components extracted.

Appendix 10 - Component Score Coefficient Matrix Table

Component Score Coefficient Matrix

	Component	
	1	2
The ambiance feels cozy	.172	-.333
Value for money	.149	.437
Menu Diversity	.163	.417
Dietary options available (e.g., vegetarian, vegan, gluten-free)	.164	.346
The staff is attentive.	.175	-.013
Service is quick.	.153	.226
Productivity	.156	-.065
Leisure	.163	-.414
Social	.159	-.550

Extraction Method: Principal Component Analysis.
Component Scores.

Appendix 11 - Factor analysis Communalities Table

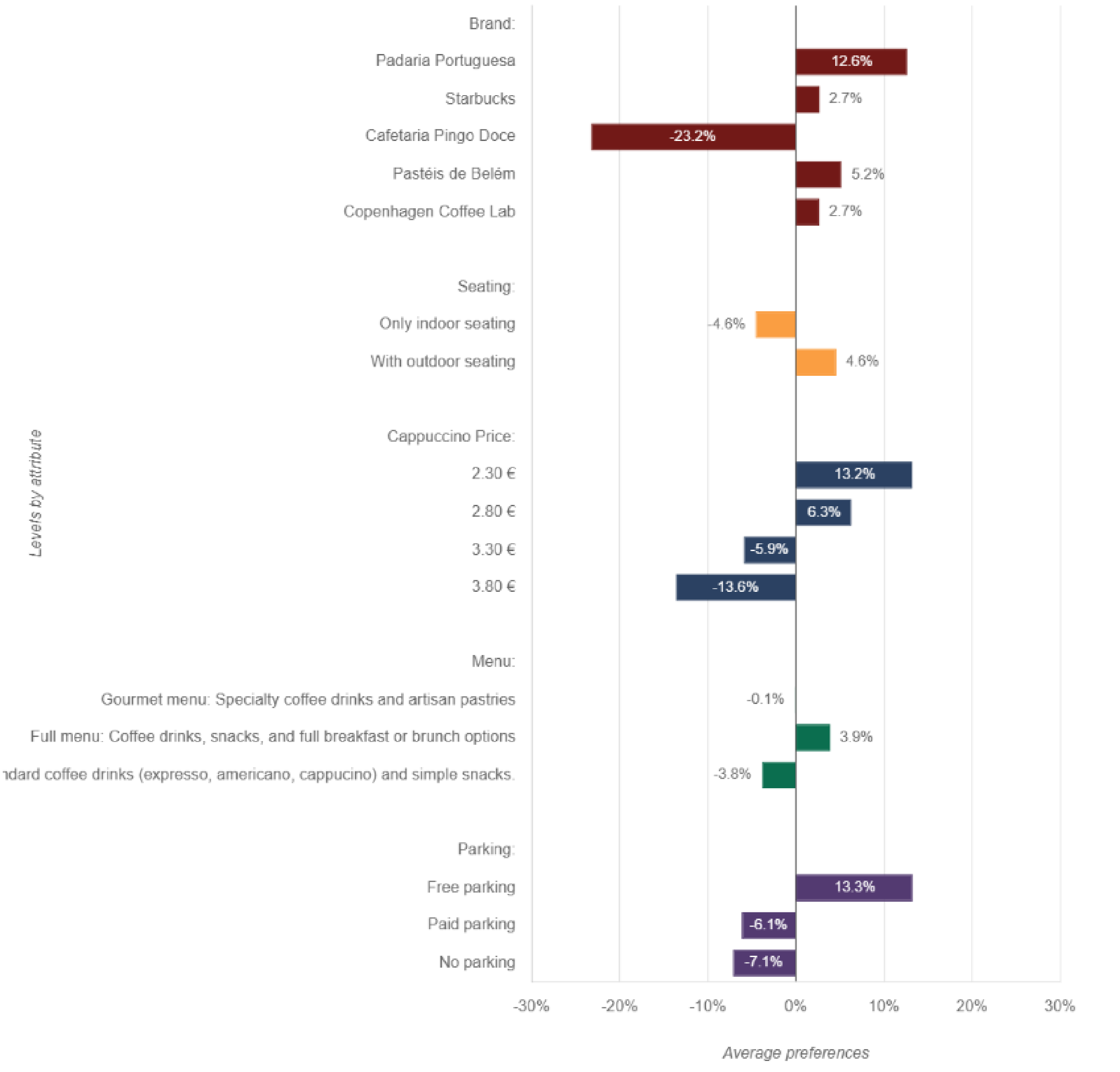
Communalities

	Extraction
The ambiance feels cozy	.617
Value for money	.552
Menu Diversity	.615
Dietary options available (e.g., vegetarian, vegan, gluten-free)	.580
The staff is attentive.	.552
Service is quick.	.461
Productivity	.443
Leisure	.613
Social	.695

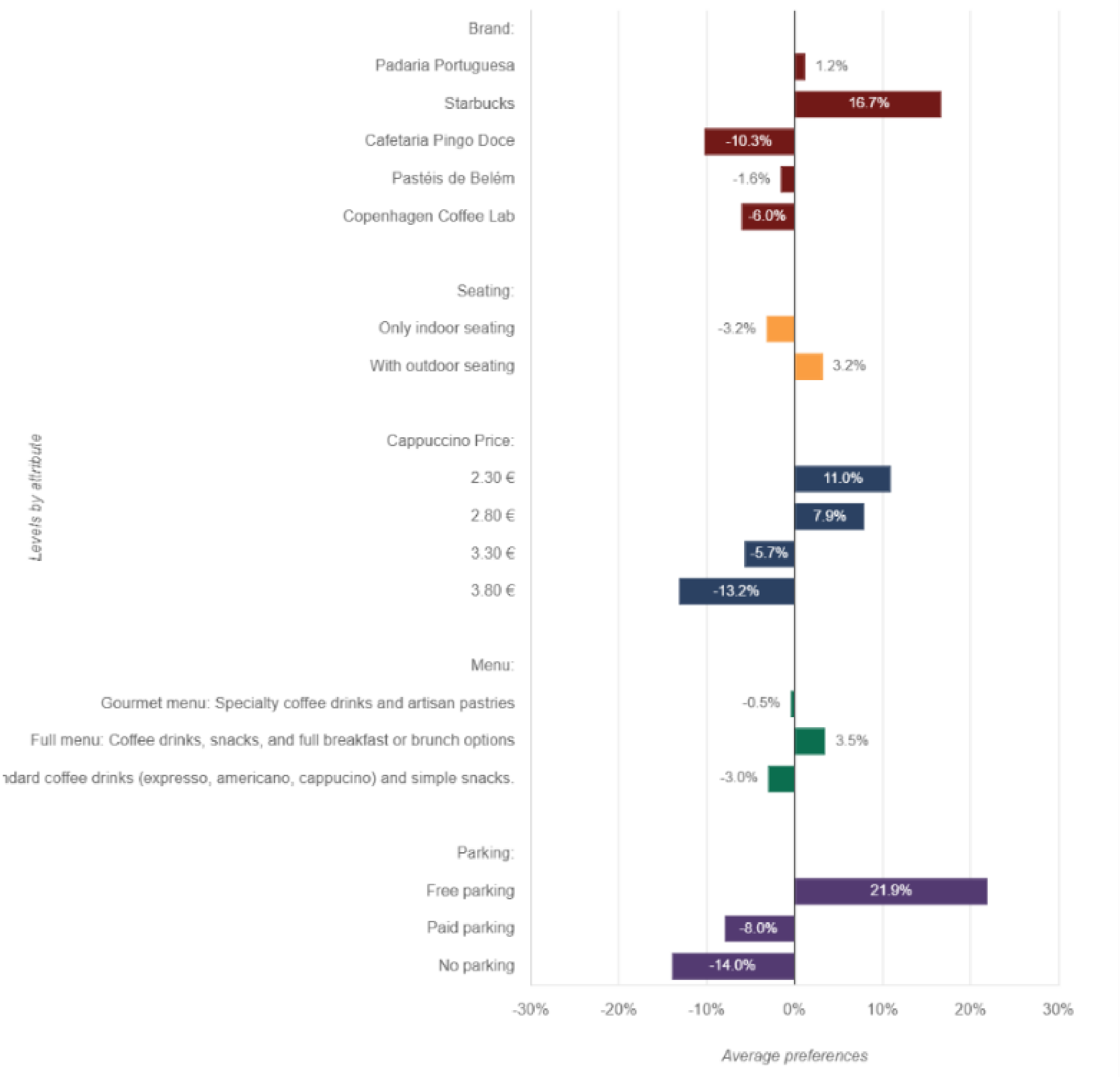
Extraction Method: Principal Component Analysis.

Section 3: demographical preferences

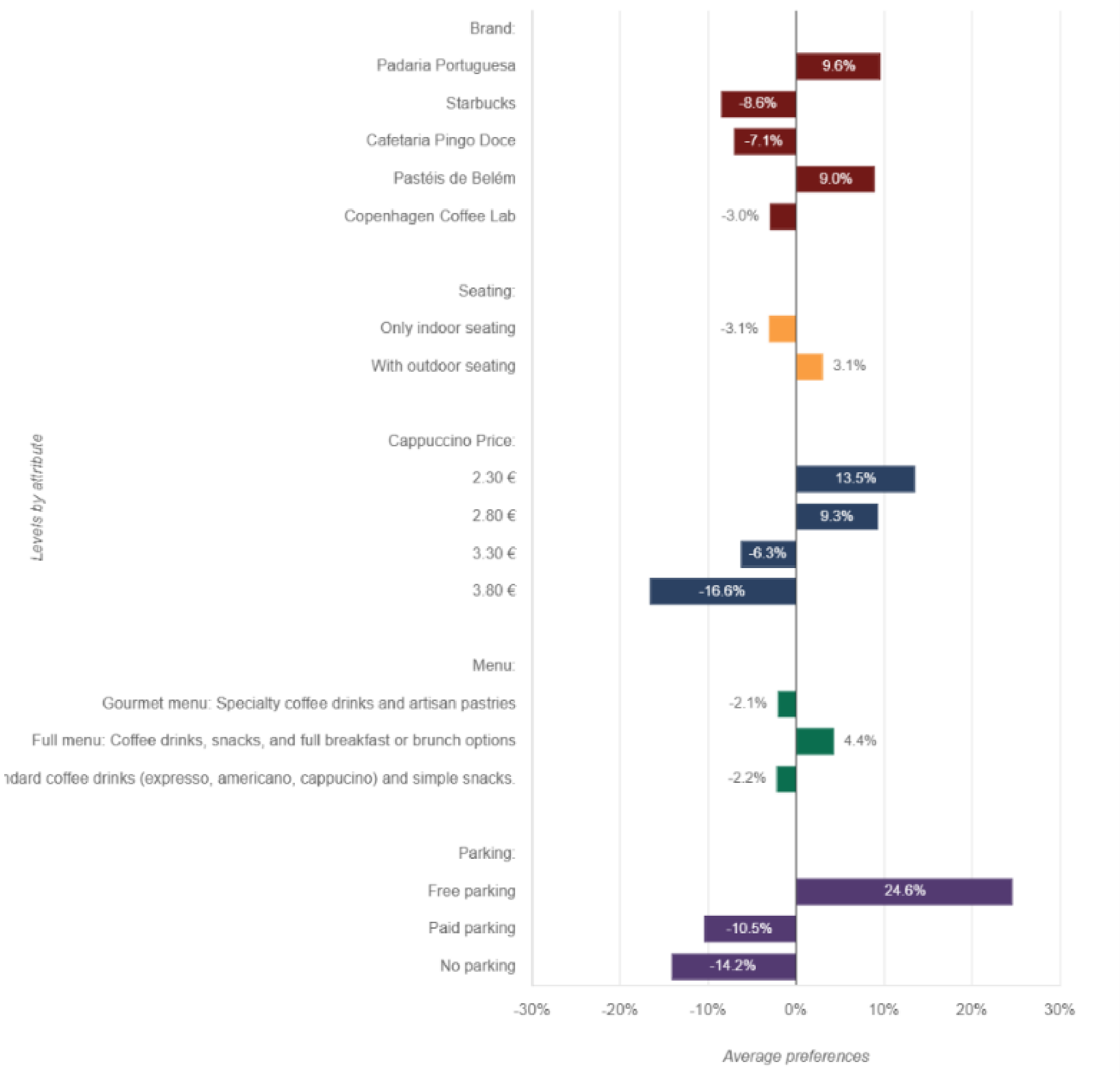
Appendix 12 - Average preferences for levels by attributes (18-25 age group)



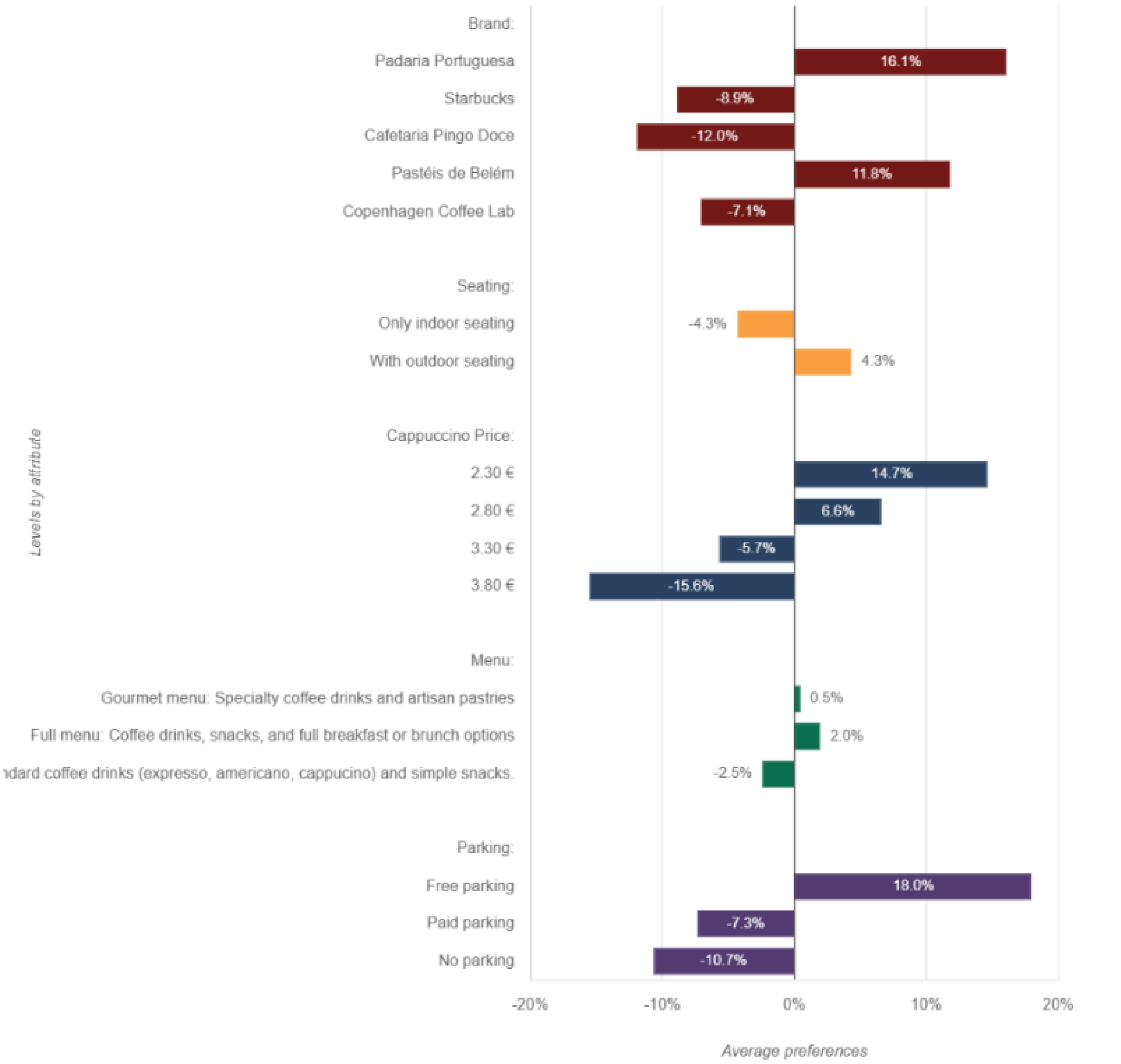
Appendix 13 - Average preferences for levels by attributes (26-35 age group)



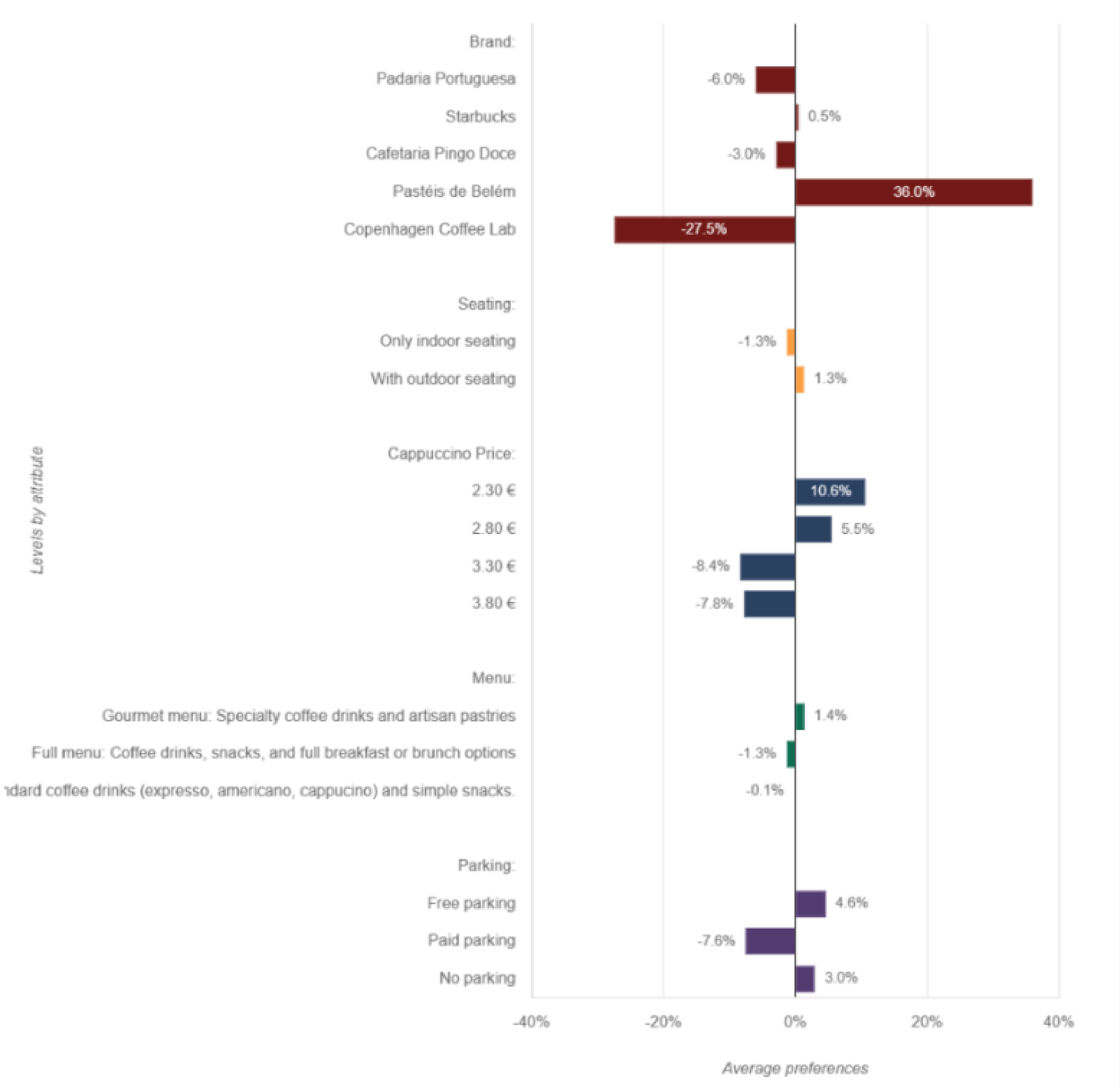
Appendix 14 - Average preferences for levels by attributes (36-45 age group)



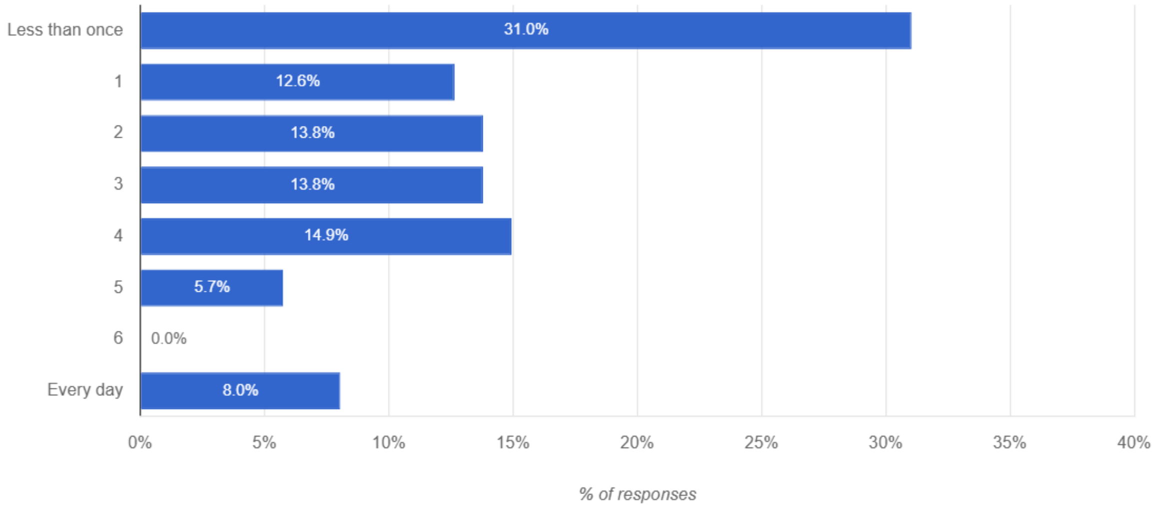
Appendix 15 - Average preferences for levels by attributes (46-55 age group)



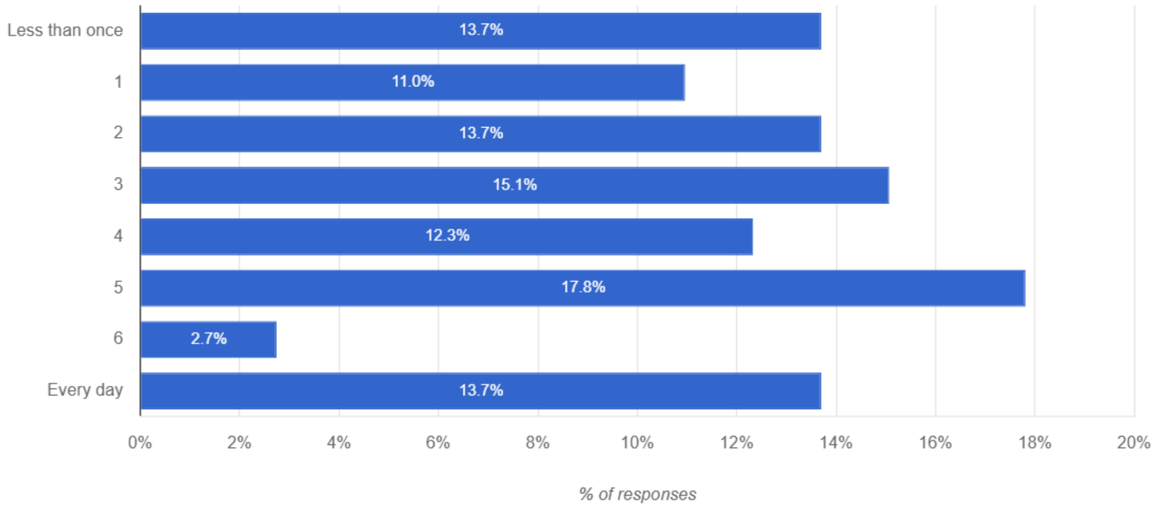
Appendix 16 - Average preferences for levels by attributes (over 55 age group)



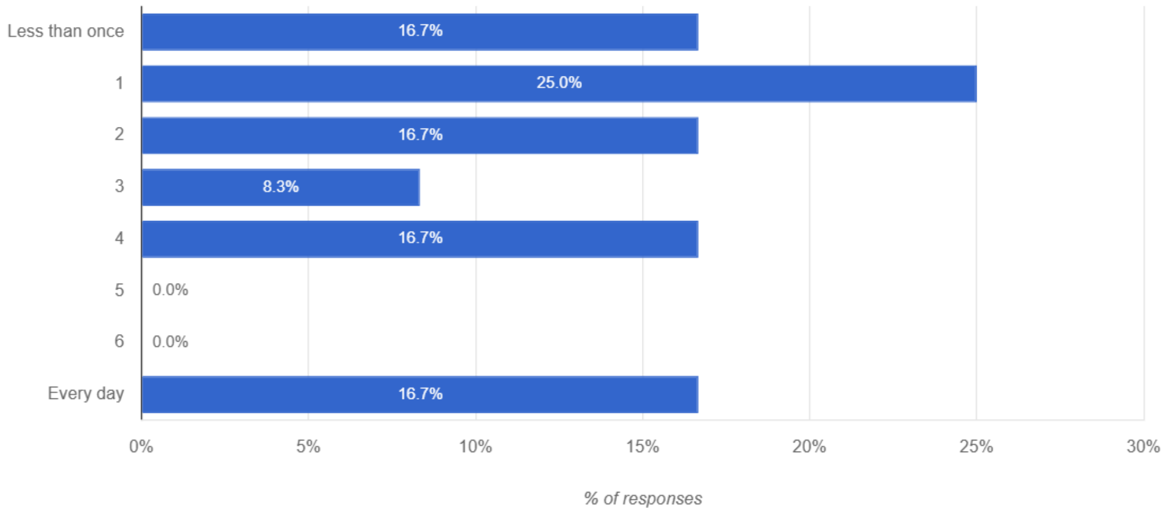
Appendix 17 - Weekly visits (18-25 age group)



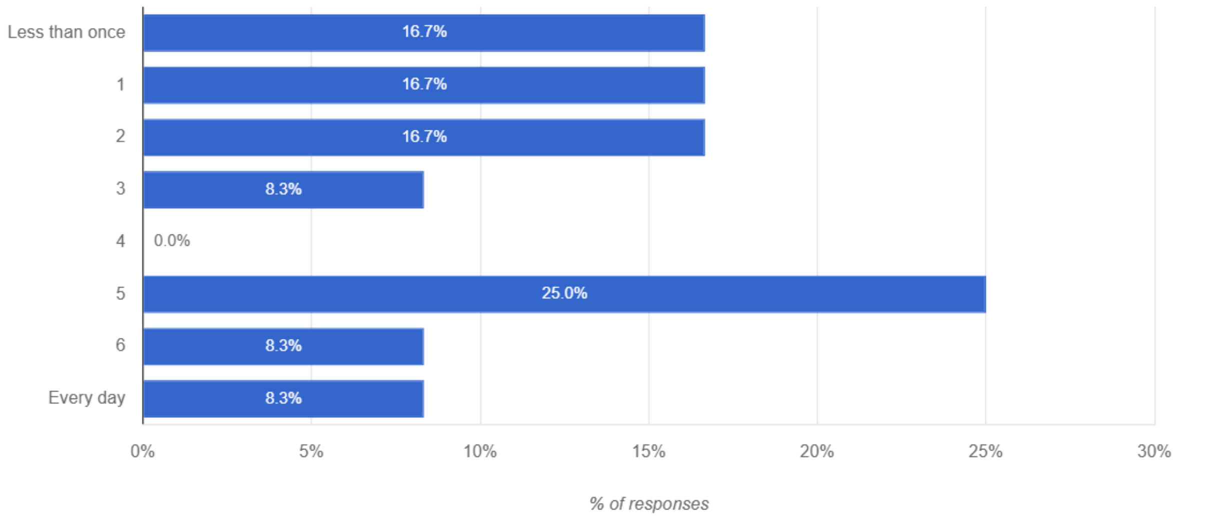
Appendix 18 - Weekly visits (26-35 age group)



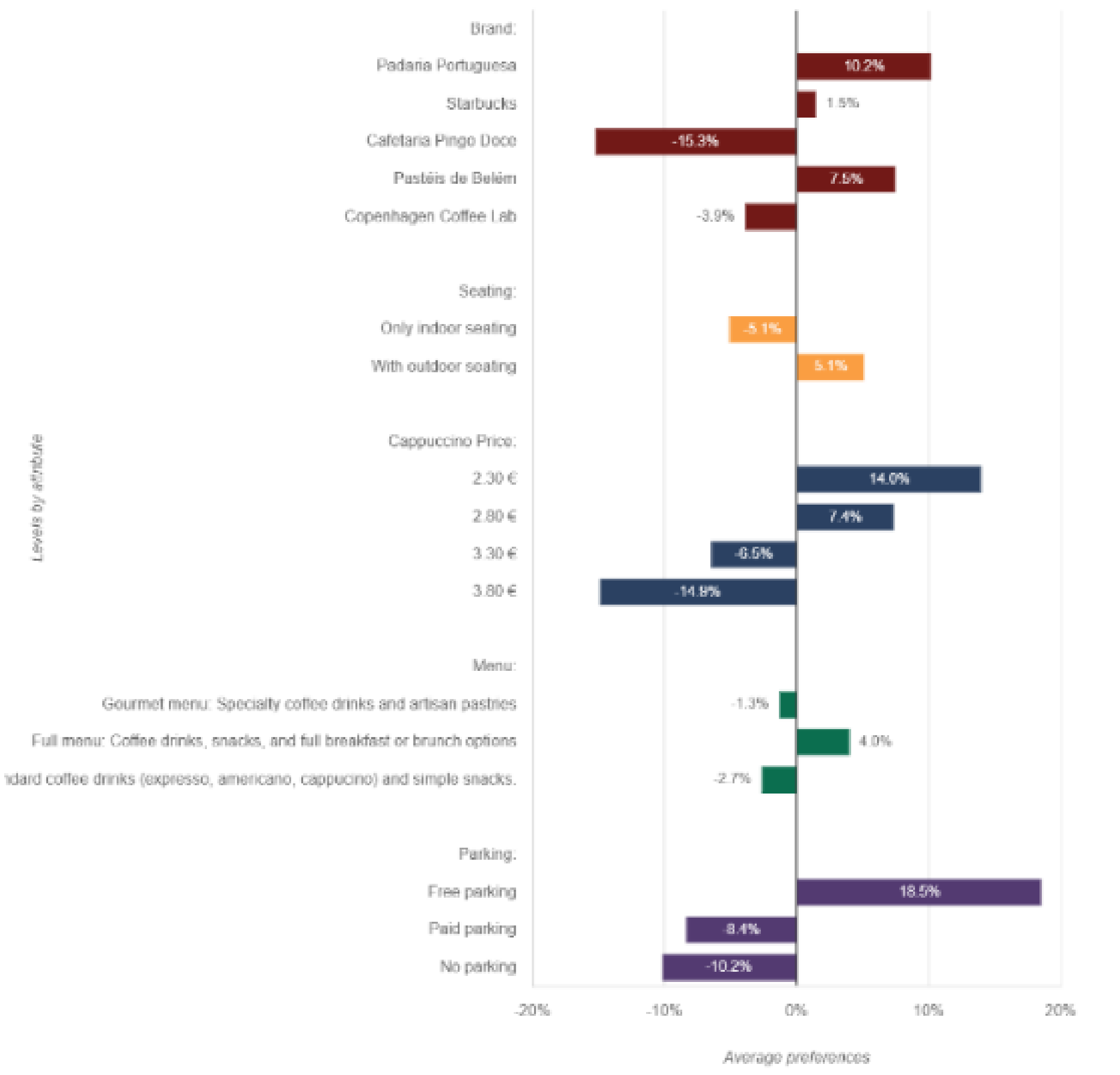
Appendix 19 - Weekly visits (36-45 age group)



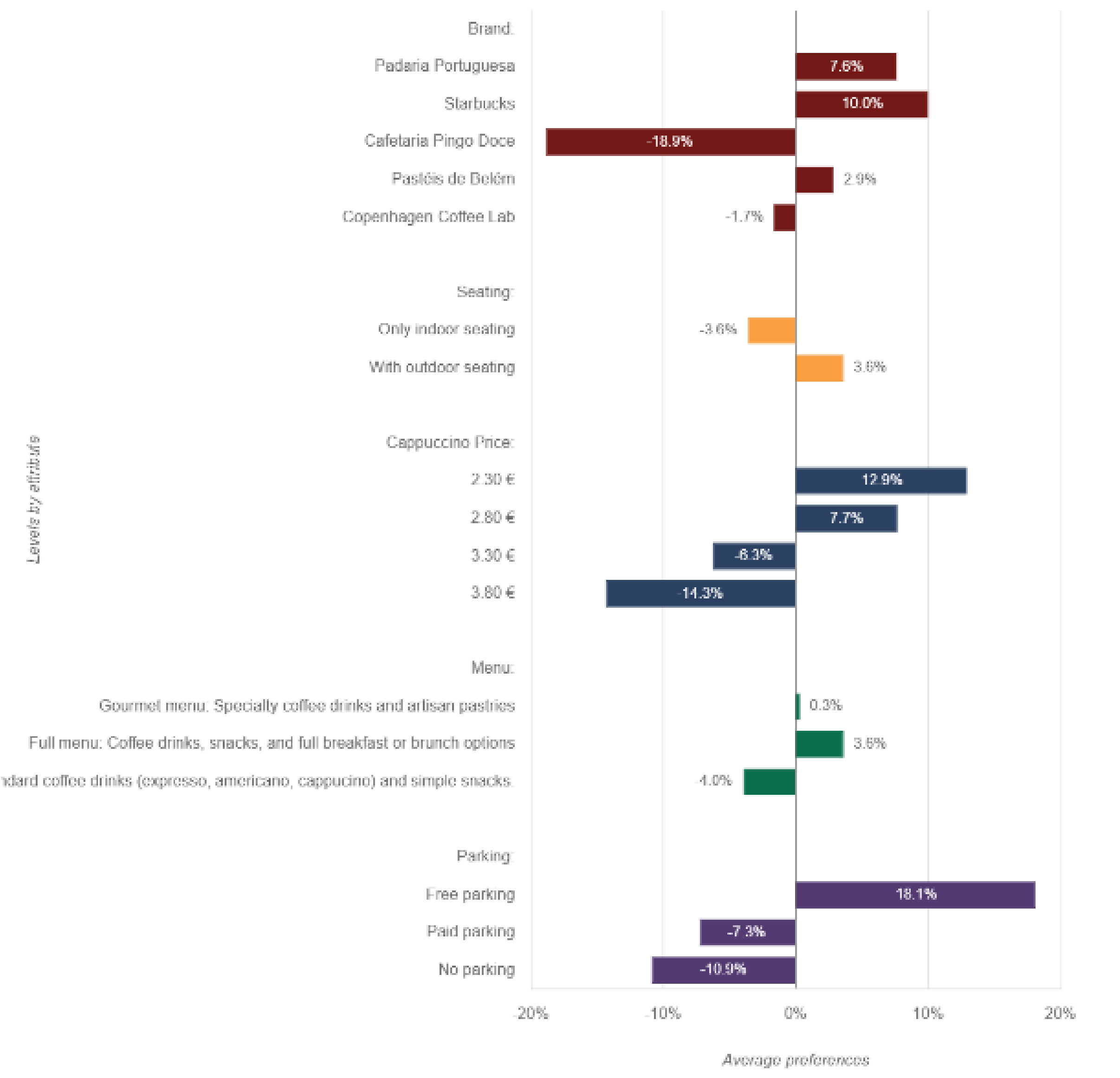
Appendix 20 - Weekly visits (46-55 age group)



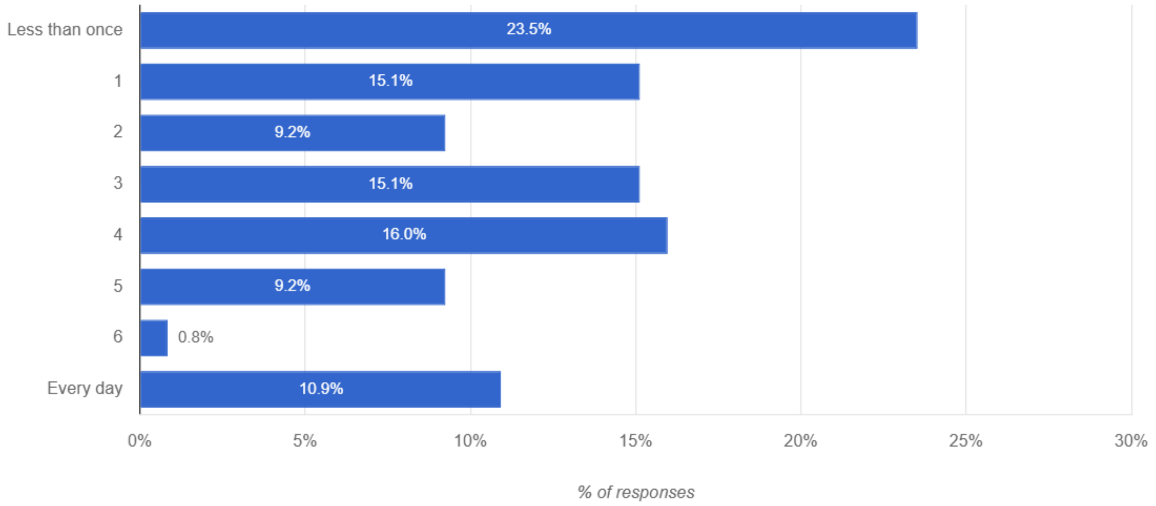
Appendix 21 - Average preferences for levels (resident in Lisbon; male)



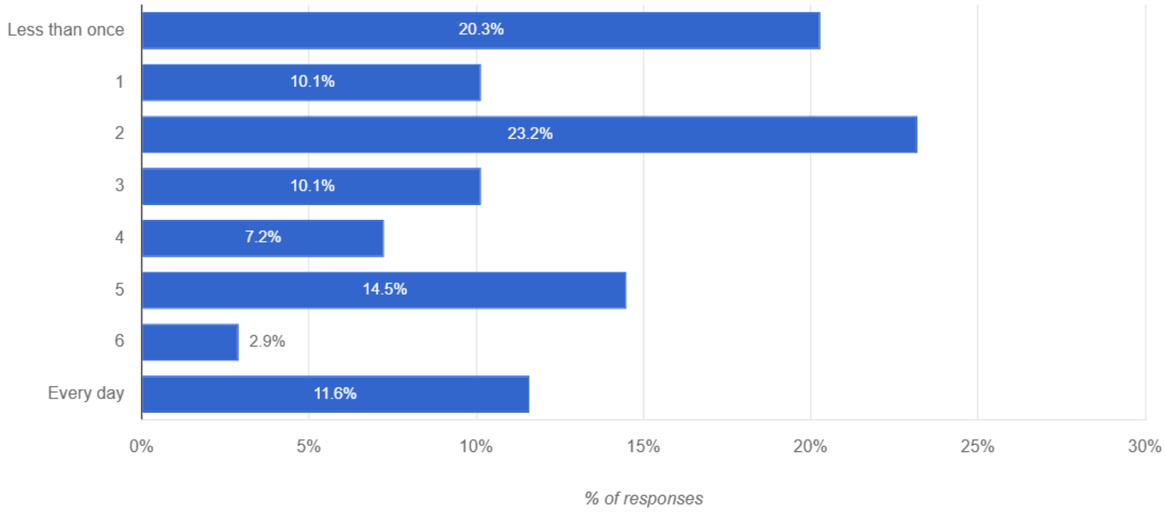
Appendix 22 - Average preferences for levels (resident in Lisbon; female)



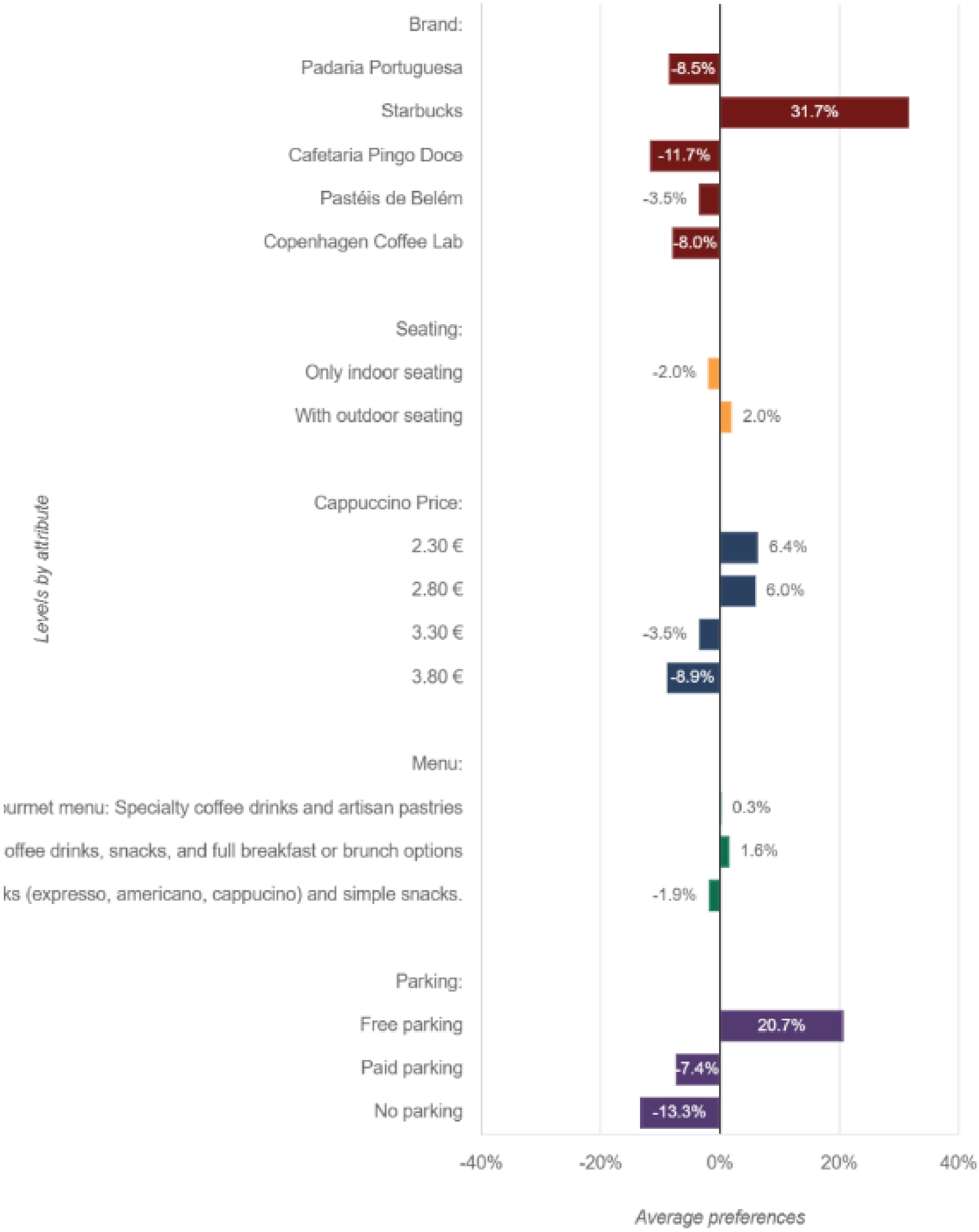
Appendix 23 - Weekly visits (female)



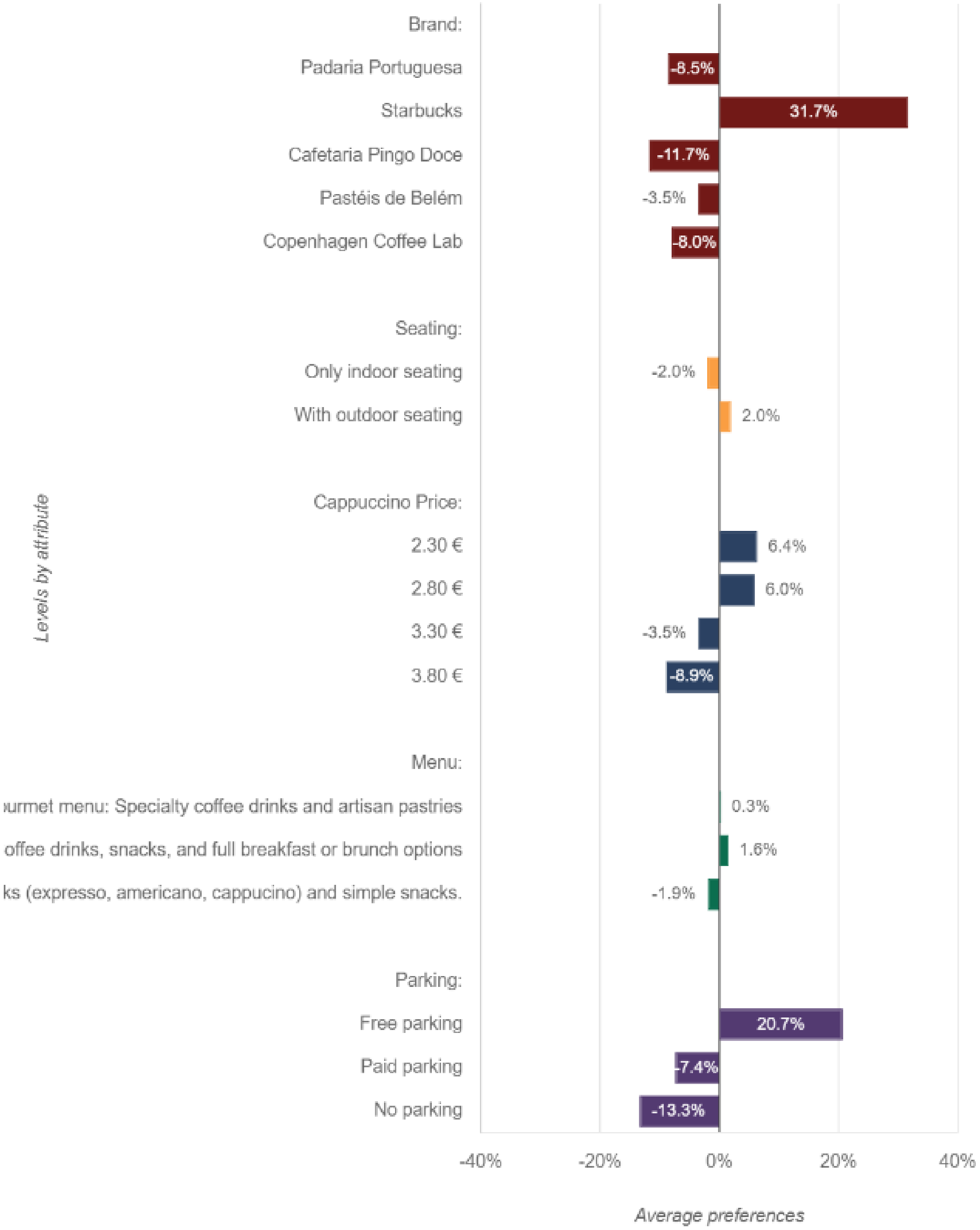
Appendix 24 - Weekly visits (male)



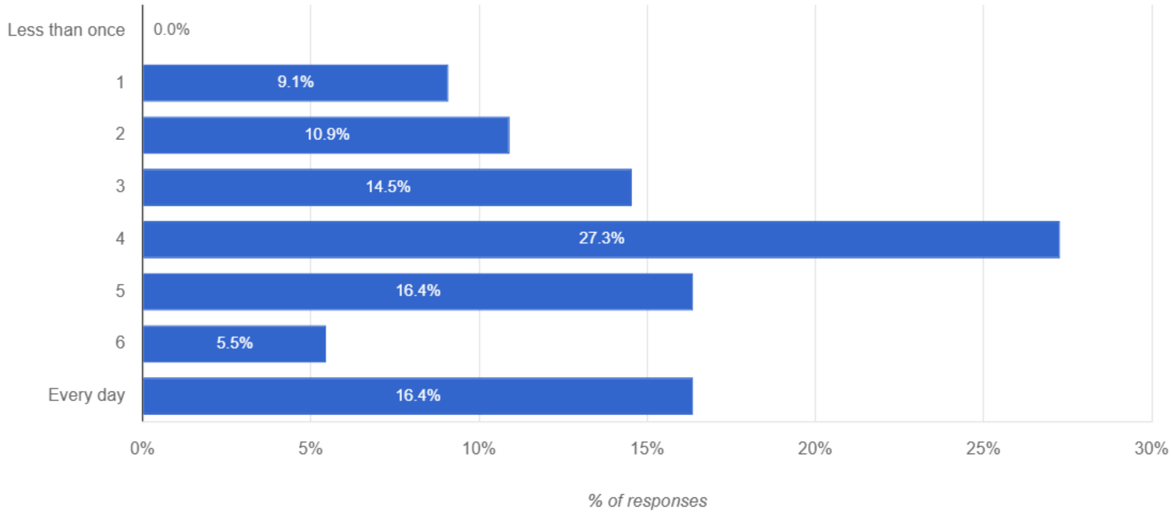
Appendix 25 - Average preferences for levels by attributes (Portuguese)



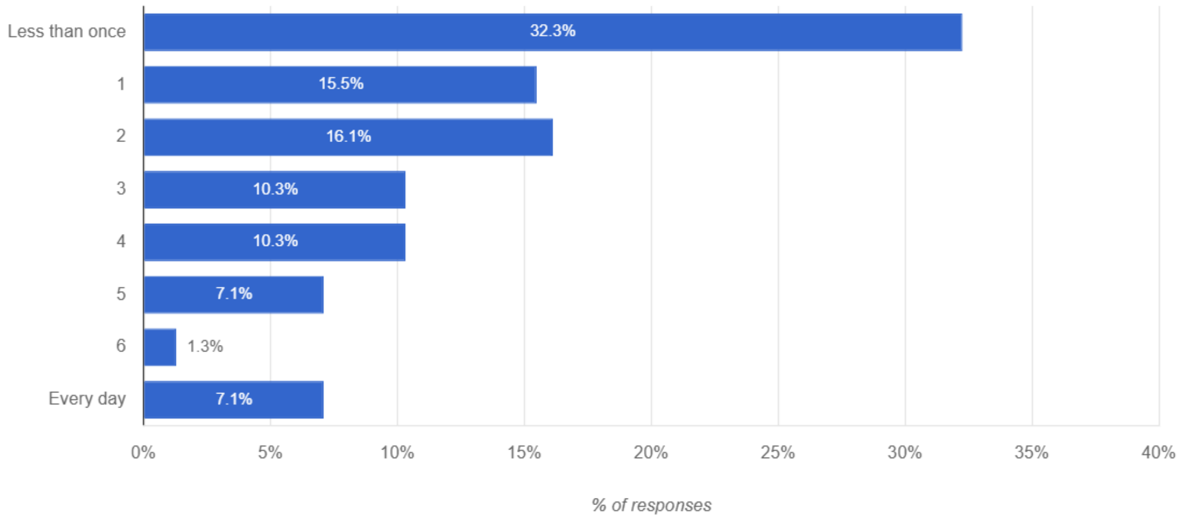
Appendix 26 - Average preferences for levels by attributes (English)



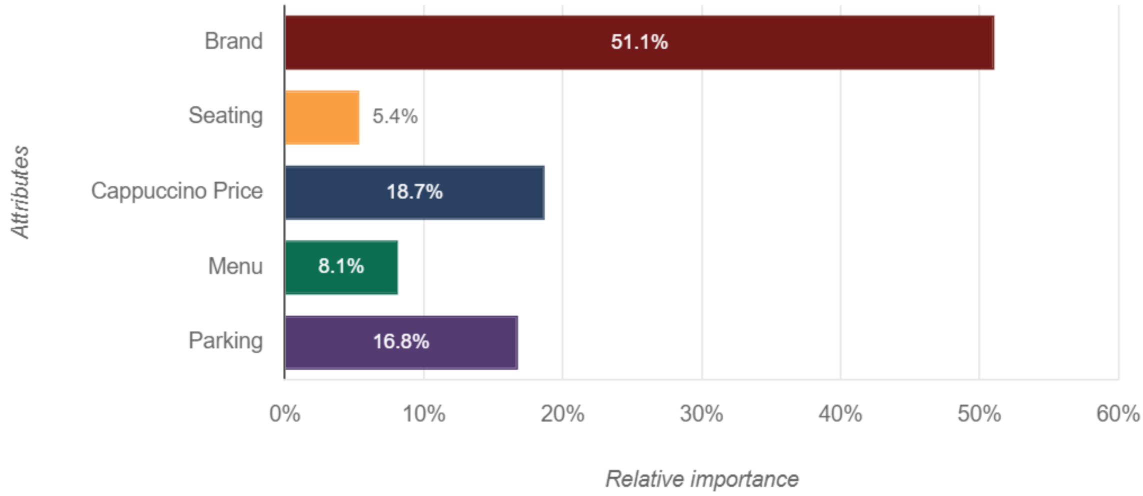
Appendix 27 - Weekly visits (English)



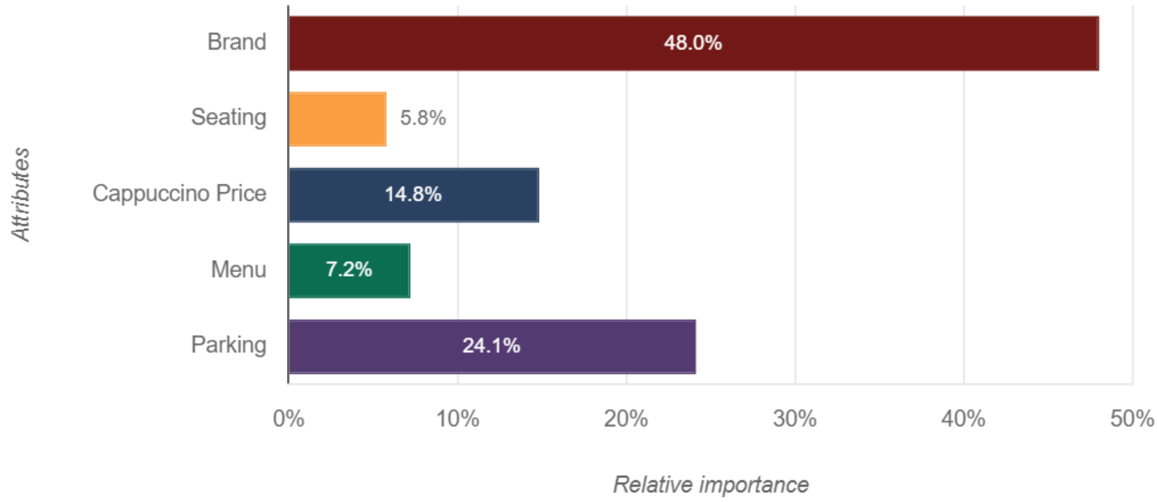
Appendix 28 - Weekly visits (Portuguese)



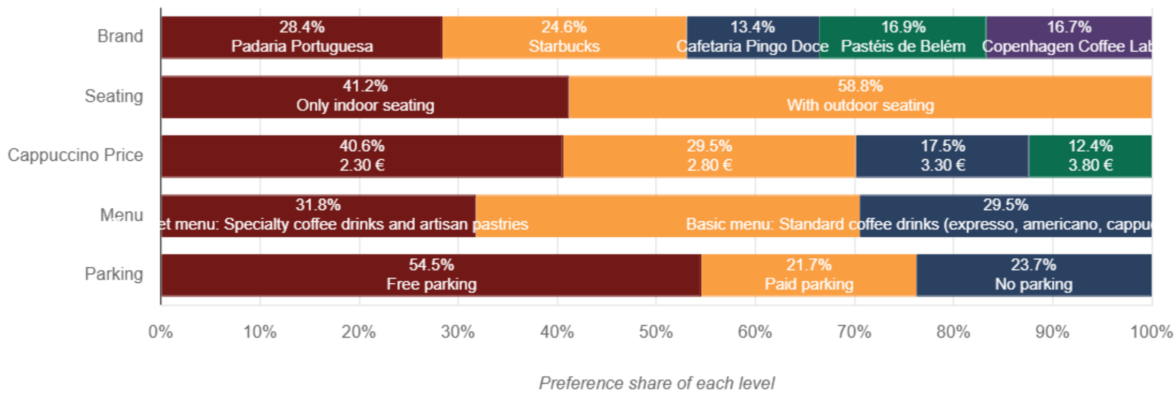
Appendix 29 - Relative importance of attributes (Portuguese)



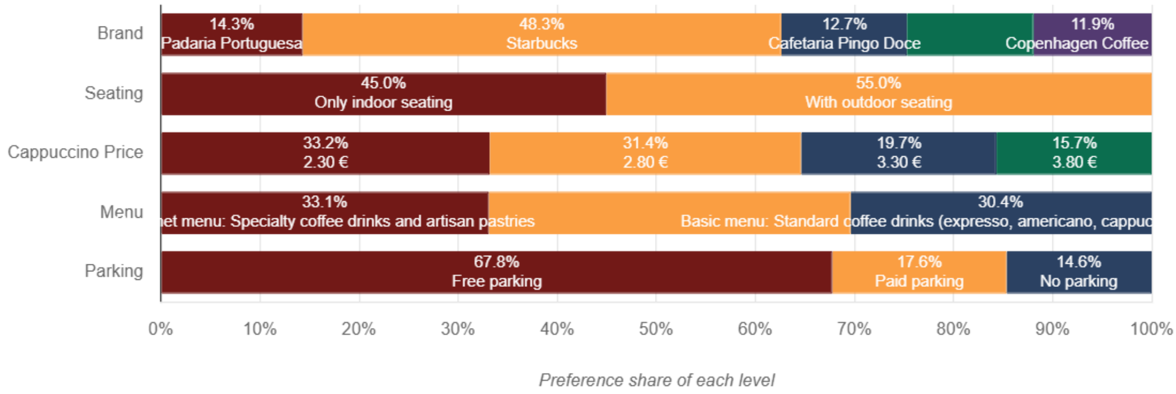
Appendix 30 - Relative importance of attributes (English)



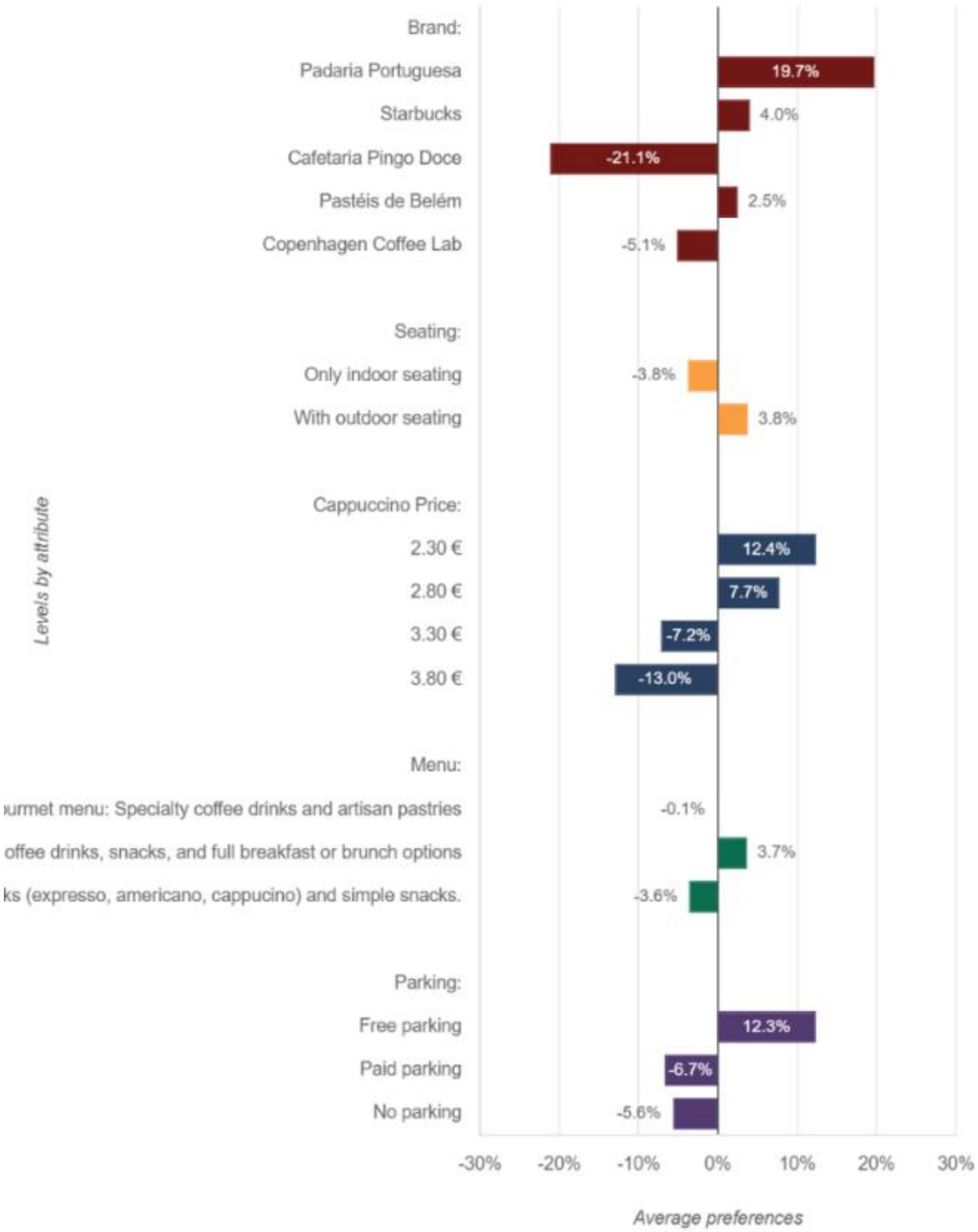
Appendix 31 - Distribution preferences for levels (portuguese respondentes sgment)



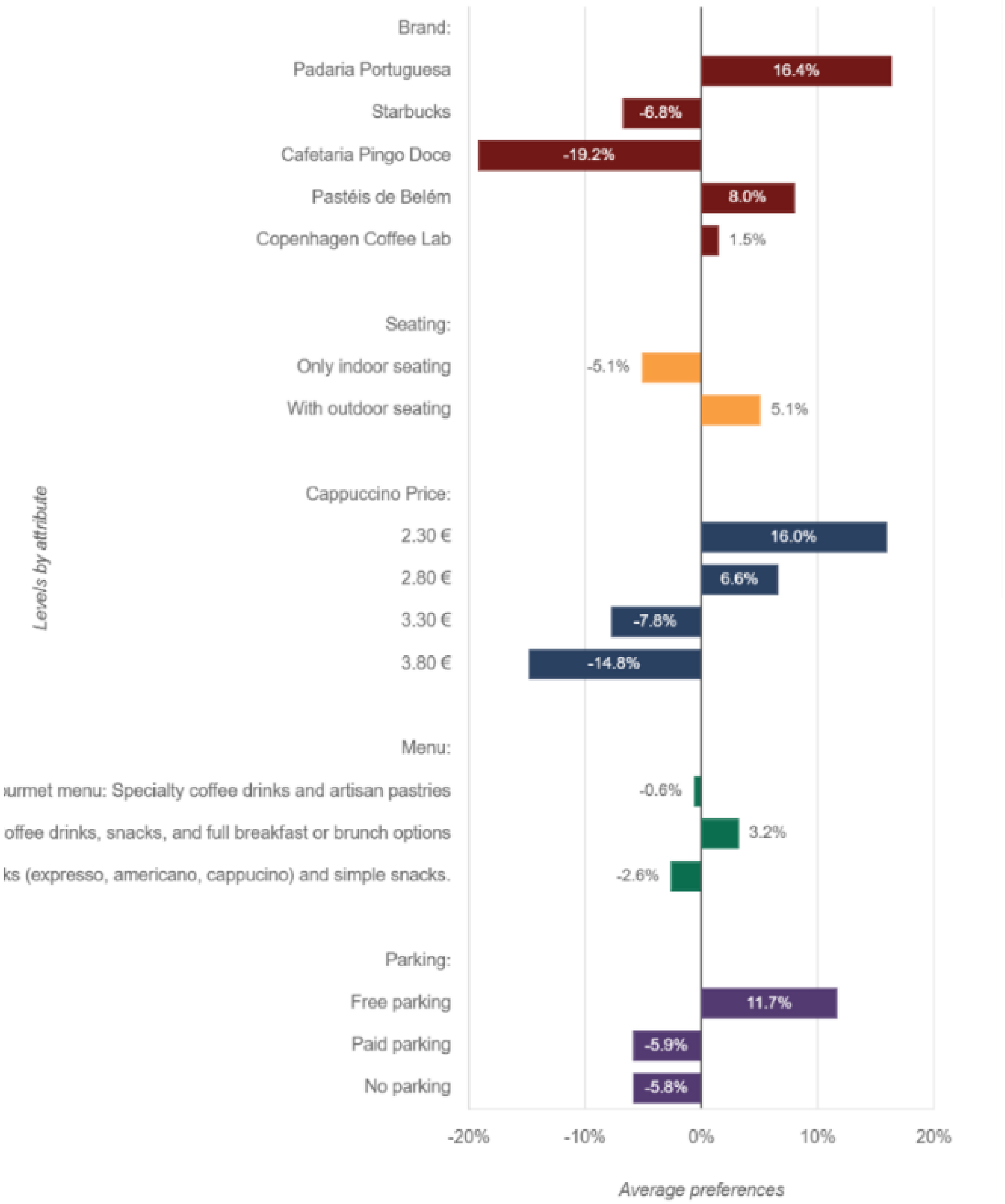
Appendix 32 - Distribution of preferences for levels (Ensligh segment)



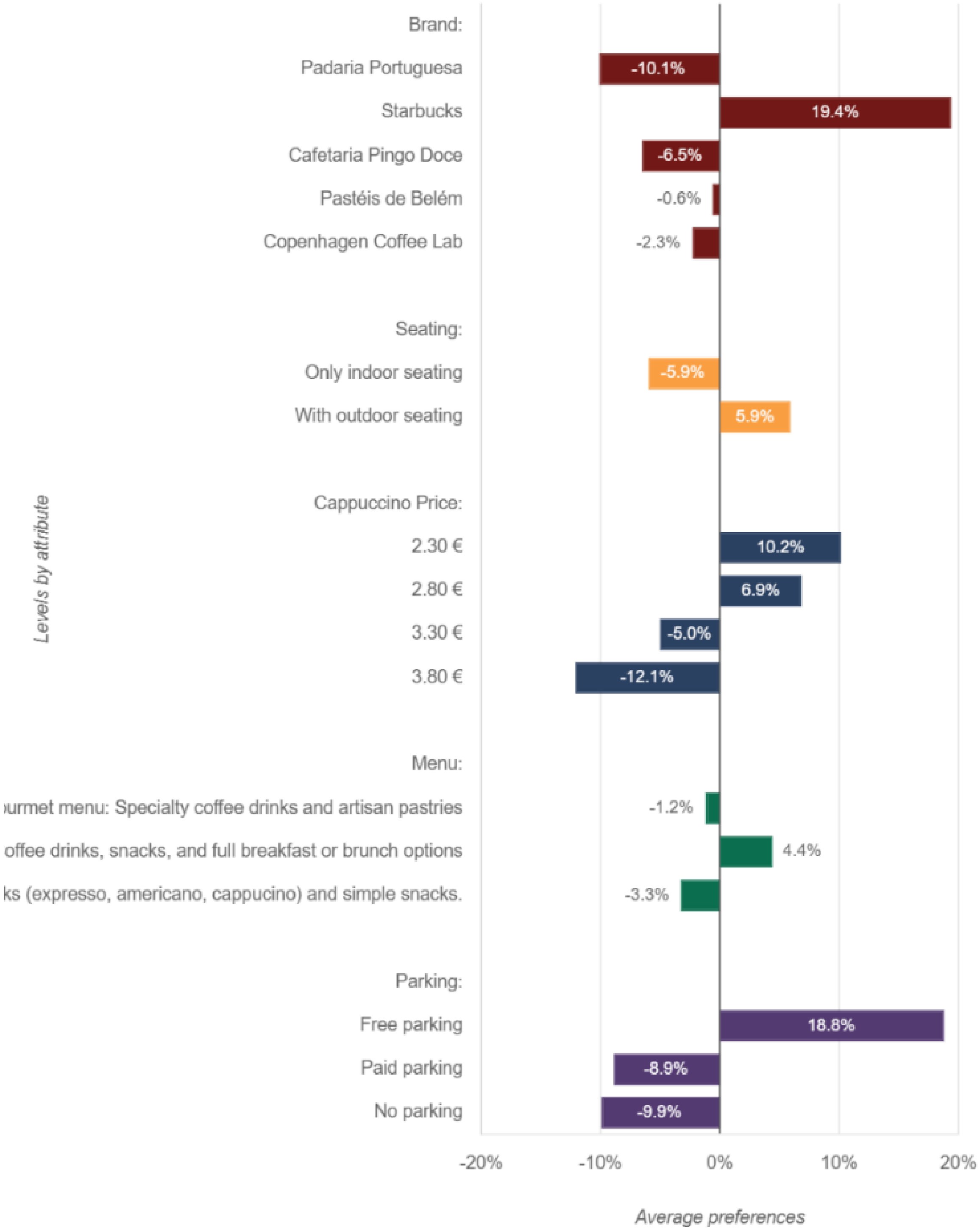
Appendix 33 - Average preferences for levels by attributes (workers: business and management)



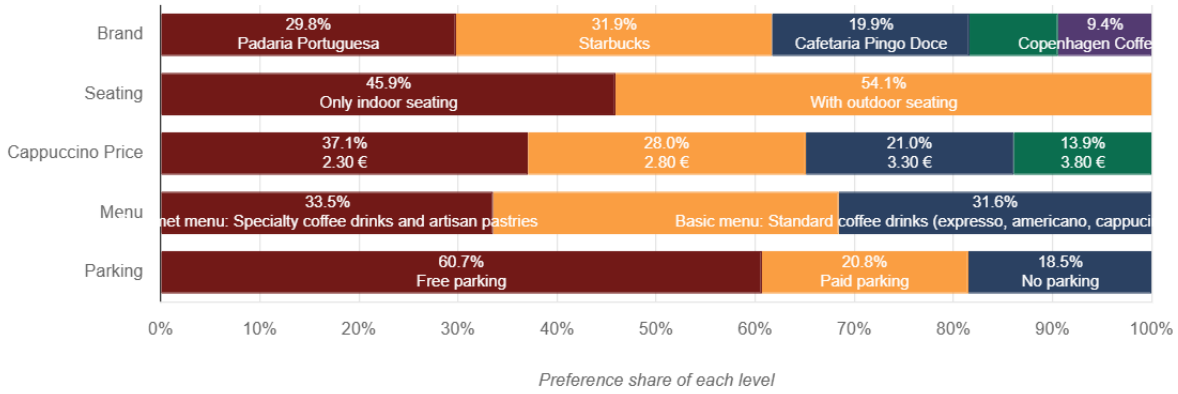
Appendix 34 - Average preferences for levels by attributes (students)



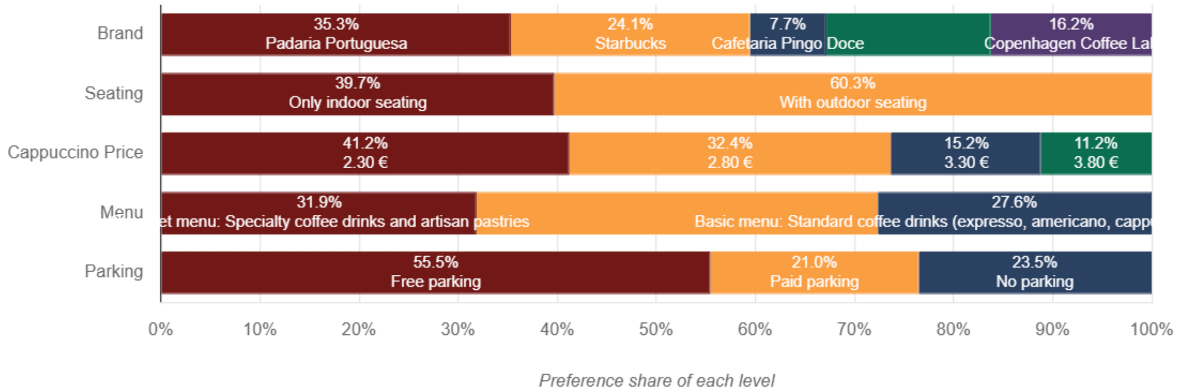
Appendix 35 - Average preferences for levels by attributes (workers: freelancers)



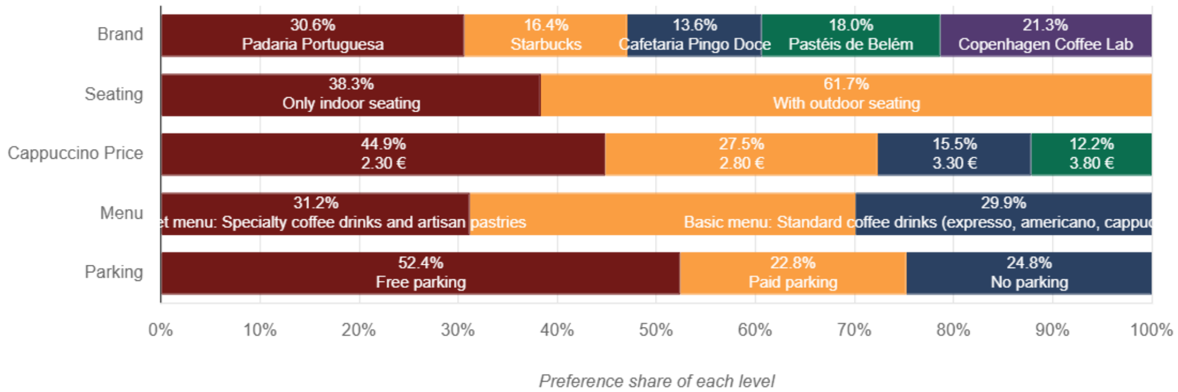
Appendix 36 - Distribution of preferences for levels (office and administrative segment)



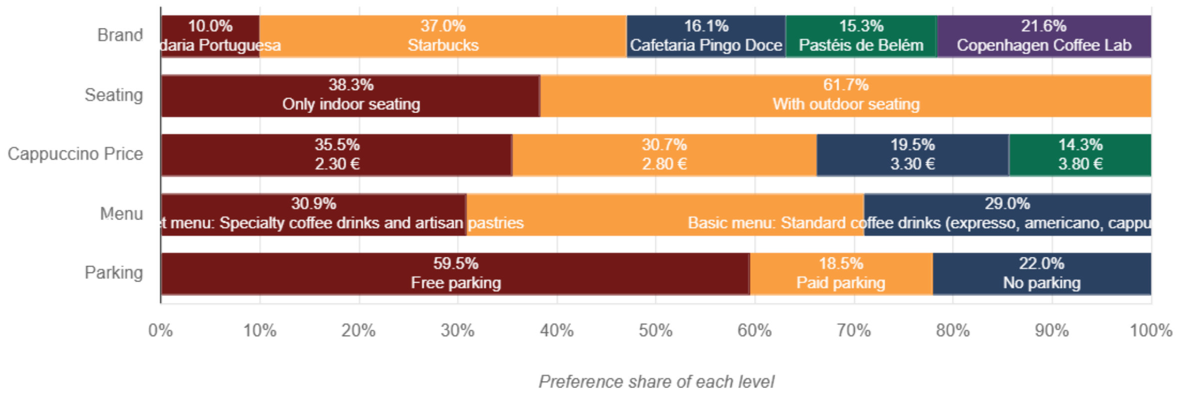
Appendix 37 - Distribution of preferences for levels (workers: business and management)



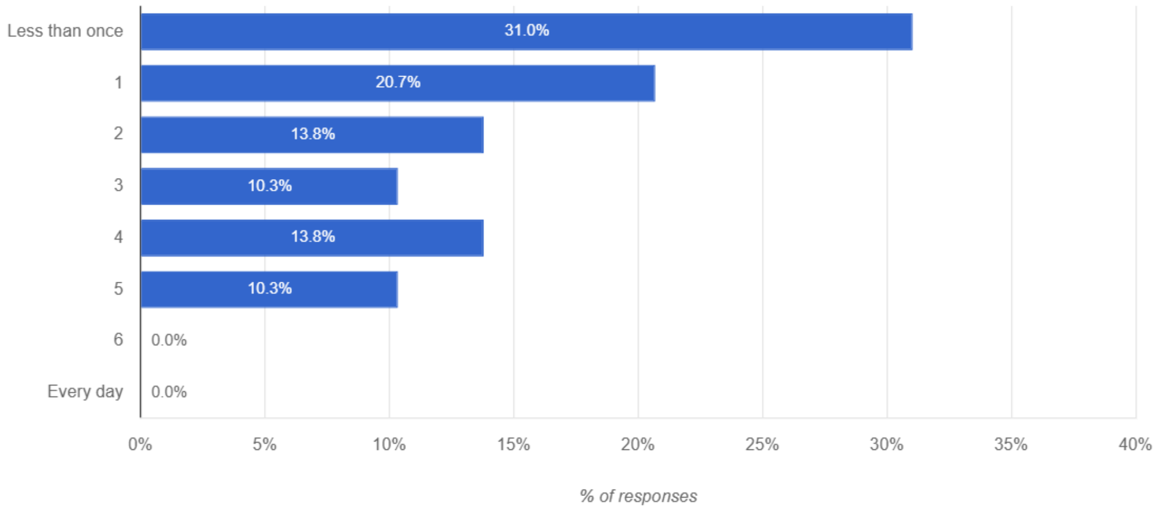
Appendix 38 - Distribution of preferences for levels (students)



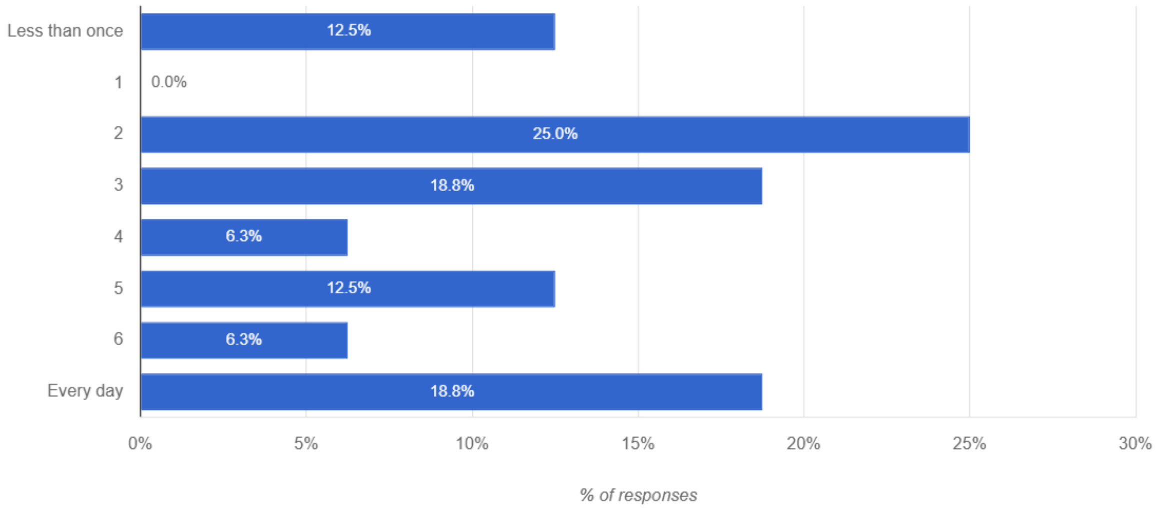
Appendix 39 - Distribution of preferences for levels (workers: freelancers)



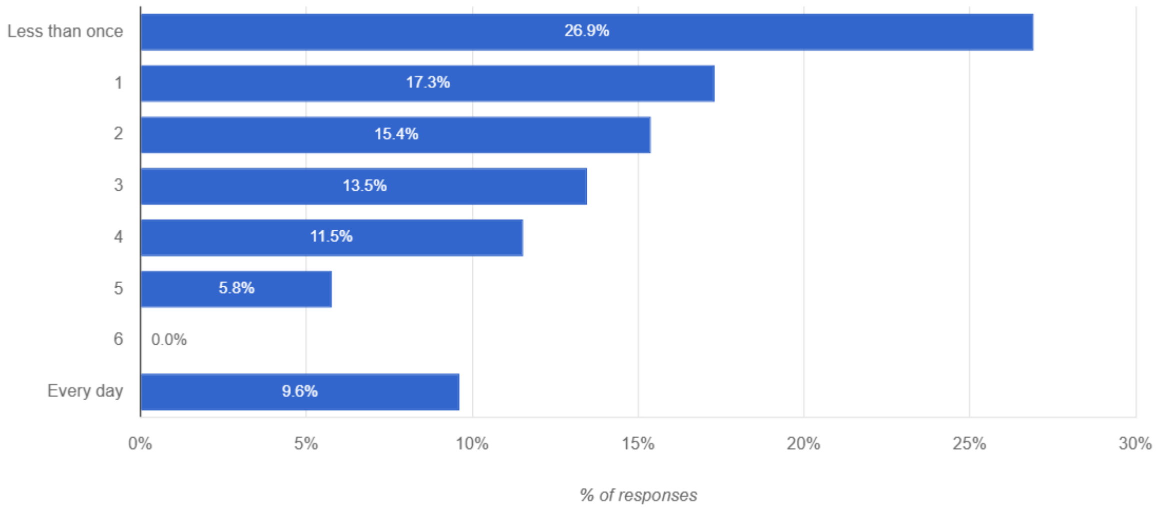
Appendix 40 - Weekly visits (workers: business and management)



Appendix 41 - Weekly visits (workers: office and administrative)



Appendix 42 - Weekly visits (students)



Appendix 43 - Weekly visits (workers: freelancers)