



# THE STATE OF BRISBANE'S COFFEE INDUSTRY

2021

RESEARCH AND  
REPORT PREPARED BY



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JOBKEEPER HAS  
CREATED A FALSE  
ECONOMY AND  
OPERATORS NEED  
MORE CONTROL OVER  
WAGES AND UTILITIES,  
ACCORDING TO NEW  
FINDINGS IN THE  
STATE OF BRISBANE'S  
COFFEE INDUSTRY  
2021 REPORT.

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Brisbane's cafe and hospitality industry has stepped up to reveal their thoughts about the impact COVID-19 has had on the industry as a whole, and how the city's coffee industry stacks up against other Australian cities.

The respondents surveyed for this report were predominantly made up of baristas (27.5%), cafe owners (23.2%), cafe managers (15.9%) and roasters (7.2%) with the remainder consisting of coffee lovers, green bean suppliers, home roasters and green bean / equipment suppliers.

Their answers show a promising future lies ahead, but only if the industry works together.



## RESULTS

### HOW DOES THE COFFEE INDUSTRY IN BRISBANE COMPARE WITH THE REST OF AUSTRALIA?

When it comes to the Australian city with the best coffee, thoughts often turn to Melbourne as the crema of the crop. But while Melbourne has led the way with fresh roasted coffee in Australia, Brisbane has a lot to offer, especially when it comes to the speciality coffee scene.

In the last five years, Brisbane's coffee industry has accelerated, transitioning from imported coffee to celebrating fresh, local roasters.

In a positive sign for the city, over three quarters of survey respondents felt positive or optimistic about Brisbane's coffee community. 7 out of 10 respondents felt Brisbane was reaching its potential compared with other Australian cities, and 13% said we were even way ahead.

With an abundance of local coffee roasters with a range of talents and offerings, Brisbane is slowly taking over not just in Australia, but globally. And it is a market that is only getting increasingly more competitive.

“

WE HAVE SUCH AN INCREDIBLY EXCITING HOSPITALITY SCENE AND A COMMUNITY OF BARISTAS HUNGRY TO LEARN.”

“

PRE-COVID, MELBOURNE WAS WAY AHEAD IN COFFEE CULTURE SO IT WILL BE INTERESTING IF THEY CAN MAINTAIN THIS OR IF BRISBANE WILL TAKE OVER.”

HOW DID COVID-19 DISRUPT THE COFFEE INDUSTRY IN BRISBANE?

“ I WAS STOOD DOWN FROM MY FULL TIME HOTEL JOB AND NOW WORK FULL TIME IN AN OFFICE ROLE.”

“ BUSINESSES HAVE COME THROUGH COVID-19 AND ARE NOW MORE RESILIENT AND FLEXIBLE THAN EVER BEFORE.”

It's no surprise that COVID-19 shook the hospitality industry, but it also changed the way coffee is consumed. As restrictions were put in place, cafe owners saw patronage drop off and many were forced to let staff go.

The Coffee Commune's results show that one in five (21.7%) people either lost employment or were stood down entirely as a result of the pandemic. Almost 5% reported that their businesses closed down completely. Unemployment of survey respondents rose by 1.5%.

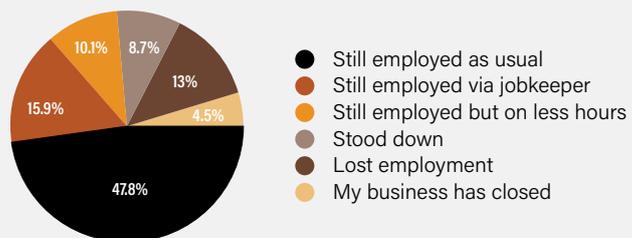
Of those that were working full time before the pandemic began, 8.4% are now either working in part time or casual employment.

Overall the numbers indicate that Brisbane was quite fortunate, with 47.8% of respondents keeping their jobs and 10.1% remaining employed but working less hours.

But while people did not stop drinking coffee through the pandemic, the model itself changed. Although the impact was felt hardest by cafes in the CBD, suburban cafes reportedly saw a 20% uplift in business, likely due to people ordering takeaway from their local as well as buying beans for home.

When JobKeeper was announced, it kept an additional 15.9% of workers employed. However, it's likely the full impact of COVID-19 on the cafe industry won't be known until the impact of JobKeeper ending is measured. Businesses relying on JobKeeper to survive will have to strategise and do the numbers, while others that are getting through now will only get busier.

HOW DID COVID-19 DISRUPT POSITION?



## HOW SATISFIED ARE BRISBANE COFFEE BUSINESSES WITH THE AMOUNT OF SUPPORT THEY ARE RECEIVING?

Almost 1 in 3 respondents (30.4%) say there is currently not enough business-focused support for coffee businesses in Brisbane. While 65.2% described themselves as somewhat satisfied, only 3 respondents (4.3%) reported feeling satisfied with the amount of support Brisbane businesses receive.

When it comes to rules and regulations set by the government, more than half (52.9%) of respondents felt that there was not a strong collective voice. If government bodies are going to make decisions that affect the industry, it's vital that they hear the voices that can help them get there. This is especially true after COVID-19, where many small businesses are hurting and need to see where the cost savings are in their business.

While 67% of respondents thought the coffee community was sometimes collaborative, almost 15% said that it was not collaborative at all. But in a positive sign for collaboration, an overwhelming 85% of survey respondents said that working with local Brisbane businesses is a priority.

The results identify a real need for a strong body that comes together to support and advocate for colleagues across the coffee industry. These are some of their major issues:

“ HOSPITALITY, IN GENERAL, HAS AN ENDEMIC PROBLEM OF LOW NET MARGINS. IT REQUIRES EITHER BUSINESSES THAT MAKE VERY LITTLE, OR ARE RUN WITH VERY QUESTIONABLE MORALITY.”

“ I FIND PEOPLE ARE LOYAL TO A NAME. SMALLER GROUPS LIKE OURSELVES CANNOT COMPETE WITH LARGER ORGANISATIONS TO GET OUR BEANS IN THE DOOR.”

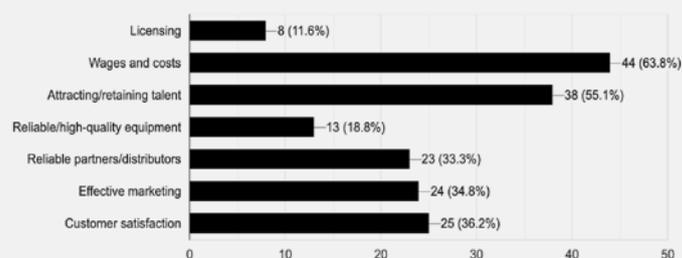
“ INCLUSION ACROSS ALL FACETS OF THE INDUSTRY IS PARAMOUNT.”

“ 2021 WILL BE A BIG YEAR, WITH MANY OPPORTUNITIES LOCALLY AND FURTHER AFIELD. IF WE AS AN INDUSTRY WORK MORE COLLABORATIVELY, THE WORLD WILL BE OUR OYSTER.”

## WHAT'S THE BIGGEST PAIN POINT FOR CAFE AND HOSPITALITY BUSINESSES?

Staffing has emerged as the biggest issue for the cafe and hospitality industry, with 63.8% of respondents reporting that wages and costs have the largest impact on Brisbane businesses, closely followed by attracting and retaining talent (55.1%). When you look at the cost of hiring and training staff in comparison to what people can charge for a cup of coffee, these results are not surprising – and are a key reason as to why hospitality profit margins are so low.

WHAT ISSUES DO YOU THINK HAVE THE BIGGEST IMPACT ON YOUR BUSINESS OR ROLE IN THE BRISBANE COFFEE INDUSTRY? (SELECT YOUR TOP THREE)

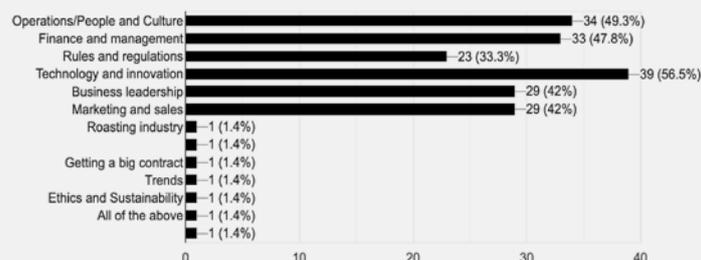


“TOO MANY POOR OPERATOR SKILLS ARE GIVING GOOD ROASTS A BAD NAME.”

“WE NEED MORE OPPORTUNITIES OF TRAINING FOR BARISTAS TO ADVANCE THEIR SKILLS. IT'S HARD FOR BARISTAS TO GET A JOB UNLESS THEY HAVE THREE YEARS EXPERIENCE.”

There is also a clear need for more learning opportunities to train and upskill those in the industry so that they can deliver better value. Technology & Innovation (56.5%) top the list as the topic that people in the coffee community want to know more about. Rounding out the top three are Operations/People & Culture (49.3%) and Finance & Management (47.8%).

WHAT AREAS OF THE COFFEE AND HOSPITALITY BUSINESS WOULD YOU LIKE TO LEARN MORE ABOUT?





## CONCLUSION

TWO KEY  
THREADS RUN  
THROUGH THE  
DATA COLLECTED  
IN THE STATE  
OF THE COFFEE  
INDUSTRY  
REPORT 2021.

Firstly, that as JobKeeper comes to a close, there are opportunities for agile and adaptive organisations to survive and thrive. Small businesses will need to be resilient, flexible and transition to deliver more valuable moments to their customers.

Secondly, that in a segmented industry like hospitality, where people are often viewed as competition, the results suggest a need for a more united front across the industry. When the economic engine is driven by sustainability, profit and efficiency, it's no wonder that business owners have expressed dissatisfaction with these areas.

The industry is moving in a positive direction. What COVID has done is sped up the need for and the value of what The Coffee Commune is going to offer, which is a mix of education, support, and advocacy across all levels of the industry.



RESEARCH AND  
REPORT PREPARED BY

**the  
coffee  
commune**

WHERE THE COFFEE COMMUNITY COLLABORATES

[COFFEECOMMUNE.COM.AU](http://COFFEECOMMUNE.COM.AU)