

FROM CROP TO CUP: THE ECONOMICS BEHIND RISING GREEN COFFEE PRICES

Florina-Gabriela MITU¹, Marius BOTA^{2*} , Emil Emanuel SAVAN³ 

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ABSTRACT. Specialty coffee is more than a beverage. It is a sensory and cultural experience that reflects the passion of roasters, farmers and consumers. However, behind each cup is a complex and volatile global market, which is affected by variations such as climate, logistics costs and international market pressures. This volatility has an impact on both small roasters and coffee shops, and on consumers, who face price increases and changes in the availability of certain varieties or origins. In these circumstances, specialty coffee becomes more than a product: it becomes an indicator of how consumers' everyday experience is reflected in global market dynamics.

The study explores the reasons behind the recent sudden price changes in specialty green coffee and their effects on Romanian customers. Primary data, collected through semi-structured interviews with a sample of thirty specialty coffee consumers or enthusiasts, were combined with secondary data analysis from specialized literature and academic reports. The results show that demand for quality products has not radically decreased despite the price increase, and optimizing the supply chain through customer education is essential for the sustainability of small roasters.

Keywords: specialty coffee, specialty coffee price, coffee supply chain, consumer behavior, sustainability, artisanal coffee roastery

JEL classification: M31, E31, E32, D12, L66, Q13.

¹ Master's graduate, Faculty of Business, Babes-Bolyai University Cluj-Napoca, Romania, mitufiorina08@gmail.com.

² *Corresponding author. Assoc. prof. dr., Department of Hospitality Services, Faculty of Business, Babes-Bolyai University Cluj-Napoca, Romania, marius.bota@ubbcluj.ro.

³ Lect. dr., Department of Hospitality Services, Faculty of Business, Babes-Bolyai University Cluj-Napoca, Romania, emmanuel.savan@ubbcluj.ro.

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Introduction

In recent decades, specialty coffee has become a landmark and aspiration in the transition of an entire core business in this industry. Not only that specialty coffee has developed as a premium segment defined by quality and sustainability but recently, this niche has gradually evolved into a cultural diffusion phenomenon, both nationally and internationally. This segment is distinguished from traditional coffee by values such as traceability, innovation in processing, direct relationships with farmers and respect for the environment. One of the main drivers of the creation of specialty coffee is innovation, which is supported by continuous research on harvesting methods, processing and roasting techniques that allow for the achievement of distinct taste profiles. However, the global expansion of the market has been stimulated by the increased interest of passionate and intrigued consumers in learning more about this beverage but also eager for authentic experiences. Therefore, specialty coffee is considered both a food product and a cultural and sensory experience, which justifies its high prices through traceability of origin and distinctive flavors. This trend can be explained from a consumer behavior point of view by their desire to gain access to unique and high-quality products, which go beyond the utilitarian nature of consumption (Maspul *et al.*, 2023). On the other hand, the specialized literature draws attention to the significant problems faced by the sector. Small producers are directly affected by the difficulties of the green coffee market, which makes them pressured by the financial factor and therefore this affects the price of the final product accordingly (Jacobi *et al.*, 2024). Also, maintaining high standards requires strict agricultural and technological practices, since deficiencies in processing or storage can cause contaminations and mycotoxins, which affects quality (Poltronieri & Rossi, 2016). According to the European Coffee Federation (2024), the volatility of international quotations, as well as the increase in transport and production costs, have put pressure on small producers and distributors in the European coffee market. This change occurred at the same time as the appreciation of the euro against the US dollar, which increased prices for Romanian coffee importers, who buy coffee in dollars. This has put additional pressure on local roasters and cafes.

The purpose of this research is to analyze the dynamics of specialty coffee prices in recent times and how this is felt by Romanian consumers, as well as to understand their purchasing behavior towards these “luxury” products, in the context of recent fluctuations on the global green coffee market. The study aims to identify the main factors that led to these price increases, the impact on small roasters and how consumers perceive these changes. The research uses both secondary and primary data to obtain a clear picture of the dynamics of the specialty coffee market. Secondary data were collected through exploratory research, in which multiple specialized works were analyzed, using academic platforms such as Google Scholar, as well as various academic journals. This analysis allowed the identification of global trends regarding the specialty coffee market, the impact of price fluctuations, and the strategies adopted by roasters and consumers to respond to these challenges. The qualitative component used to collect the primary data involves semi-structured interviews with a sample of 30 specialty coffee consumers/enthusiasts to collect data regarding their perceptions and consumption habits. The main findings highlight that, due to the constant demand for quality products, the specialty coffee market remains stable despite inevitable price changes. However, adapting to market changes by educating customers, optimizing supply chains, and diversifying distribution channels are essential for the financial sustainability of small roasters.

Review of literature

Specialty coffee is a distinct segment of the coffee industry and a global phenomenon. It is defined by superior quality, traceability to the farm and a refined sensory experience as well as a perfect ethics and efforts on the part of many players in the market regarding sustainability. The concept as many other writings in the field suggest emerged in the 1970s when Erna Knutsen first introduced the term to designate beans with distinctive aromas grown in ideal microclimates. Over time, this concept has evolved beyond this simple standardized description of quality to become part of the movement known as Third Wave Coffee which promotes authenticity and deep appreciation of taste but also the traceability of each harvest. As the author Garcia *et al.*, (2024) mentions, in his work this concept refers to the evolution of coffee consumption towards a more careful appreciation of the complexity of this beverage and the desire to experience it at a high level of quality. Therefore, the specialty coffee defined as Third Wave Coffee is distinguished from previous forms of consumption, called or recognized as First and Second Wave through a process of differentiation that goes beyond the simple superior quality of coffee beans and includes limited availability, those micro lots of green coffee, special varieties, the origin of the coffee and historical methods of harvesting and preparation (Garcia *et al.*, 2024).

Also, in terms of historical events in the coffee industry and according to Traore *et al.* (2018) study, the International Coffee Agreement (ICA) regulated the coffee market between 1962 and 1989. This agreement set production quotas and quality standards for producing countries. Global production increased significantly after the dissolution of this agreement and market liberalization, but producer prices fell and coffee quality deteriorated (Traore *et al.*, 2018). Thus, the idea of specialty coffee emerged, which is defined as coffee grown under ideal climatic conditions, with distinct aromas and few defects. As also presented in the literature of the last 10 years, the specialty coffee market has grown rapidly in many countries, with the greatest growth in the United States, followed by Europe and Asia. For example, the market share of specialty coffee in the United States has increased from 1% to 25% in the last two decades. Furthermore, the percentage of adults who consume specialty coffee every day has increased from 9% in 1999 to 34% in 2014 (Traore *et al.*, 2018). An increase in consumer attention to quality, taste, health, and social and environmental factors, such as good wages and equity, may explain this increase in interest (Traore *et al.*, 2018).

This “specialty” category is differentiated by the procedure in which the coffee obtains a score of at least 80 out of 100 scale points in sensory evaluation tests also called cupping, performed by certified experts, explain the authors Mitas *et al.* (2024). According to Traore *et al.* (2018), there are three types of characteristics that can be used to assess the quality of specialty coffee: material, symbolic, and in-person service. While in-person service attributes are similar to customer service, symbolic attributes are based on reputation, trademarks, geographical origins, and sustainability practices. The latter are the result of direct interaction between producers and consumers and require the involvement of producers and retailers to provide a quality product and gain consumer trust, but consumers are willing to pay premium prices (Daviron & Ponte, 2005). In their paper, Traore *et al.* (2018) examined how several studies in both the economics and specialty coffee fields used quality score, grading, country of origin, coffee tree variety, altitude, and farm size as key elements that determined specialty coffee prices.

Despite the fact that these studies carefully used the Cup of Excellence (CoE) dataset to predict specialty coffee prices, none of them examined how material characteristics, such as aromas, flavor notes, body characteristics, texture, and aftertaste, influence coffee quality scores and purchase prices. Specialty coffee roasters and buyers rely on high-quality beans and are usually willing to pay more for them. Daviron & Ponte (2005) state that coffee quality can be assessed through material, symbolic, or in-person services. Material characteristics of a product are intrinsic characteristics, whether they are sellers or buyers. They are the result of physical, chemical, or biological processes that produce distinct characteristics. They can be measured through human senses, such as

taste, smell, sight, hearing, or touch, or by sophisticated instruments, such as spectrographs (Daviron & Ponte, 2005; Traore *et al.*, 2018). In the CoE competition, material qualities are measured through “cupping,” a process in which specialized experts evaluate the aromatic profile, taste, and aroma of the coffee using the Specialty Coffee Association of America’s (SCAA) classification system. In this system, attributes such as aroma, taste, aftertaste, acidity, body, balance, clarity, defects, texture and sweetness are assessed before an average quality score is given. Through this process, tasters record the characteristics of the materials in “cupping notes” and assign a score to each coffee sample. Higher scores are usually associated with higher prices, and lower scores are inversely proportional (Traore *et al.*, 2018). Trademarks, geographical origins and sustainability practices constitute the symbolic elements of quality (Daviron & Ponte, 2005; Traore *et al.*, 2018).

Trademarks and geographical origin create value, reducing information asymmetry and allowing customers and buyers to differentiate goods. In turn, sustainable practices require ethical consumption and production (Traore *et al.*, 2018). They also mention how specialty coffee producers work with many organizations, such as the Fairtrade Foundation, the Rainforest Alliance, and UTZ, to ensure that they comply with standards for the use of chemicals and to protect the environment. As a result, these coffees receive certifications, which usually mean higher prices in the market. The direct interaction between producers or traders and customers is the cause of in-person services. This requires producers or retailers to do everything possible to gain the attention and trust of consumers, who are willing to pay high prices (Daviron & Ponte, 2005). Green coffee producers and buyers, as well as roasters and end customers, present meanings of in-person services in the specialty coffee industry (Traore *et al.*, 2018). Also based on information from the same authors, these characteristics focus both on the quality of the product delivered to the customer or end consumer, and on the extent to which direct interaction with the producer or barista is important. For example, a barista who greets customers by name, remembers their favorite drink, and makes the service experience more personalized builds trust and loyalty. Because the CoE Program does not collect information on these interpersonal service characteristics, the study’s analyses focus only on material and symbolic characteristics.

Beyond the quality criterion, specialty coffee is defined by traceability, offering consumers precise information about the farm or processing station where the genetic variety of the beans comes from, the altitude at which they were cultivated and the processing method used. This orientation towards transparency and quality gives specialty coffee a more complex character, addressing especially consumers with a refined palate capable of distinguishing the subtle differences between commodity coffee and specialty coffee (Mitas *et al.*, 2024). The demand

for specialty coffee is supported by both the complexity of the product and the distinct aroma profiles it offers. The same authors explain that within the Q-grading system, the physical analysis of the coffee beans has a weight of 40%, and the sensory evaluation of the resulting beverage represents 60%. The preparation, roasting and extraction of specialty coffee involve very high standards, and worldwide only approximately 10% of the total coffee production qualifies in this category (Mitas *et al.*, 2024). Specialty coffee consumption occurs both in cafes and at home, and differences between consumers relate to habits of repeating the same drink or, conversely, to the desire to experiment with preparation methods, recipes and assortments (Mitas *et al.*, 2024). In this context, studies have highlighted the importance of ritual and sensory pleasure, especially when they generate low-intensity positive emotions (Samoggia & Riedel, 2018), but also the deep involvement of some consumers in complex preparation equipment, which indicates a relationship between the degree of involvement and the diversity of the experience (Mitas *et al.*, 2024). At the same time, specialty coffee consumers focus more on taste characteristics than traditional ones (Ufer *et al.*, 2019), but these characteristics are complex and require multiple variables to be defined, including fruity, floral, sweet, spicy and acidic notes (Traore *et al.*, 2018). Acidity in particular is a distinctive and defining element, although its degree of preference varies considerably between consumers (Mitas *et al.*, 2024). This diversity makes it difficult to predict preferences, representing both a theoretical and practical challenge for roasters and baristas, as the complexity of specialty coffees makes them a difficult product to manage (Mitas *et al.*, 2024; Carvalho *et al.*, 2016). Furthermore, the level of knowledge and involvement influences preferences: more informed and involved consumers tend to value acidity, coffee origin and various preparation methods more (Kim *et al.*, 2016), suggesting a correlation between consumer profile and the perception of specialty coffee quality (Mitas *et al.*, 2024).

Another less discussed or publicized aspect of specialty coffee, besides its exceptional sensory and commercial characteristics, is represented by the farmers of this industry. The coffee sector is based on an estimated 25 million farmers – mostly small-scale – who grow the beans needed for the industry, in the tropical zone between the Tropic of Cancer and the Tropic of Capricorn (Triachini *et al.*, 2024). In Europe and the USA, which concentrate 50.4% of global consumption, the 10 largest roasters process 35% of the world's coffee, generating a turnover of 55 billion USD in 2019. However, less than 10% of the retail market revenues remain in exporting countries, where sustainability challenges – economic, social and environmental – are major (Triachini *et al.*, 2024). The same authors highlight how the coffee industry operates as a buyer-dominated supply chain, with a global value exceeding 200 billion USD, data also supported by specialists from the International Coffee Organization in 2020.

Although roasters, retailers and cafes sell coffee as an experience and symbol rather than a physical product, farmers remain locked into a commodity market, where the price is dictated by the New York and London stock exchanges, which are highly volatile and influenced by climatic, speculative and currency factors (Triachini *et al.*, 2024). However, the research by Mondolo (2015) highlighted that strategies to increase product uniqueness and direct relationships between producers and buyers are essential for the perceived value of specialty coffee roasters. This provides farmers with the tools they need to become more competitive in the B2B market. The abolition of the economic clauses of the “International Coffee Agreement” (1962–1989) contributed to the deterioration of the situation of producers, who are exposed to severe price fluctuations. This vulnerability is accentuated by the fact that 70% of the harvest and processing is carried out by small producers and their families, who do not have the resources to manage the instability of income. Studies show that in 8 out of 10 major producing countries (accounting for 87% of global production), income from coffee is at or below the poverty line, which exacerbates sustainability issues (Triachini *et al.*, 2024). Challenges include the spread of diseases in coffee, high fertilizer costs and limited access to capital or insurance. As a result, 25 million farmers and over 100 million seasonal workers are affected by extreme poverty. This lack of economic sustainability generates food insecurity and seasonal hunger (Triachini *et al.*, 2024).

On the other hand, while the literature has extensively analyzed specialty coffee trends in the United States, Western Europe, and major producing countries, there is limited research on emerging markets in Central and Eastern Europe, including Romania and the Balkan regions. However, research shows that people in Romania, have strong attachment to coffee consumption and even have it as a regular habit, such as drinking coffee in the morning or after lunch, mainly at home or at work, preferring ground coffee and lattes (Pelau & Radulescu, 2021).

Even though Romania has a strong tradition of coffee consumption, there is a trend of changing consumer behavior, with an increased interest in specialty coffee. For example, the Romanian coffee market has undergone a significant change since 2020, when an increasing number of local consumers switched to coffee beans and capsules, at the expense of roasted and ground coffee (Stir Tea & Coffee, 2024). This shift indicates an openness to new consumption experiences and a greater appreciation of the variety and quality of coffee varieties that the market offers. In urban centers such as Bucharest, Cluj-Napoca and Timisoara, this trend towards specialty coffee consumption is particularly evident. Over the past ten years, the number of small roasteries and specialty coffee shops has steadily increased (Stir Tea & Coffee, 2024). The coffee market in Romania has experienced significant and constant growth. There was a slight decrease in the

volume sold of approximately -2.5%, which was a consequence of the economic stagnation and high inflation on private consumption. However, the market value increased significantly by +31.3%, which indicates that Romanians continue to buy coffee at higher prices. (European Coffee Federation, 2024).

The evolution of the coffee market, especially the specialty one in Romania, is also defined by the continuous emergence of new cafes and coffee shops, the transformation or closure of old ones, the development of specialty cafes and the “third wave” phenomenon, which emphasizes sustainability, bean quality and innovative preparation methods (Tulbure & Neacsu, 2023; Petrovici & Bejinariu, 2023). Traditional cafes remain relevant, especially in small towns and communities, offering both coffee and important social spaces. Examples from Cluj, where the city center has seen a significant increase in the number of specialty coffee shops, including both regional chains such as Meron and Narocoffee, as well as new independent concepts, including Espresso Studio, Hookah Riviera Narghilea Café, IBRIC Coffee Shop, Koffer, Kups, Let’s Coffee, Meron Napoca and Meron Central, Narocoffee Roasters, Olivo Café & Bistro, Roots and Yume Coffee Roasters (Petrovici & Bejinariu, 2023), demonstrate the maturation of urban consumption and the diversification of the offer (Petrovici & Bejinariu, 2023). Furthermore, according to Lannigan (2024), specialty coffee shops play a key role in building community connections and adapting their operations to respond to economic and social challenges, demonstrating the resilience and innovation of this market segment. Well-known international brands, such as Lavazza, Jacobs, Nescafe, Illy, Segafredo and Tchibo, as well as growing local ones, such as Doncafe and Cafea Fortuna, have an impact on the Romanian market, and the growing interest in specialty coffee, single-origin and different preparation methods creates opportunities for local roasters and online sellers (Tulbure & Neacsu, 2023). In general, the Romanian coffee market is characterized by diversity, professionalization, and a focus on quality. This reflects the evolution of consumer preferences, as well as the development potential of the specialty coffee sector in the country (Tulbure & Neacsu, 2023; Petrovici & Bejinariu, 2023).

Research methodology

The present study used a combination of primary and secondary research, in a complementary manner, to obtain a more nuanced picture of the specialty coffee market both national and international and consumer perceptions. Regarding the collection of primary data, the central research method was the semi-structured interview, chosen due to its flexibility, which allows both the exploration of pre-established themes and the openness to emerging aspects, introduced spontaneously by the participants. The structure of the interview guide was divided into six main themes: personal journey into the world of

specialty coffee, frequency and context of consumption, purchase criteria, price perception, behavioral changes determined by their evolution, the experiential dimension of consumption and, finally, perspectives on the future of the industry. The questions were formulated in an open register, precisely to allow the interviewees to express their opinions in detail and nuanced, without constraints related to choosing pre-established options. The advantages of this method derive from the possibility of capturing deeper motivations, attitudes and perceptions, difficult to capture through quantitative instruments. However, the method also has limitations, in particular the small sample size (30 participants), the geographical concentration on Cluj County (28 people) and Tulcea (2 people), as well as the lack of statistical representativeness. These aspects make the results more exploratory, with interpretative and descriptive value, than generalizable to the entire coffee consuming population in Romania.

The sample was deliberately diversified in terms of occupations, precisely to capture perceptions from various professional backgrounds. The demographic distribution of the participants is presented in Table 1 below:

Table 1. Demographic characteristics of interview participants

Characteristic	Detail	Number of Participants	Percentage (%)
Gender	Male	17	56.7
	Female	13	43.3
Age	23-35 years	7	23.3
	40-60 years	23	76.7
Occupation	Lawyers	4	13.3
	Medical graduate / resident	1	3.3
	Doctors	4	13.3
	Psychologists	2	6.7
	Directors / Small business owners	7	23.3
	Freelancers	2	6.7
	Bank employee	1	3.3
	Administrative assistant	1	3.3
	Baristas	2	6.7
	Students	4	13.3
	Economic operators	2	6.7
Location	Cluj	28	93.3
	Tulcea	2	6.7

Source: Authors' elaboration, based on data collected through interviews (2025).

In parallel, secondary data were collected by analyzing specialized literature using a wide range of academic and scientific study and research platforms, such as Research Gate, Science Direct, Springer, Google Scholar and international reports (International Coffee Organization, Ocafi, DataHorizzon Research), as well as reliable economic publications (Financial Times, Reuters). Sources were selected based on their relevance to the topic (green coffee price and specialty coffee market), institutional authority and timeliness of the information (the majority being 2018–2025).

Regarding the use of secondary data, it is important to highlight that these sources present methodological differences that generate certain limitations. Reports from international organizations, such as the International Coffee Organization, are based on official economic indicators and aggregated statistics at a global level, collected from exporters or stock markets, which means that they provide average values and do not always capture local or micro-level fluctuations. In contrast, private or consultancy reports, such as those provided by DataHorizzon Research or Ocafi, use their own methods, including surveys, commercial data reported by certain companies or market estimates, which can generate significant differences from global figures. Academic literature also uses various methodologies, from economic models to case studies, each with its own assumptions and limitations. This methodological diversity leads to some specific limitations: data are not always directly comparable, reported periods may vary (monthly, quarterly or annually), and some estimates may reflect the authors' assumptions, not market reality. Therefore, the analysis of secondary data was carried out through a critical and comparative approach, checking the consistency of information between sources and highlighting possible discrepancies, so that the conclusions are interpreted with caution and in the context of these methodological constraints.

Results and discussions

According to the International Coffee Organization, between January 2024 and January 2025, the global price of green coffee increased by an unprecedented level, marking the highest level in over 5 decades. Moreover, it is estimated to reach a value of 15.8 billion USD in 2024 and increase to approximately 28.4 billion USD by 2033, say specialists from DataHorizzon. They also mention that the global green coffee market is expected to grow at a compound annual growth rate (CAGR) of 6.7% between 2025 and 2033.

At the same time, analyzing the July 2025 coffee market report, made available by the International Coffee Organization, it appears that the Composite Indicator Price (I-CIP) averaged 259.31 USD/lb in July 2025, down 11.8% from

June 2025. The median value was 258.78 USD/lb, and monthly fluctuations ranged between 252.46 USD/lb and 269.57 USD/lb, indicating moderate but clearly decreasing volatility (International Coffee Organization, 2025). Looking at the chart provided by the same Organization in 2025 and found in Figure 1 below, it can be seen that I-CIP has entered a sharp downward trend since March 2025, after reaching historical highs of over 380 USD/lb in previous months. The price line remains above the July 2024 level (+9.6%), but well below the 12-month moving average (296.29 USD/lb), indicating a significant market correction in July 2025.

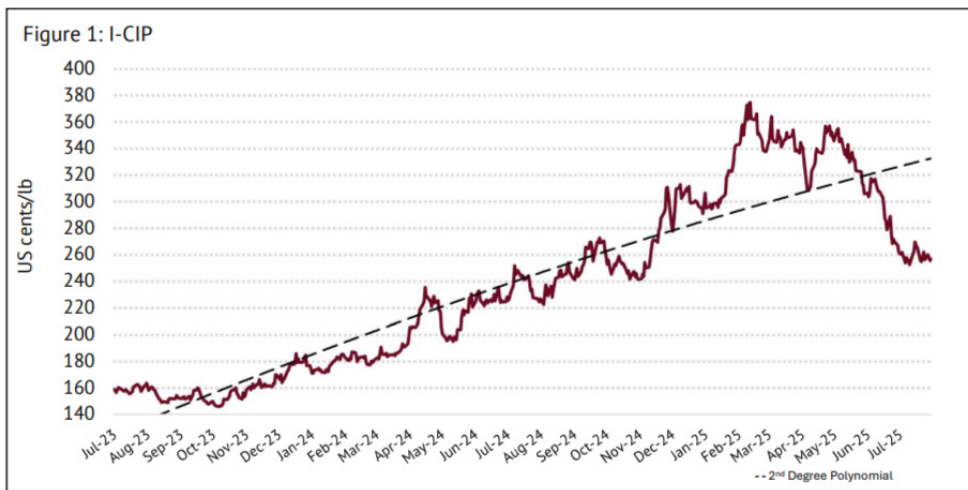


Figure 1. Composite Indicator Price (I-CIP)

Source: International Coffee Organization. (2025). *Coffee Market Report – July 2025*.

Moreover, according to the report published by the International Coffee Organization in July 2025, all categories of green coffee, both Arabica and Robusta, recorded price decreases, with the most pronounced correction being in the case of Robusta (-14.8%), which suggests a surplus on the market and, implicitly, a pressure on prices; however, the slightly reduced daily volatility indicates a relative stabilization, albeit at lower levels. At the same time, stocks had a divergent evolution, as Robusta increased by +35.8% and thus explained the rapid cheapening, while Arabica decreased by -8.1%, which may generate supply tensions in the medium term. Moreover, total green coffee exports increased modestly by +3.3%, but the structure changed, as Colombian Milds and Other Milds advanced consistently, as did Robustas, while Brazilian Naturals suffered a drastic decrease of -21.3%, reflecting a reconfiguration of global supply

sources. At regional level, Asia & Oceania (+38.6%) and Africa (+28.1%) emerged as engines of export growth, while South America (-18.1%), affected by the decline in Brazilian deliveries, lost ground; on the other hand, processed coffee exports recorded remarkable increases, as both soluble (+47.2%) and roasted (+58.1%) coffee benefited from growing demand for value-added products, and not just for the raw material (International Coffee Organization, 2025).

In the same order, according to specialists from Ocafi (2024), the evolution of the coffee market must be understood in the context in which prices have undergone significant changes as a result of the relationship between demand and supply from 2022 to 2024, and are currently at the highest level in the last 10 years. This evolution can be viewed in Table 2 below.

Table 2. The evolution of the coffee market prices examples from Ocafi, 2024

Year	Price (USD/pound)	Price (USD/kg)	Exchange Rate	Price (EUR/kg)
2022	\$1.70 (\$2.40 in the summer 2022)	\$3.75	1.03	€3.64
2023	\$1.70	\$3.75	1.085	€3.45
2024	\$2.80	\$6.17	1.05	€5.88

Source: Ocafi (2024). Brazilian Coffee Market and Its Influence on Prices.

The displayed price serves as a basis for the standard commercial quality, as the price of coffee traded on the New York market is expressed in USD/pound, and converting to USD/kg or EUR/kg provides a better understanding of the effects of fluctuations (Ocafi, 2024). For example, an increase of 0.10 USD/lb leads to an increase of approximately 0.22 USD/kg or 0.21 EUR/kg, which demonstrates price sensitivity. However, the recent increases are explained by a combination of factors: on the one hand, adverse weather conditions, such as the severe drought in Brazil – the worst in the last 70 years – which affected both the 2024 harvest (smaller and less dense berries) and the 2025 harvest (the trees lost their foliage and produced fewer cherries), as well as the reduced production of Robusta in Vietnam, which reached its lowest level in the last 13 years, with a deficit of 4.6 million bags; on the other hand, logistical problems, as over 2 million bags remained blocked in Brazilian ports, amplified supply tensions (Ocafi, 2024). European regulations (EUDR) also increased compliance costs and uncertainty, and the lack of rain in the spring and summer of 2024 led to a decrease in the volume and quality of premium coffee. The share of large grains has decreased from 35 to 40% to only 20 to 20% (Ocafi, 2024).

A relevant example presented by Ocafi (2024) shows how a Brazilian farmer was forced to increase the price per bag from BRL 1,200 to BRL 1,500, which is equivalent to about EUR 4/kg, while production decreased from 1,000 to 800 bags. This type of adjustment shows why basic prices on the international market continue to increase and shows how local production shocks can have a significant impact on the global supply chain. Farmers prefer to hold on to existing stocks in anticipation of higher prices, as climatic conditions do not improve and supply remains below demand. As a result, procurement costs are expected to remain high, which requires changes to procurement contracts. One proposed solution is flexible contracts, in which buyers guarantee their required quantity (e.g. 200 bags per year) but set their price for only part (50 bags), and later, depending on market developments, decide on the price for the remaining 150 bags. Consequently, the risk is shared equally: if prices fall, the buyer has the advantage; if prices rise, costs will be higher, but the volume remains assured. Switching to more affordable coffees can also reduce expenses, but may lead to compromises in terms of transparency and sensory profile (Ocafi, 2024).

This significant increase has therefore had profound effects across the global coffee supply chain. The specialty coffee sector has been particularly affected due to its reliance on traceable sourcing methods that are inherently more vulnerable to disruption. These methods, while ethically commendable and often more sustainable, expose its stakeholders, especially small and independent operators who rely on direct trade and spot purchases, to sudden fluctuations in market prices. As a result, many artisanal roasters have faced difficult trade-offs including reducing purchase volumes, reformulating product offerings, or increasing retail prices, measures that may compromise long-term consumer confidence and the economic sustainability of direct trade partnerships (International Coffee Organization, 2025).

The main reasons for this growth are an increased awareness of quality, origin and ethical sourcing in the coffee supply chain and a shift in consumer preferences towards premium coffee products (DataHorizzon Research, 2025). When it comes to specialty green coffee, this is a product category that aligns with contemporary demands for artisanal, transparent and sustainable consumption. It is characterized by high-quality beans, traceable origins and unique aromatic profiles. The rise of the third wave coffee culture has been instrumental in reshaping the market. This movement treats coffee as an artisanal beverage, placing value on the origin of the coffee, cultivation techniques and the expression of intense aroma. This differentiates it from traditional commercial coffee. Specialty green coffee production is dominated by Arabica beans, which represent approximately 75% of the market. This is due to their superior taste profile and

their ability to be processed in different ways (DataHorizzon Research, 2025). Consumers are increasingly willing to pay higher prices for products that promote sustainable agriculture and the prosperity of small farmers, as the perceived quality and ethical values of coffee are increasing. The proliferation of specialty coffee shops and roasters globally is amplifying this trend, especially in emerging markets, where rising disposable incomes and a vibrant coffee culture are attracting customers (DataHorizzon Research, 2025). Another aspect contributing to these green coffee price fluctuations is also described by the rampant financial speculation that has been identified as the main driver of the marked instability of green coffee prices, contributing, according to Giuseppe Lavazza, with approximately 80% to the extreme increases observed, in deviation from the real fundamentals of demand and supply, say those from the Financial Times, (2025). The actions of hedge funds and trading algorithms have artificially amplified market movements, creating a financial “tsunami” effect dominated by stock market bets, not by agricultural realities (Financial Times, 2025). In parallel, geopolitical factors and trade regulations – such as the tariffs imposed by the US on imports from Brazil and uncertainties regarding European ecological legislation – have reinforced the upward pressure on prices (Saefong, 2025).

Referring again to the information provided by the International Coffee Organization (2025) and Ocafi (2024), according to which I-CIP prices reached historical highs in the first months of 2025, and correlating it with the results of the interviews initiated for this exploratory study, it seems that this situation is also reflected in the perception of local consumers, who consider that prices have increased visibly: *“Unfortunately, the market evolution has driven the price of coffee considerably higher. For me, a reasonable price for 250 g would be 55-60 lei”* (Interview 3), and others recognize the impact on the frequency and quantity of consumption.

Moreover, the analysis of the 30 interviews allowed the identification of the main criteria for choosing specialty coffee, presented in Figure 2. It is observed that the **brand** is mentioned by all respondents, whether we are talking about lesser-known brands or those with a more present influence such as Meron (30/30, **100%**), confirming its role as a benchmark in specialty coffee consumption. **Taste** was mentioned by **28 people (93%)**, only two people not considering it, explaining that they are at the very beginning of specialty coffee consumption, because they do not prefer high acidity and favor a more intense taste, familiar to classic or commodity coffee. **Price** is an important criterion for **22 respondents (73%)**, and the other 8 declare in a similar form of expression that they can afford this “pleasure” and do not consider price a limiting factor. The **origin** of the coffee is valued as a differentiating element by **16 people (53%)**. A characteristic of many interviewees was the choice to purchase coffee

from origins such as Brazil and Colombia, saying that they prefer that intensity or, better said, a decrease in the degree of acidity compared to other origins such as Kenya. Although many respondents do not know specific details about each region, which highlights the educational potential of the market. **Freshness** was mentioned by **7 respondents (23%)**, who seek to purchase coffee that is as recently roasted as possible. Some consider that freshness directly influences the taste, while others want fresh coffee to consume it less often, alternating several varieties at home, so that it is served at an optimal level over several weeks. **The farmer's story** was mentioned by only **one person (3%)**, and **sustainability** was not invoked by anyone (**0%**), suggesting that these symbolic dimensions do not yet significantly influence the purchase decision at a local level.

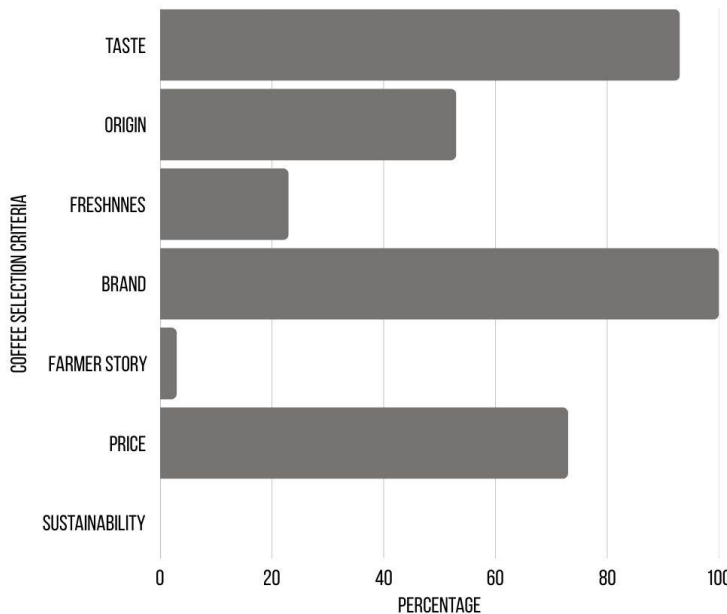


Figure 2. Criteria for choosing coffee

Source: Authors' elaboration, based on data collected through interviews (2025).

However, consumer perception is not limited to price, experience and quality remain central criteria in the purchase decision, in accordance with the specialized literature on Third Wave Coffee and the appreciation of origin and roasting: *“I like that when I purchase a specialty coffee I have the opportunity to taste it at first. I also take into account the brand, but also the quality of the roasting process... If I am satisfied with the fulfillment of these requirements, I become a loyal*

customer" (Interview 14); *"Specialty coffee is a broad and respected field, it is like wine tasting, which implies knowing the origin, species and techniques through which the final result is reached"* (Interview 1). Regarding loyalty, most respondents mention that they would not give up specialty coffee completely, but would adjust the quantity or choose more affordable brands: *"Being a consumer by definition, I would not give up specialty coffee... but in the end, price also has a strong say when the situation requires it"* (Interview 4); *"The taste of coffee is primarily dictated by the price, but the ambiance of the café when you choose to enjoy a cup of coffee is also not to be neglected. If the price increases, I would reduce the quantity... but when the increase seems unjustified to me, I would change the brand"* (Interview 10). The interviews also confirm that consumer involvement in the coffee experience, knowledge of the origin and contact with sellers contribute to maintaining loyalty even in conditions of price increases: *"I believe that in any job, contact between seller and buyer is very important and doubles the experience you can have... All that can be done is to try to get farmers to meet their demands and find ways to develop the farm and the technology behind it to provide quality and quantity"* (Interview 22).

Thus, the interviews conducted highlight the fact that entering the world of specialty coffee has varied paths: some discovered it through professional experiences (e.g. working as a barista), others out of personal curiosity, but many also mentioned the influence of friends – either through visits where they tasted home-brewed coffee, or through gifts in the form of coffee bags. Thus, the initial contact was often a combination of social context, opportunities and the desire to explore. Regarding the frequency and context of consumption, most respondents said that they drink specialty coffee primarily at home, then in coffee shops, appreciating the growing number of these, especially in Cluj-Napoca and nationally. For some of them, the passion for coffee even led to investments in home brewing equipment, which allows them to experiment and develop their own taste.

The choice is, of course, also closely linked to the price, which plays an important role in consumer loyalty. Moreover, there are people who also consider the purchase of these products as a personal indulgence, saying that regardless of the context of future price increases, they will try and perhaps continue to satisfy this desire for personal indulgence even less often. At the same time, there were also people who attested that they could never go back to convenience coffee from supermarkets, because they can no longer drink that very roasted taste of the coffee and the high level of caffeine, and that this loyalty to specialty coffee and its roasters will remain even in smaller quantities in the future. As for the future of the industry, respondents believe that the demand for specialty coffee will continue to grow. In this context, roasters

and cafés could maintain consumer loyalty by offering additional benefits (e.g. bonuses on purchase, samples), but also by maintaining a premium and authentic experience.

Conclusions

The green coffee market is in a phase of structural transformation, marked by heightened volatility and significant price increases felt by the respective end consumer and artisanal coffee roasters, driven by a combination of factors such as supply-demand imbalances, adverse weather conditions, logistical bottlenecks and increased financial speculation. However, after the historical highs reached in early 2025, a somewhat significant price correction has emerged, accompanied by a slight stabilization of volatility, indicating an attempt by the market to recalibrate. At the same time, the reconfiguration of supply sources, together with the growing demand for value-added products and the rise of the specialty coffee segment, suggest that the future will be dominated by a more diversified market, but also more sensitive to external shocks. These shocks not only introduce short-term price distortions, but frequently generate systemic volatility, reshaping the economy of production, trade and consumption in entire regions. Therefore, understanding the multiple determinants behind coffee price movements is essential for assessing market resilience and the implications for both producers' livelihoods and downstream market players, such as roasters, exporters and retail chains.

When there are no protection mechanisms and fairer trade contracts, producers remain vulnerable, which jeopardizes investments in quality and sustainability. Price increases on the Romanian market are directly reflected in the expenses incurred by cafes and roasters, which are forced to either reduce their profit margins or transfer part of the expenses to customers. Even so, it seems that in Romania consumers perceive specialty coffee as a cultural and sensory experience, where taste, quality and social context are of major importance. Although the increasingly high price influences the mode of purchase, the passion and appreciation for this drink remain constant, supported by the diversity of origins, the innovations in the roasters and the experience of the cafés. However, adapting to market changes by educating consumers, optimizing supply chains, and diversifying distribution channels are essential for the financial sustainability of small roasters.

As future measures or approaches by roasters and specialty coffee shops, they could explain more clearly the impact of external conditions on price or similar market changes experienced by them leading to such economic shocks, in order to increase the level of customer understanding and loyalty.

Customers need to be educated in this aspect in order to understand and act accordingly. Also, partnerships with several producers from different regions can reduce the risk of dependence on a single origin. Developing accessible assortments, while maintaining quality standards, together with an emphasis on the sensory and cultural experience, can maintain the attractiveness of specialty coffee.

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