**References:**

1. Starbucks Wiki Page:<https://en.wikipedia.org/wiki/Starbucks>
2. Starbucks in India Wiki Page:<https://en.wikipedia.org/wiki/Tata_Starbucks>
3. Interviews and news articles:
   * <http://everythingexperiential.businessworld.in/article/We-need-to-look-at-marketing-as-an-experience-rather-than-a-transaction-Deepa-Krishnan-Starbucks-India/05-03-2020-185596/> (March 2020)
   * <https://www.indiatoday.in/education-today/featurephilia/story/meet-starbucks-marketing-brain-growth-india-963235-2017-03-01> (January 2018)
   * <https://brandequity.economictimes.indiatimes.com/news/marketing/for-starbucks-india-it-is-all-about-creating-the-third-place-experience/56140266> (December 2016)
4. <https://stories.starbucks.com/stories/2012/starbucks-announces-beverage-innovation-using-green-coffee-extract-with-sta/>
5. Starbucks India menu (without prices):<https://www.starbucks.in/menu-list>
6. StarbucksCP, NewDelhi menu:<https://magicpin.in/New-Delhi/Connaught-Place-(Cp)/Restaurant/Starbucks/store/1217/menu/>
7. Starbucks Corporation’s Marketing Mix (4Ps) Analysis (2019):<http://panmore.com/starbucks-coffee-marketing-mix-4ps-analysis>
8. Starbucks India Marketing Strategy (2016): <https://www.slideshare.net/Rjrockzcool/starbucks-india-marketing-strategy>
9. Entry of Starbucks in Indian Market (2016): <https://www.researchgate.net/publication/316600552_Case_Study-_Entry_of_Starbucks_in_Indian_Market>
10. Starbucks Marketing Analysis (2015): <https://www.semanticscholar.org/paper/Starbucks-Marketing-Analysis-Katerina/1d21b5743764f3196cddcb95925059695dad6eeb>
11. Strategic Marketing: A Case Study of Starbucks (2015): <https://www.slideshare.net/YeeJieNg/bumkt6923grouppresentation>
12. Strategic Analysis of Starbucks Corporation (2014): <https://scholar.harvard.edu/files/nithingeereddy/files/starbucks_case_analysis.pdf>
13. Other links:

* <http://science.knote.com/2014/10/28/starbucks-productivity-secrets/>
* <http://panmore.com/starbucks-coffee-operations-management-10-decisions-areas-productivity>
* <https://www.businessinsider.in/retail/5-ways-Starbucks-entices-you-to-spend-more-money/articleshow/46239542.cms>
* <https://www.business-standard.com/article/companies/starbucks-steps-up-its-india-game-116020301281_1.html>

**Questions on Product**

**Q1:** What is the core product of Starbucks?

**A1:** Experience and services is a core product of starbucks, they provide an environment supporting the local culture and traditions. Starbucks is not only in a coffee business, but it is also in the people business. Starbucks wants to give its customers not only a drink but also a satisfying smile on their face.

**Q2:** What are the actual and augmented products of Starbucks?

**A2:** Actual products of starbucks hot and cold drinks, whole-bean coffee, micro ground instant coffee known as VIA, espresso, caffe latte, full- and loose-leaf teas including Teavana tea products, Evolution Fresh juices, Frappuccino beverages, La Boulange pastries, and snacks including items such as chips and crackers and In terms of the augmented product, Starbucks offers after-sales service in the form of wireless connections and atmosphere in store, as well as providing customers with some education about coffee and coffee making and an interactive website.

**Q3:** What are the various product categories offered by Starbucks?

**A3:** Starbucks sells drip brewed coffee, espresso-based hot drinks, other hot and cold drinks, coffee beans, salads, hot and cold sandwiches and panini, pastries, snacks, and items such as mugs and tumblers. Through the Starbucks Entertainment division and Hear Music brand, the company also markets books, music, and film.

**Q4:** How has Starbucks adapted its product offering to suit the Indian market?

**A4:** In 2011 starbucks announce a joined 50:50 venture with Tata called “Starbucks, A TATA alliance”. Apart from the usual products offered internationally, Starbucks in India has some Indian-style product offerings such as Tandoori Paneer Roll, Chocolate Rossomalai Mousse, Malai Chom Chom Tiramisu, Elaichi Mewa Croissant, Chicken Kathi Roll and Murg Tikka Panini to suit Indian customers.[38] All espressos sold in Indian outlets are made from Indian roasted coffee beans supplied by Tata Coffee. Starbucks also sells Himalayan bottled mineral water.[39] Free Wi-Fi is available at all Starbucks stores.[40]

In January 2017, Tata Starbucks introduced Starbucks' tea brand Teavana offering 18 different varieties of tea across its outlets in India. One of the varieties, called the India Spice Majesty Blend, was specifically developed for the Indian market and is only available in India. India Spice Majesty Blend is a blend of full leaf Assam black tea infused with whole cinnamon, cardamom, cloves, pepper, star anise and ginger.

**Q5:** How has Starbucks introduced healthy products in its range?

**A5:** Starbucks India has made healthier additions to its limited edition Spring Range. A refreshing glass of Yoghurt Smoothie right in the morning or even after a workout should be great. The smoothies at Starbucks are packed with whey protein and fiber powder and come in three flavors – Mango, Chocolate and Blueberry. We loved the Mango flavor the best and loved the fact that all the smoothies were topped with granola. It also have the Macadamia Cocoa Cappuccino, Chocolate Crunch Frappuccino, and the Tahitian Vanilla Macchiato from Starbucks’ Spring Range. We loved the Chocolate Crunch Frappuccino out of the three. The Tahitian Vanilla Macchiato and Macadamia Cocoa Cappuccino too made for enjoyable hot brews. Starbucks India Makes Healthy Additions To Its Spring Range Yet another addition to their healthy options is the Savory Quinoa Oatmeal which is served along with bell peppers and roasted walnuts. The power packed meal of oats and quinoa can make for a healthy meal. We also enjoyed their other news eats – Chicken Pita and Vanilla Cruffin. The creamy chicken was quite tasty and coming with a whole wheat pita is yet another tasty, healthy option. With a little health, there is a little indulgence and ours was the Vanilla Cruffin which was so tasty, we couldn’t put it down at all. Filled with a light, airy vanilla cream, this was a lighter, tastier version of the cream rolls we’ve all enjoyed in our childhood.

In USA starbucks also displayed the calorie count on the menu list for the calorie conscious people in USA

**Q6:** Mention an innovation by Starbucks with regard to an existing product.

**A6:** It has launched the India Estates Blend – a country-specific blend developed with Tata Coffee, and the India Espresso Roast, which is sourced locally through the coffee sourcing and roasting agreement with Tata Coffee.

**Q7:** What are some partnerships that Starbucks has entered, from the point of view of product?

**A7:** Starbucks has made partnerships in very region with respect to product as in china the locals were the second largest producers of coffee so starbucks made an alliance with the locals and starting selling their coffee beans with their own roasting style and same in India they made a 50:50 alliance with the TATA and started selling their coffee beans in packets and on the coffee shops using the same beans. As TATA is the largest producer of coffee in India so it is a worthy partnership for both of the companies with respect to the product.

**Questions on Price**

**Q1:** What is the most expensive coffee that Starbucks in CP sells?

**A1:** Caramel Java chip venti -350   
Caramel Java chip venti -350 is the most expensive coffee that starbucks in Cp sells

**Q2:**What is the least expensive coffee that Starbucks in CP sells?

**A2:** Caffe Americano is short is the least expensive coffee that starbucks in CP sells.

**Q3:** Which of the following pricing strategies does Starbucks follow? Justify your answer.

* Economy pricing strategy
* Penetration pricing strategy
* Skimming pricing strategy
* Premium pricing strategy

**A3:** Aside from inducing people into buying Starbucks to experience more than just the commodity, Starbucks employs “the premium pricing” and “price skimming” strategies to increase their profits. Starbucks targets consumers with lower price elasticity for demand. Like on the case regarding China and Russia, Starbucks is considered as luxury goods, associated with Western influence and a chic lifestyle. By creating a more loyal consumer base, Starbucks “captures consumer surplus from consumers with a willingness to pay a higher price.” The loss in sales due to the increase in price is usually a lot less than the increase in profit margin from higher rates. Also, Starbucks increases the price of a tall latte, for example, to motivate people to upgrade. This also helps increase their profit margin.

**Questions on Place**

**Q1:** How many cities in India have at least one Starbucks store?

**A1:** As of April 2021, Starbucks operates 219 outlets in 24 cities of India i.e. 24 cities in India has at least on starbucks.

**Q2:** What is the total number of Starbucks stores in India?

**A2:** As of April 2021, Starbucks operates 219 outlets in 24 cities of India

**Q3:** Which cities in India tend to have a Starbucks store? Why?

**A3:** The company opened its 200th store at Amritsar, Punjab on 22 October 2020.[34] Starbucks entered into Madhya Pradesh in 2021 by opening 3 stores in Indore and Bhopal with further expansion plans in Indore.[35] Starbucks is also going to enter Rajasthan by opening 2 Stores in Jaipur in 2021.

**Q4:** Mention an innovation by Starbucks with regard to its store strategy.

**A4:** Store design, or brand localization, is just one of the creative ways Starbucks connects with its customers, integrating local aesthetics into each of its stores. The company's design studios are strategically located so that designers can better understand their communities.

Like in Vietnam starbucks faced some criticism as Vietnam is the second largest coffee producer and there were many small local coffee shops and local sellers but The Company offers a welcoming atmosphere to many young white collars, college students as "a home away from home". Starbucks became a fashion symbol in Vietnam in just a few years; it translates more than coffee, but brand and culture. Many young white collars, university students like to spend time in coffee shops and are passionate about the environment that Starbucks creates where they can work, read, browse the Internet. A study was conducted on Starbucks's regular customer’s reveals that they have a unique cultural experience with the company . Starbucks' corporate culture emphasizes and shows interest in people.

**Q5:** What are some partnerships that Starbucks has entered, from the point of view of the place?

**A5:** In January 2011, Starbucks Corporation and Tata Coffee announced plans to begin opening Starbucks locations in India.[8] Despite a false start in 2007,[9] in January 2012 Starbucks finally announced a 50:50 joint venture with Tata Global Beverages, called Tata Starbucks Ltd., which would own and operate outlets branded "Starbucks, A Tata Alliance".[10] Starbucks had previously attempted to enter the Indian market in 2007. Starbucks did not cite any reason for the withdrawal. So they make an alliance with TATA in India to enter the Indian market.

**Questions on Promotion**

**Q1:** What is the primary means of promotion for Starbucks?

**A1:** Starbucks uses a large variety of channels to market their product from social media to TV spots and ads. It's their mix of marketing media that makes their brand recognizable, and it's the consistent message that comes across every time that makes them stand out.

**Q2:** How does Starbucks go about executing its primary means of promotion?

**A2:** The Starbucks has adopted a brand differentiation strategy through product uniqueness and product differentiation in order to promote its products. Starbucks has used innovation in its products and services in order to gain competitive advantage in the market. My favorite one is when we go into the starbucks and order a coffee they ask you if you like to have your name on the cup and they usually write the spelling wrong by intention so that people will click a picture and post it over social media giving them a free promotion all over the internet targeting the teenagers especially.

**Q3:** What is meant by ‘Third Place’ in the context of the marketing strategy of Starbucks?

**A3:** The case discusses the evolution of US-based coffee café chain, Starbucks Corporation (Starbucks), into a 'third place' where people could enjoy and spend quality time. Inspired by Italian culture, Howard Schultz (Schultz), the CEO of the company, developed Starbucks into a perfect 'third place'.

**Q4:** What is meant by ‘Fourth Place” in the context of the marketing strategy of Starbucks?

**A4:** Starbucks has always aspired to be the quintessential “third place,” giving people another place to settle in apart from home and work. During the company's annual meeting with shareholders this morning, executives talked frequently about the company's role in the “fourth place” — a.k.a. the digital world.

**Questions on People**

**Q1:** What are the primary target customer segments for Starbucks?

**A1:** Starbucks„ main target market is men and women between the ages of 25-44, which accounts for almost half (49%) of its total business. Young adults, aged 18-24, are the next large group that Starbucks targets. They bring in about 40% of Starbucks' sales.

**Q2:** What is the connection between the target customer segments for Starbucks and its choice of price and place?

**A2:** Target Marketing for young adults (aged 18-24 ) Starbucks target this group through the growth of technology and innovative ideas.  Starbucks positions itself as a place college students can hang out, study, write papers, and meet people.

Target Marketing for Men and Women (aged 25-44) Starbucks targets this group by offering certain drinks that appeal to them.  Starbucks targets this group creating the “third place” to go to between home and work by creating this unique and relaxing “experience” and “atmosphere” as customers within this range tend to have high income and professional careers

**Q3:** What are Starbucks employees called?

**A3:** Starbucks calls their employees partners because they believe they are all partners in shared success. They make sure everything we do is through the lens of humanity—from their commitment to the highest-quality coffee in the world, to the way they engage with their customers and communities to do business responsibly.

**Q4:** Mention an innovation by Starbucks with regard to its employee training.

**A4:** Employees at Starbucks in India were given highly structured classroom and practical training, followed by addition product-specific and refresher workshop. An employee referral program was implemented. Outreach to nongovernmental organizations (NGOs) was initiated to hire, train, and retain employees with special needs.

Starbucks corp may brings a modified version of its education assistance program to India, in a move that could help retain local talent while serving on hiring and training costs.

**Questions on Physical Evidence**

**Q1:** How does the Starbucks store layout contribute to its marketing strategy?

**A1:** They use bright, loft-like, light-filled spaces punctuated with regionally inspired furniture and culturally relevant fabrics to create a calm and contemporary respite from the clamor of the fast-paced world. Concept stores are unique environments created by our designers to explore innovations within the coffeehouse. This tends to connect their customers from their regional atmosphere and attracts them to spend some time over there. The layout design of starbucks cafes maximizes workflow efficiency. It also supports a warm and friendly ambiance to match the company organizational culture, starbucks prioritizes customer experience over space utilization.

**Q2:** What is the Starbucks logo?

**A2:** The Origins of the Siren

The double-tailed mermaid appears to be a reference to an Italian medieval character Starbucks has claimed as “Norse”–but in any case, the imagery, born from a maritime book, inspired its founders to make her the logo of the Seattle coffee shop.

**Q3:** Has the Starbucks logo evolved over time?

**A3:** Yes, Starbuck’s logo has gone through two previous shifts, most dramatically in 1987, when Starbucks turned a brown woodcut into a green and black image. It dropped "tea" and "spices" from the text and changed the siren from a 16th-century Norse woodcut to a more stylized black-and-white graphic.

**Q4:** Can the Starbucks app be considered part of physical evidence in the 7 Ps framework? Justify your answer.

**A4:** Yes it can be considered as a part of physical evidence in the 7ps framework, as Physical evidence refers to everything your customers see when interacting with your business. This includes: the physical environment where you provide the product or service. The layout or interior design. Your packaging and the app for fits the condition of physical evidence. Customers can buy or somewhere order the coffee using the application.

**Questions on Process**

**Q1:** What is the process improvement philosophy that Starbucks adopted a decade ago to improve its productivity?

**A1:** So, lean Six Sigma implementation ensures Starbuck's success. It was introduced in early 2000.

**Eight Steps to a Successful Lean Six Sigma Implementation**

* Step 1: Create a Burning Platform.
* Step 2: Put Resources in Place.
* Step 3: Teach the Methodology.
* Step 4: Prioritize Activities.
* Step 5: Establish Ownership.
* Step **6**: Take the Right Measurements.
* Step 7: Govern the Program.
* Step 8: Recognize Contributions.

**Q2:** What are some of the key metrics that Starbucks uses to measure in-store productivity?

**A2:** Some notable productivity measures in the company are as follows:

* Average order filling duration (Starbucks café productivity)
* Weight of coffee beans processed per time (roasting plant productivity)
* Equipment repair duration (maintenance productivity)